ALTEN

Annual Report 2009

Technology Consulting and Engineering

Annual Report

Business Report
2009

This document and the corresponding financial report constitute the ALTEN reference document for the 2009 fiscal year.
It was submitted to France's Autorité des Marchés Financiers (financial market authority) on 27 May 2010 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 Regulation 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 2008, along with the relevant reports prepared by the Statutory Auditors and presented on pages 136 through 201 of the reference document no. D.09-0473 filed with the Autorité des Marchés Financiers on 3 June 2009;
- 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.

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

BUSINESS REPORT

I - GROUP GOVERNANCE

Message from the Chairman

Simon AZOULAY
Chief Executive Officer

From the first half of the year, ALTEN has withstood one of the most brutal economic crises on record.

The Alten Group, strengthened by an excellent 2008 (20% mainly organic growth), had almost 13,000 employees as of January 2009, 88% of which were top-level engineers. 2009 was marked by the effects of the economic crisis, which has had a devastating effect on the Engineering and Technology Consulting (ETC) market since January.

Numerous projects were delayed or even cancelled, primarily in the Automotive sector. On the other hand, the Alten Group was able to maintain or even expand the bulk of its business in other sectors such as Aeronautics, Energy, Rail and Services.

In spite of the crisis and the resulting difficulties, several customers have increased their price pressure, further destabilising our already fragile market.

Acquisitions completed early in the year enabled us to record a slight 1.3% increase in sales, i.e. 857.1 million euros, despite the crisis and the October closure of the Idestyle subsidiary. Business fell by 9.5% on a like-for-like basis.

The Group strengthened its international presence, which now represents more than 30% of its sales thanks to acquisitions completed in Italy and Scandinavia.

Improvement in operating margin in the second half of the year

Following significant efforts made throughout the first half of the year (in which ALTEN recorded an 88.5% activity ratio, the weakest in its history), business stabilised during the second half of the year. Reactive management in response to this intense crisis affirmed the Group's ability to adapt in a challenging environment and the appropriateness of its position.

ALTEN improved its operating margin during the second half of the year: from 6% during the first six months to 9.6% in the second six months. Assistance measures and training for engineers without projects, a drastic cut in operation costs, a reduction in the number of consultants between contracts and aggressive management of salary scales helped to improve the margin.

An organisation ready to confront changes in the market

The activity ratio is under control, enabling the Group to approach 2010 with confidence. Now more than ever, ALTEN appears well-positioned to meet the needs of its customers.

In order to better support customers in their need for project globalisation, ALTEN has strengthened its Technical Division and launched a quality plan (CMMI) and project management tools.

The ALTEN Group remains the European leader with more than 10,000 engineers and consultants. More than 40% of its business is carried out through integrated projects and work packages, managed directly by its supervisory teams, often at its own facilities. The ALTEN Group is now the main European player providing "Integrated Projects and Work Packages".

In conclusion

Strengthened by its well-managed business, its properly adapted organisation and a slightly improved start to 2010, the Group is in proper "working order" to benefit from the coming recovery.

Our managers, our engineers and consultants and our functional departments have demonstrated unbridled commitment and tremendous effectiveness in managing this unprecedented crisis. They are confident, ready to calmly face new challenges in the future and to support the relaunch of the business.

ALTEN's financial position and its almost total lack of debt will enable it to grasp new, targeted opportunities for external growth in total peace of mind.

Many opportunities for growth still remain, both in promising sectors such as Energy, Infrastructure and Electric Automobiles and in geographic regions with strong growth potential (Germany, the Benelux region, Scandinavia, Asia, etc.) where the Group still lacks a strong presence. In addition, the systematic reduction of the number of listed suppliers among major clients should further ensure natural growth opportunities.

I remain especially confident in the relevance of our packages' position and the strategy we have implemented. The ALTEN Group, armed with its capacity for growth and margins which are once again satisfactory, will expand its position as the European leader in the Engineering and Technology Consulting (ETC) market.

S. Azoulay

1.2. The Board of Directors and the Executive Committee

Simon AZOULAY

Gérald ATTIA

Members of the Board of Directors

Simon AZOULAY
Chief Executive Officer

Catherine BEHAR
(married name, AZOULAY)
Director

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

Members of the Executive Committee

Simon AZOULAY
Chief Executive Officer

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

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 implementation.

During 2009, the Board of Directors examined and approved the 2008 financial statements and the provisional management documents, approved four acquisitions and corporate restructurings, examined and authorised financial press releases, decided on compensation for company officers, delegated authority to the Chief Executive Officer to issue guarantees, bonds and sureties under certain conditions and limitations, and authorised one project to form a jointly-held company within the scope of a partnership.

Following the 1 February 2010 decision of the Board of Directors, ALTEN will henceforth consult the Middlenext Corporate Governance Code for small and mid-cap companies issued on 17 December 2009 (hereafter, the "Reference Code") in connection with implementation of its governance, replacing the AFEP/MEDEF code of corporate governance for listed companies dated December 2008. The Middlenext code is available on the Middlenext website at www.middlenext.com.

The Board of Directors has started a process to gradually achieve compliance with the recommendations of the Reference Code.

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 Combined General Meeting on 23 June 2009 renewed Mr. Simon Azoulay's term as director for a period of four years. The Board of Directors met at the end of this meeting to renew Mr. Simon Azoulay's appointment as Chief Executive Officer for the duration of his term as director.

Mr. Gérald Attia serves as Deputy Managing Director. This appointment was also renewed by the Board of Directors during its meeting following the Combined General Meeting on 23 June 2009.

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's 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 and before the courts.

The Committees

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


Bruno BENOLIEL


Philippe CARETTE


Hélène GRIGNON-BOULON


Benoît MAISTRE


Pierre MARCEL


Olivier GRANGER


Jean-François GUYOMAR


Fabrice PECQUEUR

Bruno BENOLIEL
Chief Operating Officer
Responsible for Finance, IT Systems and the Legal Department

Philippe CARETTE
Chief Operating Officer
Responsible for Northern and Eastern Europe and Solutions subsidiaries

Hélène GRIGNON-BOULON
Chief Operating Officer
Responsible of Human Resources

Benoît MAISTRE
Chief Operating Officer
Responsible for Techno subsidiaries

Pierre MARCEL
Chief Operating Officer
Responsible for Regions

Olivier GRANGER
Executive Vice President
Responsible for Spain

Jean-François GUYOMAR
Executive Vice President
Responsible for the NTIS Paris Division

Fabrice PECQUEUR
Executive Vice President
Responsible for Belgium, Italy and the Netherlands

The Executive Committee

The Executive Committee, which meets at least one (1) time a month, is composed of the Chief Executive Officer, operational 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 commercial, organisational and growth strategies,
- to analyse its sales and financial performance and determine operational measures to be implemented,
- to monitor ongoing projects.

The Administrative Committee

The Administrative Committee, which meets at least 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 requested to attend meetings of the Administrative Committee.

Its primary missions are:

- to harmonise the Group's communications policy within the various divisions,
- to define its labour relations and remuneration policies,
- to propose to the Board of Directors 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, Executive Committees meet at regular intervals under the leadership of the Division Operational Directors to implement the strategy set by general management.

Corporate governance

The Chairman holds 37.24 % of the Group' capital and 54.39% of its voting rights (directly and through the Société Générale pour les Technologies et l'Ingénierie (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.

ALTEN at a glance

ALTEN’s modes of operation

	December 2008	December 2009
Execution of research on a time-spent basis, in consulting mode	7,420	6,730
Project management	780	800
Work package (project team and dedicated structure)	1,340	1,400
Fixed price package based on detailed specifications	800	810
Near-shore: Poland, Czech Republic, Romania Off-shore: Vietnam	160	160
Total consultants	10,500	9,900

One third of the activity is in structured projects

ALTEN's Position

Information Systems (SIR)

Information systems

- IS Technology
- Payroll, Personnel management
- Purchasing and Logistics
- Finance and accounting
- Sales Management

Systems & Networks Division

- Systems & Networks Architecture
- Operations, Deployment, Facilities Management
- Help Desk

26% of ALTEN Group sales

Technical (Techno)

Research

- Consulting and Programs
- Research and design
- Design facilities

Production

- Commercial production
- Production management
- Production and plants

74% of ALTEN Group sales

1.3. The Group

1.3.1. Positioning

Established in 1988, ALTEN is a group specialising in Engineering and Technology Consulting (ETC) and Information Systems (IS) Technology.

The Group carries out design and research projects for the Technical and Information Systems divisions of major customers in the industrial, telecom and service sectors.

The ALTEN Group's strategic position is based on:

- The core business package: project management, research and design, mainly carried out by engineers
- The "Solutions" package offered by highly-specialised, multi-disciplinary and transnational companies (MIGSO, CISIA, AEROTEC, ANOTECH, AVENIR, CONSEIL, DIXID, PEGASE, WINWISE, etc.)

The European leader in ETC with 11,300 employees in twelve countries, ALTEN remains true to its position in the engineering field which, now more than ever, provides answers to the important challenges of the future.

Global security and risk management, sustainable mobility and high-performance energy … these new challenges are complex and require a systematic approach: they transcend geographic boundaries, decompartmentalise business sectors and generate significant behavioural and technological breakthroughs.

Faced with these challenges, ALTEN aims to support its customers' growth strategies in the areas of innovation, research and information technology services, providing each of them with a customised system to achieve their objectives:

- A local presence in France and abroad
- Flexible support, from consulting to outsourced projects on our premises
- Outstanding engineering consultants in the customer's area of business
- Capitalise on expertise gained through research and experience feedback, developed by the Group's Technical Division

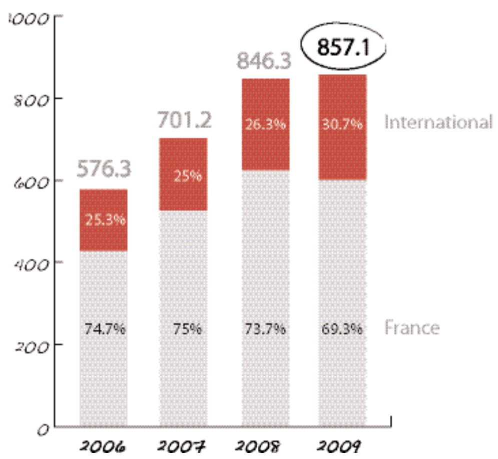
1.3.2. Table of companies

France	Germany	England	Belgium	Spain	India
ALTEN S.A. ALTEN SUD-OUEST ALTEN SI & RESEAUX ALTEN SOLUTIONS	ALTEN AEROTEC ENGINEERING	ALTEN SD PARTNERS ANOTECH ENERGY UK	ALTEN BENELUX ALTEN BELGIUM	ALTEN SPAIN BBR	ALTEN INDIA PRIVATE LTD

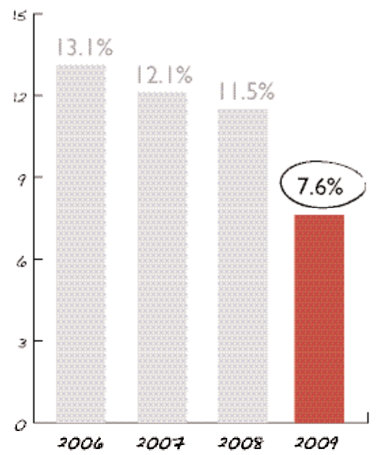
Italy	The Netherlands	Romania	Russia	Sweden	Switzerland
ALTEN ITALIA ONION	ORION ENGINEERING DDA ENGINEERING ALTEN PTS	ALTEN SITECHNO ROMANIA AEROTEC SRL	ANOTECH ENERGY	XDIN	ALTEN CONSULTING ELITYS CONSULTING ASTON

1.4. Key Figures

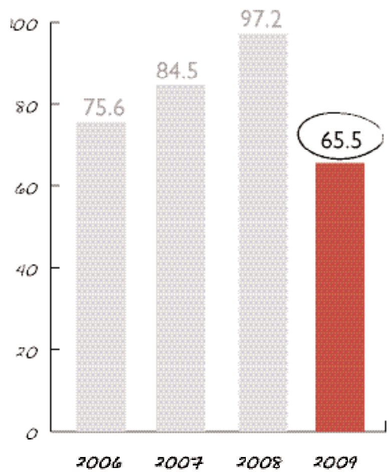
Sales in €M



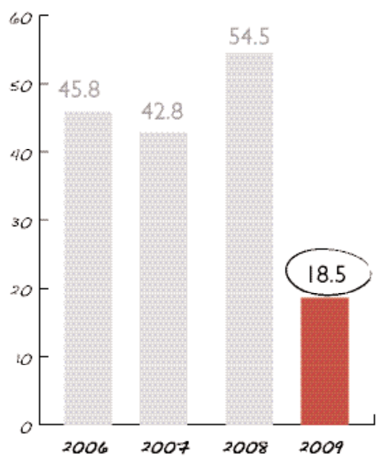
Operating profit on activity as a % of sales



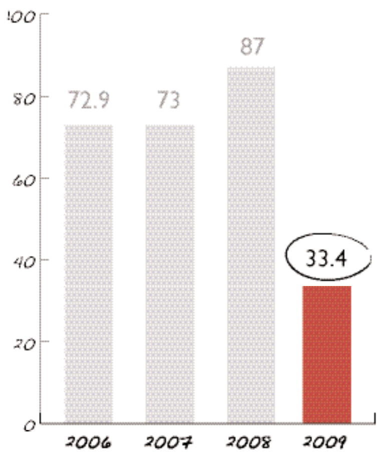
Operating profit on activity in €M



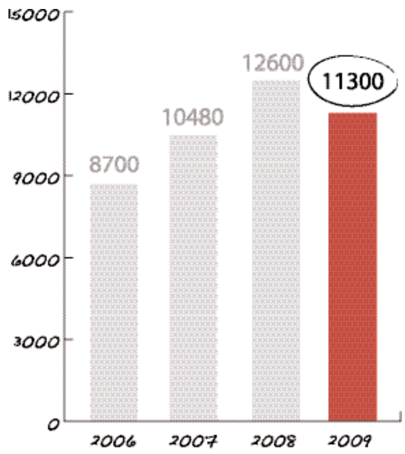
Net earnings, Group share in €M



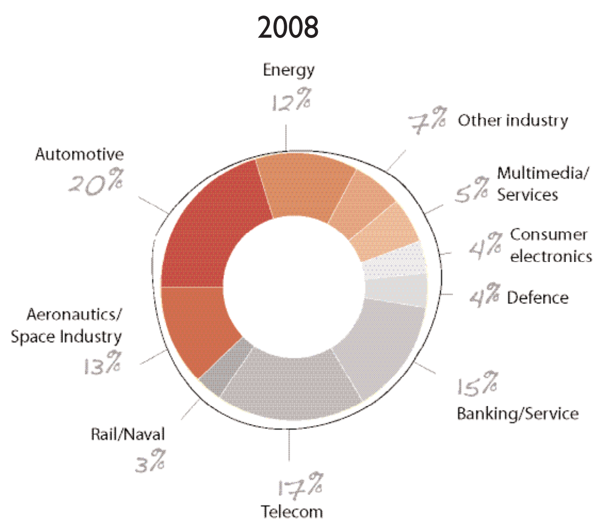
Operating profit after exceptionals €M

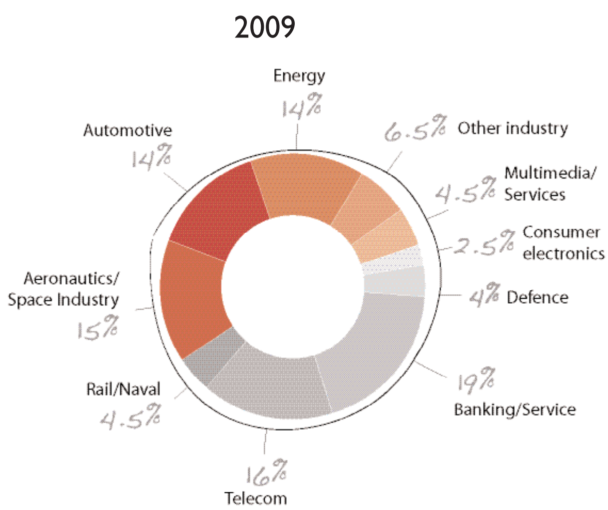


Headcount (end of period)



Breakdown of sales by business sector





2. ALTEN'S POSITION

2.1. Markets

2.1.1. Trends

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 technological 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 more than 15% in Europe, demonstrating customers' desire to refocus on their core businesses.

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

	2008	2009	2010	2011	2012	2013
Technology Consulting (ALTEN's scope core business)	6,004	5,436	5,636	5,916	6,290	6,711
Growth	-	-9.5%	3.7%	5.0%	6.3%	6.7%

Following a dynamic 2008 across Europe, business suddenly declined at the start of 2009. The low point was reached during the second quarter; business stabilised only at the end of the third quarter of 2009.

The automotive and telecom sectors felt the heaviest impact, with a 40% drop this year in the automotive sector as evidenced by the sudden halt of services and programs at certain manufacturers as of 1 January 2009, and by a gradual decline among other builders and manufacturers. This situation led all players in the ETC market to implement short-time work measures in the automotive sector beginning in the first quarter of 2009.

Given this context, our customers' Purchasing Departments pressed their advantage:

- Pursuit of a short-list reduction policy,
- Ongoing price pressures,
- Desire to rely on increasingly globalised packages, mainly through work packages,
- Growth of the Offshore business

The abnormally high number of consultants between contracts led certain ETC companies to adopt a dumping policy, thus damaging the entire profession.

The beginning of the year confirmed a slight increase in activity, though with a weak outlook for the first half of the year in a sector which remains fragmented despite the crisis and the reduced number of listed suppliers.

2.1.2. 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 comprise only 47% of the market (source PAC).

There are three types of players in the ETC market:

- Design firms with a mechanical focus have a significant number of technicians involved in detail engineering and CAD design, most often using a fixed price approach. ALTEN does not have a significant presence in these packages.
- Major generalist companies such as ALTEN, present both in France and abroad, today have sufficient critical mass to provide specific answers in each business sector, involved in both consulting and in integrated/fixed price projects.
- Highly specialised small companies with ever-increasing problems overcoming the supplier list streamlining carried out by their customers' Purchasing Departments, and which therefore become involved as subcontractors or seek mergers with listed companies.

We have also seen the beginning of a convergence of interests between ETC technology engineering companies and industry, which is traditionally more focused on "infrastructure".

During 2009, ALTEN played a significant role in market consolidation, acquiring 3 companies at the start of the year, consolidated as from 1 January, representing 550 consultants and annual sales of €52 million:

- A company specialised in vehicle systems design, engine control and motorisation systems (180 consultants, sales for 2008: €14 million).
- A company specialised in services (220 consultants, sales for 2008: €28 million);
- A company specialised in telecoms and embedded software (150 consultants, sales for 2008: €10 million)

The current market situation should enable ALTEN to continue its targeted acquisition policy in 2010 and enhance its growth through acquisition, especially overseas.

2.1.3. ALTEN assessment and outlook

ALTEN has consolidated its position as the leader in the French Engineering and Technology Consulting market and has continued to gain market share in 2009 as compared with its direct competitors (source PAC).

However, the sudden drop in business has led to:

- A fall to 88-89% of the utilisation rate during the first half of 2009, reduced to 92.5% during the second half due to skill mobility and effective resource management.
- The bankruptcy filing of Idestyle Technologies, followed by its 15 October 2009 liquidation (365 employees, positioned in fields of mechanics and design), highly dependant on the automotive industry.

Expense reduction measures were implemented to adapt to economic conditions and the reduction in business:

- Adjustment of salary costs,
- Review of general expenditures and renegotiation of main contracts, reduced number of offices, reduction in HR communication expenses.
- Streamlining the organisation by merging Paris IDF (Alten Techno and Gist within the Paris TECHNO Division, with implementation of a segment-based organisation) and Spanish companies.

ALTEN also undertook significant changes in 2009 to fully benefit from the recovery once programmes were restarted:

- Establishment of a transnational aeronautical engineering organisation at the operational level, mainly involving the Toulouse – Hamburg corridor along with Spain and the United Kingdom. This organisation aims to enhance our presence in translational work packages and to ensure they are effectively carried out.
- Consolidation of the Development departments under the responsibility of the Deputy Managing Director (Department of Commercial Coordination, Integrated Projects Department), to achieve a more comprehensive approach to our largest accounts in all areas of commercial package development and project execution.
- Deployment of a new ERP at Alten SA, which will enable the Group in 2010 to realise actual benefits in terms of:
  - Data security and integrity,
  - Management, steering and control tools,
  - Business support (manager portal and business supervision).
- Launch of the operational phase for implementing a new CRM In addition, the increased complexity of packages led the Group to:
- Strengthen and organise the Technical Division,
- Capitalise on the business experience and expertise of the top level Project Managers,
- Develop and implement a manager certification process for the sale of integrated projects,
- Develop and structure an Operational Marketing Division

All of these tools, processes and methods aim to:

- accelerate the Group's international expansion through targeted acquisitions,
- Capitalise on business expertise by business sector to affirm ALTEN's position as a leader in Integrated Projects (work packages)
- Confirm the improvement in operating margins which started during the second half of the year

2.2. Packages

2.2.1. Summary

ALTEN strives to enable its customers to design, develop and launch their new products under optimal Quality, Cost and Delivery conditions, and to increase company performance by improving its information systems. Our core business focuses on two areas which frame the packages we provide our customers:

- Engineering and Technology Consulting, which involves the design, development and commercial production of new products and systems.
- Information services and networks, related to installation and restructuring of information systems and service platforms.

Each package relies on a network of pooled solutions available to the entire Group, and specialised either through narrowly-tailored, high value-added technological expertise, or through cross-disciplinary businesses that guarantee achievement of Project objectives and the product's operational performance over its lifecycle.

Our mastery of various engineering disciplines leads to our involvement across all industrial, public and service business sectors in cross-disciplinary issues:

- Overall security and risk control: security of IT services, financial processes, energy production sites, public sites (biometric systems), communications, waste treatment processes, aviation systems and so forth
- Sustainable mobility: optimise management of on-board energy for transport systems (trains, airplanes, etc.), control of hybrid and electric power packs, design and oversight of telecom infrastructure, lighter structures due to new materials, etc.
- High-performance energy: optimise and develop energy production sites, environmental reporting
- Quality of life and consumer services: design of mobile services, optimise products and user interfaces through ergonomic studies, develop ticketing systems

Avionics systems

Energy management

Supplier management

Network convergence

Mobility solutions

Risk control

Mobile services

Project management

Project management assistance

Applications development

Project supervision

Technical consulting

Engine control

2.2.2. Types of operations

ALTEN maintains a broad palette of operating methods in order to offer highly customised solutions to each of its customers, mainly based on two parameters:

- Level of commitment (resources, results)
- Level of outsourcing: at the customer's site in consulting, project or work package mode, outsourced either in whole, in part or at ALTEN's premises

Based on the agreed-upon approach, ALTEN can operate in different ways:

- Through a "Consulting" approach, by deploying its expertise at the customer's facility under an ALTEN manager's responsibility in the following ways:
  - operationally, through project management assistance, in phases that require a solid understanding of the customer's organisation, challenges and business
  - technically, by strengthening output in the design and research phases or by technical contributions in narrowly-tailored, high value-added fields.
  - through tools, as project management assistance, to strengthen the various aspects of project supervision (planning, quality, cost control, supervision, suppliers, etc.) or to support customers in their efforts to change, through training for example
- Through a project-based approach:
  - through a "work package" organisation, providing customers with business-related skills (technical supervision and project engineers) and logistical resources (facilities, business software, secured links, etc.). This arrangement provides the assurance of an integrated team led by a project manager, with commitment levels defined with the customer.
  - With a fixed price package based on detailed specifications, using a Quality-Cost-Delivery approach based on specifications setting forth technical requirements and expected deliveries. Under the responsibility of the Technical Department, a project team under the supervision of 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, including delivery milestones and acceptance testing.

ALTEN currently conducts nearly 40% of its business in "Project" mode. Depending on the challenges faced by its customers, ALTEN can:

- establish complex project organisations as part of transnational projects, with a given project requiring greater coordination by several customer R&D teams in various countries.
- provide one of its offshore solutions during certain phases of the project (see the "Offshore system" chapter)

The Eragny Delivery Centre

The Eragny Delivery Centre is located in an area close to an important Defence sector customer and is owned by ALTEN. It has 75 workstations located within three secured areas, enabling three platforms for different customers to co-exist in completely separate environments.

The Delivery Centre currently houses a team of consultants working on complex programmes to retrofit fighter aircraft and military helicopters.

One of this Delivery Centre's key objectives, which were extended during 2009, is to allow the creation of a capabilities centre dedicated to software development for the aeronautics sector.

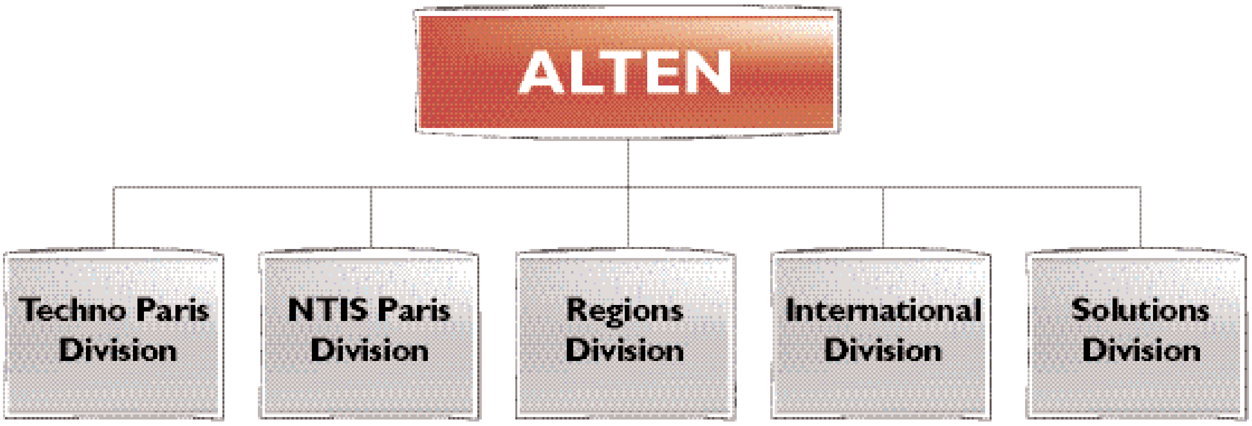
Star Park in Toulouse

Since 2007, Star Park has been located in the Toulouse airport services area, a short distance from major customers in the aeronautics sector.

Fully secured, the building has 300 workstations and houses ALTEN Group teams operating in work package mode.

A precursor to commercial production under a work package arrangement, ALTEN provides a high-performance solution to its customers' integrated project outsourcing needs through its Starpark infrastructure.

2.2.3. Presentation of the 5 divisions



The ALTEN Group's offers are provided through five operational divisions which, in close coordination with DDPS (Structured Projects Division) and the DCCD (Development and Commercial Coordination Division), aim to expand the business and carry out projects assigned to us by our customers.

It is made up of:

- *a core business offer, focused on project management, research and design*
- *a specialised offer, launched by cross-disciplinary and translational companies, focused on technological expertise and extremely precise businesses positioned across the Product's entire development cycle*

The packages

General package in Engineering and Technology Consulting, and Information Systems and Networks

TECHNO PARIS DIVISION

2009 Sales: €149.7 million

Number of consultants at the end of 2009: 1850

The Techno Paris division is involved in the design, development and commercial production of products and systems in the Aeronautic, Space & Defence, Energy & Life Sciences and Ground Transportation, with strong expertise in engineering systems, on-board electronics and real-time software, mechanics, control and command, electricity and process engineering.

Major structural actions were undertaken in 2009 in response to the crisis:

- Merger of ALTEN Techno and GIST, and finalisation of a segment-based organisation to better respond to our customers' business needs
- Training initiatives and plans to adapt automotive consultants' skills so they can be reassigned to projects in other business sectors
- Development of new indicators to anticipate sectoral changes and manage resources
- Development of packages and work package expertise in all business sectors

Finally, the division is supported by the Group's consultant evaluation programme, which allows it to supply experts to its business/sectoral service sectors such as the one in Eragny.

These organisations and tools enable the division to strengthen its effectiveness in both management and growth.

In addition, significant efforts were launched to transform our packages, both in terms of positioning in our customers' business sectors and changes in support methods, with a view toward greater responsibility and transfer of expertise with regard to productivity (implementation of work units and development of service centres).

NTIS PARIS DIVISION

2009 Sales: €177 million

Number of consultants at the end of 2009: 1730

The NTIS (Networks, Telecom and Information Systems) Paris division supports all industrial and service sectors through several packages:

- Installation and restructuring information systems to optimise industrial performance, business processes and management and customer relations
- Design and operate IS and Telecom infrastructure
- Business solutions for the Banking, Finance and Insurance sectors, particularly in the fields of security and risk management

ALTEN NTIS operates in both consulting and project-based modes.

- Banking/Finance/Insurance: ALTEN NTIS is involved in retail banking, asset management and finance and investment banking (Front, Middle and Back Office). ALTEN NTIS consultants capitalise on both technical and functional skills and work on high value-added projects with the largest French and European companies.
- In the Telecommunications field, ALTEN NTIS supports:
  - Operators in designing and providing connection services to their customers, both the general public and businesses, at every level of the value chain: access network (fixed and radio), core network, transport network (optics and radio), service platforms and IS infrastructure (CRM, Billing, etc.)
  - Builders and manufacturers throughout the product design and manufacturing cycle as well as their systems integration businesses.
  - Services and media suppliers in the creation, distribution and invoicing of content-based services.
- Industry and Services: ALTEN NTIS works with the main players in the Energy, Automotive and Media sectors.

The Networks, Telecom and Information Systems businesses also operate regionally and overseas, especially in the Benelux region, Spain and Italy. In this regard, during 2009 ALTEN NTIS expanded its cooperation with other Group divisions to provide them with support in their local expansion (e.g. Xdin in Sweden for a Telecom builder) and to establish

customised support to support the growth of major accounts (e.g. ALTEN Regions, also for a Telecom manufacturer).

In 2009, efforts were made to formalise specialised packages (mobility, product validation, user support, development centre and TMA, Oracle administration, etc.) which will enhance the clarity of the division's position in 2010, the implementation of dedicated customer organisations to enable all the division's packages to be offered and make ALTEN NTIS the preferred industrial partner for our major customers.

INTERNATIONAL DIVISION

2009 Sales: €263.4 million

Number of consultants at the end of 2009: 4,025

Present in 11 countries, particularly in Germany, the Benelux region, the Netherlands, Spain, Italy, Sweden and the United Kingdom, the division is continuing to grow in key European countries and supports customers in their efforts to access new markets.

30% of ALTEN's current business takes place overseas (see the chapter dedicated to this subject).

REGIONS DIVISION

2009 Sales: €165 million

Number of consultants at the end of 2009: 2000

Organised around 5 regional areas (West, Northeast, Rhône-Alpes, PACA and Southwest) and 12 geographic locations, the Régions division deploys all of the Group's packages and ensures full converge of the industrial and service sectors outside of the Paris region.

It provides customers better responsiveness through closer proximity and a better command of local requirements, ensuring a close relationship with other Group entities.

The results for 2009 varied according to region, with a strong correlation to business sectors present in the geographic regions:

- Business in the Southwest region (Toulouse / Bordeaux), with a strong emphasis on aeronautics, remained steady. ALTEN capitalised on its E2S listing to consolidate its position within EADS Group subsidiaries, especially Airbus and Eurocopter. The issue to be addressed, however, was not regional or even national. Rather, it was a cross-border challenge with the need to be positioned as a global partner in several countries, especially France and Germany. Operational entities were established between ALTEN Southwest (Toulouse) and Aerotec Engineering (Hamburg) to strengthen effectiveness of the work packages assigned by Airbus.
- The PACA (Southeast) region was supported by national listings secured by the Group to develop its positions in the energy sector.
- The Rhône-Alpes / East region suffered the impact of the automotive crisis, but diversified its positions into new business sectors such as life sciences, with promising potential for growth during 2010.
- Finally, the West region was battered by the crisis in the telecom sector and used 2009 to begin deployment of the CMMi process, which will enable its Rennes centre to benefit from the recovery once programmes restart. Pathways were established with the Techno Paris and NTIS Paris divisions to more effectively address the major telecom companies, operators and manufacturers, along with the multimedia and digital television sectors.

The packages

The Group's specialist companies: ALTEN Solutions

SOLUTIONS DIVISION

2009 Sales: €102 million

Number of consultants at the end of 2009: 1,100

This division includes subsidiaries which specialise in high value-added, narrow technology fields (i.e., control laws, Microsoft technologies) or in cross-disciplinary businesses to ensure achievement of project objectives and operational performance of the product throughout its lifecycle (e.g.: project management, ergonomics, documentary engineering, training).

These multi-disciplinary and multinational solutions are independently expanding their business in coordination with the Group's Development Department, and are also involved in supporting all Divisions in certain projects.

ANOTECH ENERGY

Anotech Energy is involved in all businesses related to the design, installation and operation of extraction and energy production sites, mainly in the Oil and Gas sector but also in Petrochemistry and other Energy sectors (Nuclear, Electrical Infrastructure, Water and Environment, Renewable Energy, etc.).

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.

Its consultants currently work in more than 37 countries across 5 continents, including Scotland, Norway, Angola, Nigeria, South Africa, Russia, Kazakhstan, South Korea, the Middle East, Brazil, etc.

During 2009 ANOTECH Energy substantially restructured and diversified into energy sectors outside of Oil and Gas (core business), which in 2010 should lead to the establishment of new facilities in the Middle East and in South America.

The packages

Oil and Gas Projects

Microsoft Expertise

Documentary Engineering

Training

Program management

SAP

AVENIR CONSEIL FORMATION

Avenir Conseil Formation specialises in intra and inter-company training, project management and support in the fields of CAE (computer-aided engineering covering the areas of PLM and CAD), management and communication.

Businesses include:

- 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

Areas of operation:

- Fundamentals of job productivity
- Customised for customers' information systems
- Customised for internal applications and technologies

Despite the crisis, during 2009 Avenir Conseil Formation won two significant contracts from French manufacturers, one of which is in the field of worldwide CAE product/process support. Nevertheless, circumstances have accelerated the process of diversifying into new business sectors, with the goal of becoming the preferred supplier of two new major accounts in 2010. A partnership with a leading publisher in the PLM field was also strengthened.

B2i AUTOMOTIVE ENGINEERING

B2i Automotive, which integrated into the Group in 2009, mainly operates in the outsourced R&D segment in the on-board systems field.

With recognised expertise in on-board control systems for electric, hybrid and thermal (diesel and gasoline) power packs, B2i carries out more than 70% of its business in its design facilities, and 30% through technical platforms/technical support.

Its package is based on strong "business" capitalisation and a highly industrial approach:

- Systems Engineering
- Control and development
- Software
- Validation engineering
- MIL, SIL, HIL validation tools and methods

Its businesses rely on engineering science such as applied physics, automation, electronics, software and mechanics. Support provided by ALTEN Group enables B2i to deploy its package in Europe, especially through collaboration with the German subsidiary, ALTEN GmbH.

Its R&D activities are conducted on its own account and/or "assisted" as part of projects labelled by competitive clusters. It is based on the development of internal strategic projects and implemented with new tools and methods that stand out from the market.

By way of example, "plant to be validated" was created to handle major validation activities outsourced to our design facilities. This concept establishes ongoing improvements, generated from recurrent operations, offering quality assurance and genuine gains in productivity.

CISIA INGÉNIERIE

CISIA Ingénierie is a market leader in:

- document engineering and technical publications
- maintenance engineering and logistic support
- risk control.

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

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

Whether the need involves an educational or methodological issue and/or relates to the actual completion of a project, CISIA Engineering applies skills and resources adapted to the needs of its customers. Its experts in various disciplines help Project Managers, who are well versed in participatory management methods, to coordinate multidisciplinary teams with specialties in each area of activity.

CISIA Ingénierie's business mainly concerns the Aeronautics, Defence, Naval and Energy sectors, with approaches that are almost exclusively fixed price / service contracts (establishment of work units) that can include a significant offshore component.

MI-GSO

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

This is a very high value-added, narrowly-tailored 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, and currently holds key positions in the aeronautics sector.

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.

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.

The severe crisis in the automotive sector at the beginning of 2009 placed MI-GSO in an unprecedented situation which accelerated its diversification in the Energy, Telecom and Rail sectors. It maintained its listings with its major automotive and aeronautics customers.

Its geographic (France, UK and Germany) and industrial (Aeronautics, Space, Defence, Energy, Automotive, Rail, Telecom) positions provide an outlook for future growth in 2010 with regard to the start of significant projects, despite continued economic strains and reduced visibility.

WINWISE

Winwise provides expertise in advanced Microsoft technologies.

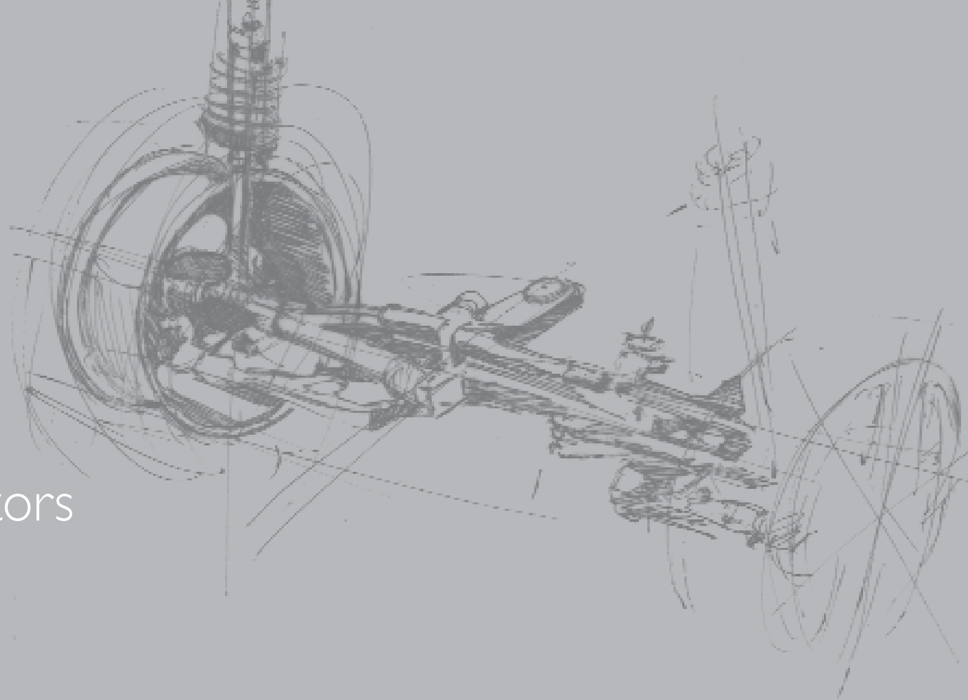
Its customers include the research departments of major Groups and innovative companies seeking a competitive advantage using the latest Microsoft design and development technologies.

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,
- Be certain that design choices will enable them to achieve their objectives with minimal specific developments and maximum upgradability,
- 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.



2.3. Business Sectors

2.3.1. Automotive

During 2009 the automotive industry invested more than 30 billion euros in R&D in Europe, including nearly 5 billion in France, making it by far the number one sector ahead of telecommunications and the pharmaceutical industry, and the most important customers for engineering companies.

It is also the sector most deeply impacted by the 2009 crisis, leading to nearly 5,000 lost jobs in ETC companies, along with short-time work measures and the need for many consultants to adapt their skills.

Certain areas (engines, pollution control, dependability) showed some signs of recovery by the end of 2009, which has been affirmed in 2010.

New challenges have merged for manufacturers, such as the entry of hybrid vehicles into the market, the development of electric engines and adaptation of new pollution control standards (Euro6 standard) Their innovation strategy is based on four main issues: safety, environment, on-board experience and dynamic performance.

Both manufacturers and equipment suppliers have considerably streamlined their supplier lists, some of whom have set a goal of 3 suppliers per business segment. It leads to centralised purchasing methods with negotiation of bundled rates.

While equipment suppliers still favour technical assistance, manufacturers demonstrate high demand for globalization and give partners significant responsibility for projects. Engineering companies' ability to take charge through comprehensive project packages in business segments is now a decisive factor.

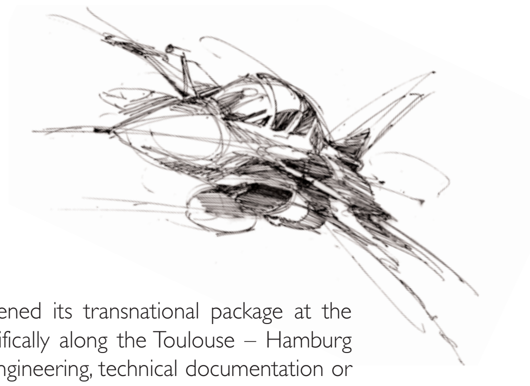
The movement of ALTEN's packages to project-based modes accelerated during 2009, through integrated packages and an ever increasing level of commitment leading to the establishment of several platforms, most of which are located on customer premises and which are outsourced for the others.

ALTEN's business package was further strengthened by the January 2009 acquisition in France of B2i Automotive Engineering, specializing in the design of vehicle systems such as engine control, motorisation systems and on-board software.

Overall, nearly 1,500 consultants are mobilised within our subsidiaries, mainly along the France – Germany – Sweden corridor, focused on mechanical research and design (structure and interiors), engine control and gear box, and CAD/CAE training (Computer-Aided Design and Engineering), which makes ALTEN one of the most significant European players providing engineering services to automotive manufacturers and equipment suppliers.

Examples of projects:

- Flexible and corrective maintenance of On-board Vehicle Software
- Development / series production of diesel engines (2L) and automatic gear boxes (6 gears) in outsourced platforms, integration and validation of engine control strategies and automatic gear boxes.
- Complete development of electrical and mechatronic components for hybrid vehicles: DMTC, 220V socket, etc.



2.3.2. Aeronautics, Defence and Space

The Aeronautics, Defence and Space sector includes nearly 2,000 consultants operating in France, Germany, Spain, the United Kingdom, the Netherlands and offshore countries.

ALTEN works for major builders and manufacturers in this market, enabling it to understand the challenges, master the technologies, tools and methods and develop specific business expertise. The Group is one of EADS' leading partners and holds key positions at SAFRAN Group, Sagem Défense et Securité and Thales.

Well-positioned in the field of systems engineering, ALTEN is able to work on complex systems.

ALTEN's business generally continued to grow during 2009 in a market that slowed but was not as significantly impacted by the crisis as the automotive and telecom sectors. Major purchasing advisors established purchasing and transnational project organisations as well as off-shore structures. Their search for subcontractors is thus moving toward companies with international operations that offer expertise in areas besides technology, and which are able to establish themselves within operating segments. Their partners must be able to demonstrate mature processes (CMMI-type) and be ready to capitalise on their expertise. Faced with strong rate pressures, responses increasingly take the form of outsourced platforms, with responsibilities being delegated to committed partners. The desire to carry out some research in low cost countries is no longer related to cost reduction inasmuch as the need to counter the dollar effect and provide solutions within the scope of the offset market.

2009 was a year of transformation:

- Implementation and deployment of CMMI processes intensified within specialised business "Delivery Centres", run by the integrated projects department, driving productivity and technical innovation.
- ALTEN has established itself within business segments, in consultation with its customers, in order to capitalise on its expertise and project feedback. This process has been supported by a shift in operating methods from consulting towards globalisation and work packages, especially for equipment and systems manufacturers.
- Lastly, ALTEN strengthened its transnational package at the request of EADS, specifically along the Toulouse – Hamburg corridor, whether for engineering, technical documentation or project management activities.

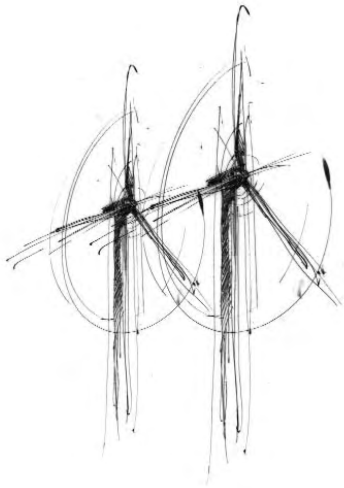
ALTEN has considerable responsibility for a number of work package projects, involving coordination among French, German and British consulting teams at the operational level.

Given today's challenging circumstances, the ALTEN Group's main objective is to maintain its position by basing its strategy on six key points:

- Become an integrated partner,
- Pursue a policy of improving project performance,
- Transform operating methods to favour work packages with multiple levels of engagement,
- Continue to have our delivery centres specialise in operational functions,
- Strengthen cooperation with our major customers at all sites in France and abroad,
- Expand our participation in competitive clusters and with laboratories and universities.

Examples of projects:

- Retrofit avionics systems for combat airplanes and helicopters.
- Design the mat prototype for the Airbus A350 XWP programme, part of the structure which attaches the engine to the aircraft wing to conduct flight tests.
- Assembly, integration, testing and launch campaign for a scientific micro-satellite used for solar observation.



2.3.3. Energy and life sciences

The energy sector was among the most dynamic during 2009 and, aside from the economic conditions; as usual it grew more quickly than the French GDP. The average annual growth rate for engineering and engineering studies is estimated at +7.5%. Thus, it provides significant growth potential for ALTEN, which now has more than 800 consultants serving customers in the areas of nuclear power, oil and gas, new energy and life sciences in the broader sense (including pharmaceuticals and health) in France and Spain, and providing local support in various countries, to help industrial customers develop and build their industrial infrastructure.

Major projects, such as marketing of next generation reactors (EPR) and the ITER project create significant needs among major players in the nuclear field (AREVA, EDF, CEA, etc.) in a wide range of businesses.

In the Oil and Gas sector, major companies' investment decisions are directly related to the price of a barrel of petrol, on which major oil exploration projects depend, at an ever greater distance. ALTEN supports purchasing advisors on research and international engineering projects and in 2009 established a presence in Russia through its ANOTECH Energy subsidiary to support industrial customers in their exploration and exploitation of major oil fields.

New forms of energy lead to technologies and new regulations. This sector, along with Water and Environment and Pharmaceuticals/Fine Chemicals, is very promising and represents a key challenge for ALTEN. The Spanish subsidiary has gained solid feedback from wind energy systems engineering.

in 2009, ALTEN has had several important successes, in particular:

- Signing the AREVA Apte 2 framework agreement and several framework agreements in the pharmaceutical industry
- Completion of ALSTOM fixed price contracts
- Formalisation of a partnership with INGENICA/PHOEBE
- Establishment of a preferred partnership with SOFINEL/EDF

Objectives for 2010 are ambitious but must be consistent with changes in the market environment: rumours concerning the reshaping of the nuclear landscape, redirection of government strategies concerning the environment and sustainable development … issues likely to have a significant impact on customer needs in the coming months.

The Energy division's challenges and strategic issues are:

- To strengthen our presence in the nuclear industry cycle, and in the engineering cycle,
- To consolidate our knowledge of regulatory limitations,
- To develop greater proximity to our customers
- To increase outsourcing of business.
- Develop our package, through synergies with Ingenica which enable ALTEN to position itself on turnkey projects.

Examples of projects:

- Water treatment: mechanical – rotating machines. Design of an industrial water treatment plant in Tianjin (China).
- Oil & Gas: project technical coordination. Development and adaptation of underground storage at Céré-la-Ronde (Aquifer).

- Nuclear: mechanics and civil engineering operation / installation of piping and electricity, polar crane at the EPR reactor at Flamanville 3.

Wind power: Project completion and installation oversight Project oversight during completion of a wind farm

2.3.4. Rail

In recent years, rail transport has emerged as one of the best solutions to issues concerning the transport of people and goods, with a view towards sustainable development and respect for the environment.

International projects have multiplied in a number of areas:

- Modernisation of rolling stock
- Development and placement into service of new equipment
- Opening of new lines, mainly for high speed use and tramways in major metropolitan areas.
- Train station modernisation and development of new services (ticketing, improved customer relations, deployment of WiFi networks, etc.)
- Interoperability of European railway signalling

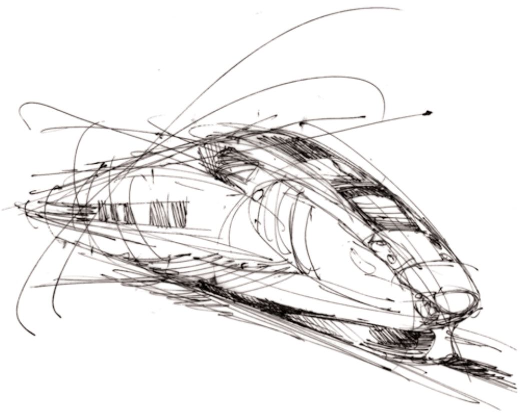
This sector has a wide range of engineering needs: civil engineering for train station infrastructure construction, mechanical engineering for structural design and layout of locomotives and passenger trainsets, on-board telecom and IT for the exchange and processing of signalling data, IT for information processing and development of user interfaces, etc.

ALTEN supports the main players in the sector (builders, manufacturers, network operators) closest to their R&D centres in France (Ile-de-France, Lyon, East and North regions) and overseas.

Examples of projects:

Electrical studies of an automatic modular transport system on tires, on an outsourced ALTEN platform near the customer's site.

- Design of interior spaces for a high speed train intended for the Italian market.
- Completion of the IT portion of the demo programme for a system to provide assistance to the visually impaired in train stations and rail cars.
- Project management, integration and testing of Dubai metro monitoring systems (video sub-systems, safety, ticketing, traffic, signalling).



2.3.5. Telecommunications

With approximately 1,800 consultants mainly in the Ile de France, the West region, Spain, Italy and Sweden, ALTEN is one of the main players in the TCE and IS markets for the Telecom sector.

Collaboration among the various Group entities intensified during 2009, leading ALTEN Telecom to collaborate with its international subsidiaries to meet customer needs in local markets, especially manufacturers in Italy and Sweden.

The Group works on behalf of operators, manufacturers, service providers and integrators facing overall challenges:

- Reduce costs and harness productivity gains (especially related to the imminent arrival of the 4th telephony operator)
- To be service operators, not only infrastructure operators
- To deploy THD networks (fibre optic and LTE) to support an explosion in mobile data traffic (3G key, mobile data)
- To manage convergence (voice/data, fixed/mobile, services)
- To innovate in terms of services (e.g. operating system and mobile applications)
- To improve customer relations
- To reduce time to market in a highly competitive market

European telecom manufacturers as a whole have been significantly impacted by the crisis (overcapacity, slowdown in operators' investments, competition from China) with little optimism for 2010.

After a difficult start to 2009, the operator market has regained some energy since the 4th quarter of 2009.

Finally, the service supplier market has remained dynamic but fragmented, and is mainly composed of small and medium-sized businesses.

Players in the Telecom sector have significantly reduced their supplier lists, some of which have been reduced to fewer than 10 companies. This phenomenon facilitates and accelerates the globalisation process and flat-rate trends in ALTEN's business since 2008.

In terms of positioning, ALTEN is mainly involved in 4 fields and 9 areas of business:

Fields

- Telecom Networks, Voice/Data/IP, Fixed/Mobile/Convergence
- Service and Applications Platforms: Communications, Multimedia Services
- Mobility: Handsets and mobility solutions
- Business communications networks: PBx, VoIP, Unified communications

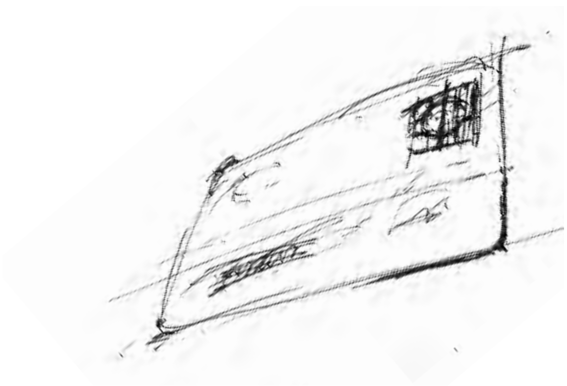
Businesses

- AMOA
- Network architecture and services
- Applications development and services
- Network and handset integration tests
- User experience tests
- Deployment and Production Engineering
- Level 2/3 technical support
- Supervision & Administration
- Training

ALTEN is widely recognised and present among nearly all players on issues related to Qualification/Validation, PFS and value-added services, as well as network administration and oversight (fixed and mobile).

Examples of projects:

- Fixed price: a multi-site ALTEN team (Paris, Toulouse, Grenoble) is responsible for creating and validating technical and operational architectural specifications for customer service platforms, both for internal issues and for the operators' customers.
- Fixed price: ALTEN handles all testing and acceptance for IT applications for the customer's (operators) IT divisions.
- Voice/data support: our teams provide SN1 and SN2 for major OBS customers on three equipment suppliers' projects (operator).
- Involvement in a protocol evaluation laboratory for handsets – enabling development of new businesses based on equipment accessible to multiple manufacturers (operators).



2.3.6. Banking, Finance, Insurance and Social Security

ALTEN has made significant advances in the Banking Finance Insurance (BFI) sector in the past three years, with approximately 1,500 consultants working on customers' business projects and information systems, mainly in the Ile de France but also in various regions, Spain, Italy and Belgium.

The Group's positions are monitored in each business segment:

- In investment banking (capital markets, asset management, investor services, etc.) ALTEN is the French leader in IT and project owner consulting in a highly competitive and fragmented market.
- In retail banking, specialised financial services and insurance, ALTEN is a worthy challenger in the market, which is dominated by large information technology service providers.
- Lastly, ALTEN has shown great promise in the social security field (health/supplemental insurance/retirement).

In an economic environment which has mainly affected the banking sector (the subprime crisis, massive fraud, etc.) but spared insurance and social security businesses, ALTEN has continued to grow by consolidating its various positions. It has retained all of its listings in the banking sector, and has achieved major success in the insurance sector (listings and improved strategic positions, etc.). 2009 was also marked by the launch of new offers (Swift.Net, Risk management, Web, TSA, PMO…) an increase in fixed price packages and major service centres.

ALTEN is positioned as a solid player in this transformation due to the maturity of its model for constantly changing operating methods (ATU, ATG, service catalogue, fixed price). This method is especially well adapted to customers' changing needs at a time when customers are concentrating and streamlining their supplier lists.

Efforts undertaken in 2009 should enable us to continue our growth in 2010 in a market where visibility is still relative, by launching our packages and continuing to develop expertise that addresses specific challenges within the sector:

- Banking: risk management (operational risk, Basel 2, risk management, systemic risk, etc.), SEPA (cash flow and payment platforms), multi-channel approach (remote banking, etc.), customer loyalty and proximity, innovation
- Insurance and social protection: constantly changing standards and regulatory frameworks (Solvency 2, etc.), changing distribution strategy (development of the internet), development of health and retirement packages to offset the government's ongoing disengagement.

Examples of projects:

- Development of a fixed price package to develop an intranet tool to subscribe for air and maritime transport insurance policies in Java/JEE on the JBoss platform.
- Establishment of a project manager Skills Centre devoted to level 2 operational support across the Savings applications chain.
- Full responsibility for a derivatives trading application project and support for traders and structurers on the trading floor.
- Implementation of a common regulation/securities delivery platform under the aegis of the European Central Bank within the scope of Eurosystem

2.3.7. Public sector and civil service

Civil services and the public sector have experienced extensive changes including:

- support for legislative, demographic, economic and cultural changes,
- improved efficiency of internal operations,
- improve the quality of services provided to citizens by relying on the possibilities available through current technology.

Numerous projects, mainly related to information systems, have been launched at all administrative levels:

- Conversion to a paperless system for services and mobility
- Data storage and use
- Collaborative platforms (e.g. interministerial projects) and interoperability

This sector concentrates significant investments which will enable the government and municipalities to address the challenges of our changing society. In particular, the currently predominant issue of sustainable development involves the study of issues concerning energy savings, environmental protection, use of the latest technologies and mobility. This is demonstrated through legislative changes (Grenelle I & II), outlooks for growth (the "big loan", proposals for "Le Grand Paris", etc.) or through research initiatives (innovation clusters). Disengagement by the government and DDEs implies greater involvement by engineering companies in public sector projects.

Two ALTEN subsidiaries are already positioned for significant operations in this sector:

- ALTEN Spain, which has an excellent position with certain customers such as the Ministry of Justice. Since 2004 it has been one of 30 companies listed in the "Catálogo de Patrimonio" which provides access to the public administration information systems market.

  ALTEN is one of the leaders of this group and has a significant competitive advantage in certain areas of expertise (e.g. Oracle) and in the deployment of products developed exclusively to meet the needs of public administrations.

  The public sector also has a significant number of long-term and high technology projects. In particular, Spain is at the forefront in the field of electronic signatures and the automated and secure processing of information.

  The challenge for 2010 is to address the changing expectations of public authorities, mainly:

  - Reliance on companies with very precise knowledge of fields such as distance database administration and electronic signatures, technologies where ALTEN is well-positioned.
  - Work package and/or fixed price mode, out of a concern for streamlining costs, in which ALTEN is already positioned by reliance on delivery centres (Madrid, Valladolid, etc.).

- ALTEN Belgium also works for the European Commission and for regional governments and public service companies, with a focus on consulting and IT/new technology engineering based on 4 areas of expertise: Management & Business, Infrastructure, Integration and Applications Development ALTEN Belgium is especially recognised by public companies for its expertise in Java, Net and Oracle development, and for implementing portals and CMS and SharePoint tools.

Because the missions of the various public sector players are complementary, each customer faces a specific challenge: 2014 regional elections, opening of public services to the European market, compliance with European standards and ISO standards for regions, and providing users with more comprehensive and helpful services and applications.

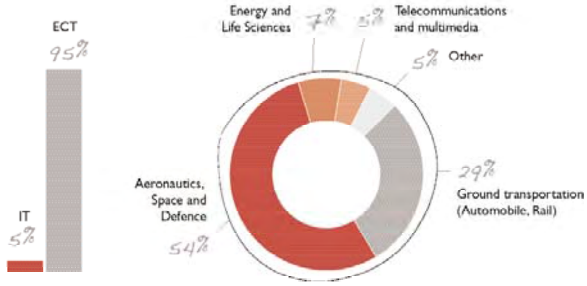
The public sector has remained promising despite the economic environment in 2009. This year, ALTEN Belgium has gained new customers and deployed new packages for its existing customers, particularly in Infrastructure and Testing and in project management. One of the highlights of the year was the establishment of consortiums, co-contracting with complementary market players to address significant European Commission projects.

2010 appears to offer promising opportunities, with significant listings expected with several public sector customers.

Examples of projects:

- Spanish Ministry: operational support for users, judicial, tax and other applications throughout the territory; deployment, operational management, maintenance of information systems and technological platforms, various Ministry delegations.
- Spanish Ministry: development of a file management portal, platform allowing complete on-line transmission between the ministry and companies. One of the first developments following the Public Sector Contract Act on transparency and modernisation of public services, developing the use of electronic signatures and the Internet.

2.4. INTERNATIONAL PRESENCE



2.4.1. Germany

2009 sales: €48.4 million

Number of consultants at the end of 2009: 660

ALTEN is one of the main players in Engineering and Technology Consulting in Germany, whose market is characterised by:

- companies that generally specialise in sectors or technical capabilities, 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,
- a R&D outsourcing penetration rate below that in France, but which is increasing (approximately 15%),
- marked separation between consulting activities and fixed price activities, involving separate purchasing teams and rate policies that may differ within the same customer.

2009 was marked by a notable drop in the market. However, the impact varied widely depending on the areas of business and activities. Likewise, the year showed significant contrasts with a first half marked by numerous project interruptions, with a second part marked by greater project stability, and even a rapid restart among certain customers.

It is important to emphasise that the measures implemented by the German government enabled companies to retain the bulk of their human capital. Thus, they are capable of quickly supporting the current market recovery.

The crisis also led to an enhancement of business packages for most market participants.

ALTEN's package in Germany is the Group's comprehensive package, with projects carried out at both customers facilities on a consulting basis or through a platform, and projects conducted via project management within our development centres.

The Solutions division also has a significant presence, especially through PMO, MI-GSO and technical documentation businesses offered by AEROTEC Engineering.

A leader in the aeronautics sector, ALTEN has a select position among German manufacturers and equipment suppliers in the engine development field, especially developments related to the EURO 6 standard and hybrid engines.

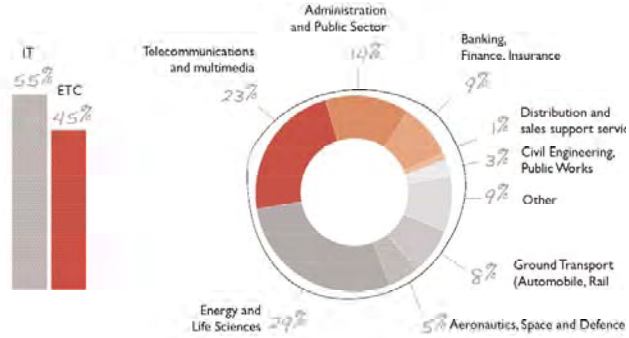
During 2009, ALTEN gained strength in the aeronautics sector and accelerated its diversification in the medical equipment, rail and energy sectors.

Operational entities were also established between ALTEN Southwest and Aerotec Engineering for engineering activities, in order to strengthen effectiveness of transnational work packages assigned by Airbus, mainly along the Toulouse—Hamburg corridor.

An agency was established in Stuttgart, supplementing geographic coverage in Germany and softening the overall drop in business in the automotive sector thanks to improved market share among automobile manufacturers in Bade-Wurttemberg.

2010 should enable the company to win significant market share.

Lastly, targeted acquisitions are under review to reach a critical size, which will accelerate expansion among major automotive, energy and rail manufacturers.



2.4.2. Belgium

2009 sales: €36 million

Number of consultants at the end of 2009: 405

The two active companies in the Belgian market since 2000, ALTEN Benelux (R&D and Process) and Axen (Information Systems) make up ALTEN Belgium, which is organised around two divisions:

- ALTEN Technology
- ALTEN IT Solutions

It aims to provide customer access to all of the Group's packages and expertise, by relying on both local resources and on ALTEN Delivery Centres from all subsidiaries.

ALTEN Belgium has become a preferred player in its market, reporting regular growth since its formation. Business is concentrated along the Brussels – Antwerp corridor, where a large number of international companies have their headquarters and subsidiaries. Belgium also has a significant number of highly competitive medium sized companies which are often leaders in their fields. These customers operate in the banking, finance, pharmaceutical and infrastructure engineering sectors.

The technologies offered by ALTEN Benelux in Belgium cover the full range of the Group's businesses: Electronics, Software, Mechanical, Systems and Process Engineering for the Techno business, and Management and Business, Infrastructure, Integration and Applications development for the IT Solutions business. Since 2008 ALTEN has undertaken significant steps to diversify into new industrial sectors: pharmaceutical, chemistry, petrochemistry, nuclear, gas, building engineering. 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.

2009 was a difficult year. The Belgian economy was battered by the crisis with a significant slowdown in business both for major customers and local clients. This decline had a greater impact on the IS business than on Engineering.

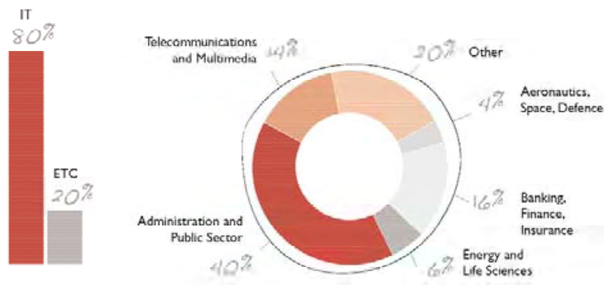
Our customers' streamlining efforts have accelerated, with the implementation or reinforcement of smaller supplier lists in exchange for more competitive pricing. The weak financial situation faced by some competitors resulted in their adoption of highly unfavourable business practices, amplifying the downward spiral.

The "Banking/Insurance" sectors were the most heavily impacted. Key players in the Belgian banking market were especially exposed to the subprime crisis, with Fortis Bank, the number one Belgian bank, being taken over by BNP Paribas and the breakup of Dexia and KBC. ING, a Dutch bank with extensive operations in Belgium, was not spared. ALTEN's business in this sector, which represents a significant portion of its sales, was especially hard hit.

At the same time, ALTEN Belgium diversified its business by increasing its efforts in sectors less likely to be impacted by the crisis such as:

- the Pharmaceutical sector (IS and ETC),
- the Energy sector (ETC),
- Public services and the public sector (IS), where the company has won significant projects (see "Public Sector" chapter).

During 2009 ALTEN Belgium also established the conditions for its return to growth by establishing ALTEN Delivery Solutions, an internal structure devoted to developing the Integrated Projects business, and by winning or retaining several key listings with strategic customers in the banking, energy and public sectors.



2.4.3. Spain

2009 sales: €75.5 million

Number of consultants at the end of 2009: 1,400

ALTEN is present at sites in Madrid, Barcelona, Sabadell, Girona and Valladolid, with 80% of operations in information technology systems.

ALTEN is currently one of the most significant players, standing among the top five technology partners for the Spanish Public Authorities.

However, in 2009 the Spanish "miracle" was transformed into one of the most violent recessions in Europe, with catastrophic unemployment rates reached by the end of the year (exceeding 18%). Accordingly, the year was marked by a sudden cessation of projects in the telecommunications sector and among certain public authorities, by significant price reductions for some customers, and by a pull-back in demand in the sector that had been the most stable, i.e. public authorities.

Price pressures have had little effect on our businesses, as more than half are carried out in work package and fixed price mode.

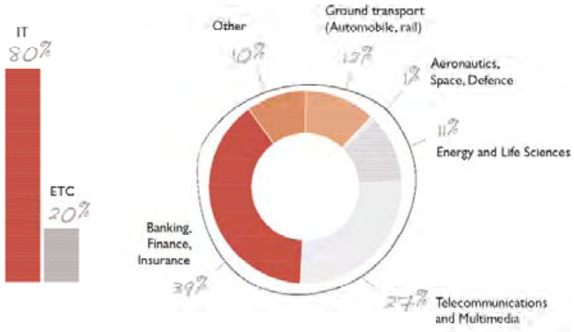
We were also able to maintain our business in the Engineering field, thanks to the partnership with the EADS Group and our growth in the Energy sector (more than 10 new customers in 2009).

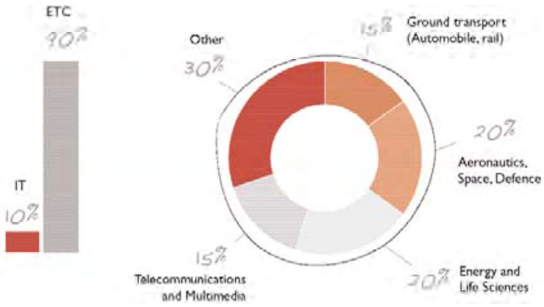
2009 was also marked by a profound transformation in our organisation, leading to a merger of all our Spanish entities in order to be well positioned once growth resumes.

- ALTEN SOLUCIONES, PRODUCTOS, AUDITORÍA E INGENIERÍA S.A., and ALTEN S.P.A.IN S.A, is now organised into three divisions:
  - The Engineering division
  - The private sector IS division
  - The public sector IS division

These divisions are located in all regions where ALTEN is currently operating: Madrid, Catalonia, Castilla y Léon.

- Two technical departments (one in Madrid, the other in Barcelona) were established to manage projects in fixed price and work package mode, mainly for long-standing customers such as LA CAIXA, GAS NATURAL, BANCO SABADELL and various Ministries.
- Expertise is capitalised in the area of new technologies due to the development of delivery centres in Madrid, Valladolid and Barcelona.
- The package was redesigned around 6 main themes:
  - Mobility,
  - Applications development
  - Systems and database administration (by relying on our ORACLE partnership)
  - Data protection and security
  - Risk Management
  - Proprietary software and solutions in database administration, e-learning solutions, etc.





2.4.4. Italy

2009 sales: €23,1 million

Number of consultants at the end of 2009: 330

The market was impacted by the economic crisis, as seen through:

- A contraction of the IS market, especially in certain business segments (e.g. systems integration),
- Heavy price pressures,
- A reduction in supplier lists due to a general supplier consolidation process.

At the same time, the market is moving from consulting activities to "integrated projects", which may shift to fixed price arrangements, requiring solid skills in both methodology and technology.

In the telecommunications sector, certain manufacturers have slowed or even halted R&D programmes to transfer them to low-cost countries.

ALTEN holds strong positions in the banking sector, and also provides significant support in the automotive, industrial and media sectors with three types of packages:

- Engineering and technology consulting
- Services related to information systems and networks
- Solutions, mainly related to information systems: ERP, IS governance and validation, Microsoft development centre, etc.

2009 was already marked by the completion of a significant telecom project that involved our offshore organisation in Vietnam. The project enjoyed excellent results in terms of productivity and compliance with expected quality/deadlines, providing a positive outlook for future collaborations of this type.

The goal for 2010 is to achieve a critical size, through acquisitions and organic growth, by capitalising on new accounts opened during 2009 while rebalancing their business portfolio.

2.4.5. The Netherlands

2009 sales: €23,6 million

Number of consultants at the end of 2009: 320

ALTEN's business is focused on software development in a research and development environment (Techno business) based on a consulting-oriented operating model intended for the energy, industrial, transport, defence, semi-conductor and electronics sectors.

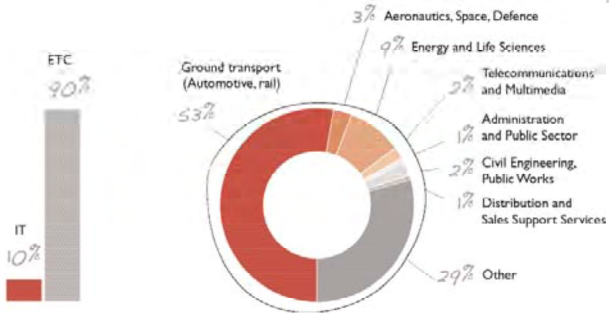
The market was impacted by price pressures and a new supplier listing process, along with more rigorous supplier oversight through implementation of performance indicators.

Following a difficult first half of the year, the market has shown signs of recovery during the second half, pointing to a gradual restart in upstream sectors such as semi-conductors which have a strong presence in the Netherlands.

ALTEN developed its package by launching an applications development service centre, "Go Mobile", based on its strong expertise in Windows Mobile technologies and extended to other platforms, especially for the iPhone.

2009 also enabled the company to win new listings and become the preferred supplier for one of the most important German manufacturers operating in the Netherlands across all of its business areas.

The goal for 2010 is to return to growth without waiting for a definitive market recovery and by actively developing new business segments where we are positioned during 2010.



2.4.6. Sweden

2009 Sales: €34,4 million

Number of consultants at the end of 2009: 510

ALTEN has been operating in Sweden since 2009 thanks to its acquisition of Xdin which, with nearly 500 employees, is one of the main engineering and technology consulting firms.

2009 was marked by a reduction in supplier lists along with price pressures. For example, Volvo Car Corporation now only relies on 6 engineering companies, including Xdin, which is receiving a more significant number of consultations.

Overall, the Swedish market is more focused on consulting than on work packages and fixed price projects, which are relatively limited in number compared with the trends found in most other European countries.

Xdin, which operates in Gothenburg and Stockholm, covers the main business sectors in Sweden: energy, automotive, telecom, industry, aeronautics and defence and medical. Xdin also works in the oil and gas sector, which is very significant in Norway, and operates in the United States (Virginia Beach) to support one of its most important customers.

The automotive and transport industry (trucks and industrial vehicles) is predominant. Xdin's package is especially adapted to the following sectors:

- Mechanical engineering
- Electronics (hard and soft)
- Computation and simulation
- Software development and IS architecture and networks
- Documentary engineering

In addition to this package, Xdin is well-positioned in PLM (Product Life Management) and training on the main digital design software publishers' tools, which gives a strong competitive advantage in the field of mechanical engineering.

2009 was marked by penetration into the telecommunications market, in synergy with ALTEN Telecom in France and in Italy, and by the launch of the Documentary Engineering package with the benefit of expertise from Aerotec Engineering in Hamburg.

Xdin suffered from its exposure to the automotive market, but business stabilised at the end of 2009 and listings were renewed, pointing to strong growth potential during 2010.

The goal for 2010 is to consolidate its positions in the Stockholm region by deploying the IS package, as well as in Denmark by capitalising on new accounts gained in 2009 in the energy field.

2.4.7. Offshore system

Positions in Nearshore (nearby countries) and Offshore (distant countries) have become a necessary step in addressing customer strategies concerning the following issues:

- Offsets, obligations related to the offset market with governments, commitments to direct and indirect investments that can take different forms (training, carrying out some studies on a local level, etc.) as part of sales contracts in these countries.
- Euro/dollar parity, especially in the aeronautical industry which invoices a significant portion of its sales in dollars and therefore carries out a portion of the design and manufacture of its products in dollar zone countries to avoid being penalised by the conversion to euros.
- Costs, for productivity gains in certain phases of product design and research.

The established system enables ALTEN to provide support to local customer R&D centres and to ALTEN project teams in Western Europe and also to develop independent business alongside this, by offering packages that meet the specific needs of local industries.

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

Management of these global projects is 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

Structures established by ALTEN are focused around three geographic regions:

- **India:** in parallel with the partnership established in 2008 with Infotech in mechanical engineering for our aeronautics industry customers, the formation of ALTEN India began in 2009 and was finalised during the first quarter of 2010. ALTEN India operates in integrated project mode only and includes an Offset dimension.
- **Vietnam:** positioned in the software and on-board software businesses, this organisation took on a significant project secured by ALTEN Italia during 2009 with one of the top OEMs in the telecommunications sector.
- **Romania:** ALTEN operates across a broad spectrum of engineering and IS fields through its ALTEN Romania subsidiary, and also deploys significant resources for aeronautical technical documentation projects on a fixed price basis.

System
Offshore

3. COMMITMENT TO SUSTAINABLE DEVELOPMENT

Commitment to sustainability

3. Commitment to sustainability

3.1. Helping customers develop environmentally-friendly solutions

A specialist in engineering and technology consulting, ALTEN works for customers on innovative research projects that aim to reduce the environmental impact of products and services.

For example, during 2009 the ALTEN Group supported customers on issues such as:

- Sustainable mobility: lighten structures through the use of new materials, control of hybrid and electric power packs, etc.
- Environment: systems to optimise routing of waste collection vehicles…
- Eco-design: virtual validation of mechatronic systems without relying on physical testing

3.2. Reducing the environmental impact of the Group's activities

Given the nature of its business, ALTEN has little impact on the environment as compared to industrial companies. Nevertheless the Group, aware of its ability to act in this regard, is dedicated to actions which better preserve natural resources.

3.2.1. IT equipment

The group took certain measures to optimise its equipment stock and limit its environmental impact:

- Use of equipment that reduces consumption of natural resources (especially energy): work stations equipped with flat screens, replacement of individual printers with networked printers, etc.
- Consolidation and virtualisation of internal servers, the number of which has been reduced sixfold since 2002
- Extended use of certain IT equipment which the Group no longer uses through donation to associations.

3.2.2. Paperless documents and paper savings

ALTEN has implemented concrete actions to reduce document printing, thus reducing consumption of paper, consumables and energy:

- creation of collaborative workspaces to reduce the flow of internal documents
- use of paperless supplier invoices, incoming faxes, e-invoicing…
- printer configuration

3.2.3. Business travel

The group tries to limit the environmental impact of employee travel, and has established a travel policy that encourages the use of the most environmentally-friendly transport methods and equips all of its sites with videoconference systems.

3.2.4. Facility layout

Various initiatives to help reduce energy consumption in buildings have been implemented, such as motion detectors to control lighting, the use of compact fluorescent bulbs, preventive maintenance of heating and air conditioning systems and other efforts.

When choosing future facilities, ALTEN already prepares specifications which incorporate environmental and social criteria. This responsible purchasing policy will markedly and sustainably improve the environmental footprint of buildings used by Group companies.

3.2.5. Waste management

The ALTEN Group works to recycle its waste: it complies with regulations on IT and electronic equipment recycling and assigns the recycling of ink and toner cartridges to approved companies.

3.3. Socially responsible policies

3.3.1. Skill development

To provide its customers with expertise that is consistent with their needs and to enable employees to enrich and develop their skills, the ALTEN Group maintains a dynamic skill management policy through:

- its annual evaluation interview system for all employees which identifies training needs and establishes an individual development plan
- the in-house university known as Amplify, a training, coaching and knowledge-sharing facility intended to develop skills and give managers the resources to succeed throughout their career with the company
- the training policy, which in France represented 5.5 million euros in 2009, i.e. 2.3% of total payroll and 0.9% of sales. It represents 11,517 training days.

The training plan is focused around 3 key themes: business development, technical specialties and project management, and support roles.

Several courses are offered by the group:

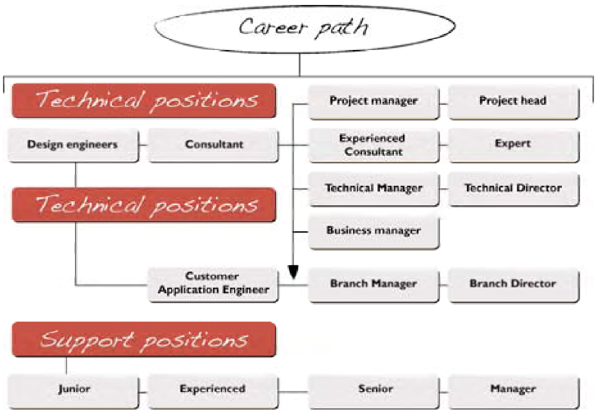
- In 2009, 76 employees in the automotive sector participated in a skills adaptation plan, designed to provide them with access to other business sectors by giving them new skills. Based on the apprenticeship model, each employee received extensive training, practical internships and the support of a mentor. 30 employees were offered a new assignment at the end of this period.
- Training courses lasting from 30 to 80 days were established to enhance employability of our staff in areas such as nuclear testing, rail and project management.
- CAP 2013: In 2009, the Integrated Project Development Division initiated a study on changing its organisational and business execution model. This study led to the Cap 2013 project. Through this project, the Integrated Projects Division aims to carry out all the Group's results-oriented business through a CMMI (Capability Maturity Model Integration, at maturity level 2 during 2010 then at maturity level 3 in 2012. ALTEN will become one of the top CMMI-certified consulting companies for both its services and development businesses. In this context, the Integrated Projects Division launched a training programme intended for all employees in two forms, in presentation and e-learning formats with the launch of an on-line learning platform: the "ALTEN Delivery Centre Campus"
- Evening courses were introduced as part of DIF.

Nearly 200 people were involved.

3.3.2. Career management and employee mobility

Because ALTEN aims to promote its employees' professional growth, the group encourages internal mobility. To achieve this, it relies on 3 types of interviews: the annual assessment, follow-up interviews and career-related interviews.

ALTEN built a career development process which offers a clear view of possible ways to advance to positions in research, project management and business engineering.



With regard to geographic mobility, a half-yearly mobility review addresses requests by consultants who wish to move to another region or enhance their mobility overseas. More than 250 consultants benefit from a mobility programme, and approximately 650 consultants support customer projects throughout the world.

3.3.3. Employee health and well-being

In cooperation with the CHSCT (Health, Safety and Working Conditions Committee) and occupational medicine, ALTEN works to ensure that all employees have an ergonomically-correct work station.

At the end of 2009, the group undertook a study with CHSCT staff representatives to plan actions to combat workplace stress, which will be deployed during 2010.

3.3.4. Diversity and equal opportunity

The ALTEN Group has focused on diversity and equal opportunity issues during the past several years.

Nearly 70 different nationalities are currently represented in its workforce.

The Group is committed to respect for occupational equality between the genders and took measures to promote women's professional development and to ensure equal pay. Also wishing to enhance the recruitment of women into its teams, ALTEN supports the association "Elles bougent" which encourages women to pursue careers in science (see below).

In addition, as part of senior agreements signed with employee representatives at the end of 2009, Group companies have established goals for job retention and recruitment, professional training and career oversight for people age 45 and up in the coming years.

3.4. A social commitment

3.4.1. Jobs

ALTEN is a leading employer in the French market. In 2009, the Group recruited 1,690 employees, mostly managers and employees under indefinite-term employment contracts.

Because nearly 15% of new hires are under the age of 25, ALTEN plays an active role in giving young people access to the job market.

3.4.2. Partnerships

Promoting diversity especially relies on the Group's commitment to the association "Elles bougent", through various interactions between ALTEN sponsors and secondary school and university students aimed at exploring the exciting careers enjoyed by female engineers.

During the Salon du Bourget trade fair, ALTEN organised a day of exploration and discussion with this association, entitled "100 young women, 100 sponsors for the centennial"

Raising awareness of careers in science and technology among young people is a Group objective, which regularly hosts secondary school students through various associations such as C' GENIAL.

Since its creation, Simon Azoulay has awarded the Innovation Award at the Engineer of the Year awards, which recognises an industrial project that demonstrates exceptional boldness 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 the ALTEN Group.

3.4.3. School Initiatives

Each year ALTEN recruits a number of young graduates, which enables us to form partnerships with the top engineering schools. We have a significant presence in the life and progress of the students, especially through our network of campus managers: Bureau National des Élèves Ingénieurs, project management courses, sports activities (Edhec sailing race, Raid Centrale Paris, 4L Trophy).

Plug and Start Campus: in partnership with the Technopole de l'Aube, and out of a concern for promoting entrepreneurship in all forms, ALTEN supports engineering and business school students in the pursuit of innovative projects.

ALTEN Training Solutions: Since 2008, ALTEN has offered internships to students from India, under the supervision of Group engineers. This programme hosts foreign students in France, and 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 engineering school.

3.4.4. Solidarity projects

ALTEN has launched a new internal sponsorship charter, providing financial support to solidarity projects submitted by its employees. Whether these projects are in the cultural, humanitarian, social or sustainability fields, all convey values which are consistent with those held by the Group.

3.4.5 Access to information

Communicating, developing a sense of belonging and establishing bonds among employees are key challenges facing the Group. A total restructuring of the Group's communication tools was launched in 2009 (welcome pack, web and publishing tools). A new version of the intranet serves as the gateway to ALTEN information and tools, with direct access to administrative tools, direct access to ALTEN webmail and enriched content in a more user-friendly environment.

Opportunities for meetings and discussions are promoted through the consultant communications programme (informational meetings, gatherings, technical conferences) which combines information, loyalty initiatives, highlights and skill sharing.

3.5. The Group's sustainability goals

Early in 2010, the ALTEN Group decided to strengthen its sustainability actions. The Group has a Sustainability Manager who reports to the Group's general management, working to support and deploy the sustainability programme throughout the company.

This programme, developed with the support of a specialised consulting firm, is based on a comprehensive strategy and action plan which is consistent with ALTEN's sustainability challenges in the environmental, social and economic fields, and will be deployed over the next 18 months.

ALTEN wishes to continue reducing its environmental impact by involving all employees in the process, with a specific focus on energy consumption. In order to implement a plan to effectively reduce its CO_2 emissions, the Group decided to evaluate the carbon footprint of all of its activities during 2010. The detailed results of this carbon assessment will identify key aspects of CO_2 emissions which require action, priority actions to be implemented and potential areas of reduction.

ALTEN wants to extend and strengthen social policies for its employees and to attract new talent. Skill management, training and employee well-being are at the heart of its strategy and its businesses.

4. INVESTOR INFORMATION

Investor Information

Summary information

Corporate Name	ALTEN
Business	Engineering and Technology Consulting
APE Code	6202A
RCS (Trade & Companies Register)	348 607 417 Nanterre
Address of Head Office	40, avenue André Morizet – 92513 Boulogne-Billancourt
Established:	1988
Nationality	French
Share capital	32,386,537.33 €
Number of ALTEN shares issued from Share Capital	31,863,999
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 Compartment 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
Bryan Garnier
CIC Securities
Crédit Agricole Cheuvreux
Crédit du Nord
Deutsche Bank
Exane BNP Paribas
Fortis
Gilbert Dupont
HSBC
Kepler Equities
Natixis
Oddo Securities
Société Générale

Calendar

10 May 2010: Sales - 1st quarter 2010

21 June 2010: General Meeting to approve the 2009 financial statements

July 2010: Sales - 1st half 2010

29 September 2010: 2010 Half-year results

November 2010: Sales – 3rd quarter 2010

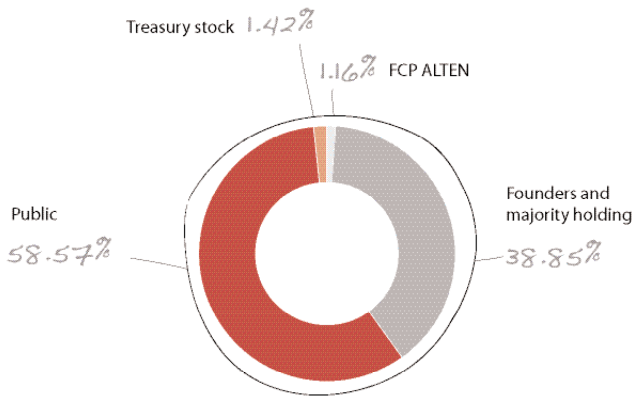
January 2011: Annual sales 2010

Contact

Financial information is available:
On the internet: www.alten.fr ("investors' area")
comfi@alten.fr

Shareholding structure (at 30/04/2010)

By percentage of share capital:



Changes in Stock Market Prices

Maturity date	Monthly Volumes	In thousands of euros	High	Low	Average share price	Average trading day in shares	In thousands of euros
Jan-09	2,672,891	32,773,700	15.69	10.26	12.26	127,281	1,560,652
Feb-09	2,413,311	30,514,170	13.89	10.7	12.64	120,666	1,525,709
Mar-09	2,752,235	31,802,440	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	102,168	1,274,060
May-09	2,544,971	31,930,340	14.28	11.00	12.55	127,249	1,596,517
June-09	2,348,516	30,308,500	13.39	11.50	12.91	106,751	1,377,659
July-09	2,619,970	34,183,230	13.99	11.69	13.05	113,912	1,486,227
Aug-09	2,431,502	38,684,920	16.96	13.51	15.91	115,786	1,842,139
Sept-09	2,856,553	53,297,760	19.52	16.50	18.66	129,843	2,317,294
Oct-09	2,856,553	53,297,760	19.52	16.50	18.66	129,843	2,317,294
Nov-09	1,896,445	32,359,730	18.22	15.36	17.06	94,822	1,617,987
Dec-09	1,446,552	25,632,220	19.70	15.95	17.72	68,883	1,220,582
Jan-10	1,201,686	25,286,420	21.93	19.31	21.04	57,223	1,204,115
Feb-10	800,631	16,194,340	21.70	19.06	20.23	40,032	809,717
Mar-10	1,482,458	32,004,080	21.67	19.57	21.59	67,384	1,454,731
Apr-10	945,715	20,254,290	22.39	19.71	21.42	42,987	920,650

Financial report

2009

2009 FINANCIAL REPORT

GROUP PROFILE

Alten is a group specialising in Engineering and Technology Consulting (representing 80% of its sales) and in Information Systems (IS) Technology.
The Group carries out design and research projects for the Technical and Information Systems divisions of major customers in the industrial, telecom and service sectors.

The Alten Group had approximately 11,300 employees at the end of 2009, 87% of whom are top engineers.

ALTEN is European leader in Engineering and Technology Consulting (ETC).

CONTENTS

FINANCIAL REPORT

I - PERSONS IN CHARGE OF THE REFERENCE DOCUMENT AND 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 contains 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 were the subject of the auditors' reports which appear on pages 219 and 221 of the document.

The auditors' report on the consolidated financial statements which appears on page 219 of the reference document includes a comment which draws attention to note 3 "Accounting Principles" in the financial statements concerning new standards which must be applied as from 1 January 2009."

Signed in Boulogne-Billancourt, 27 May 2010
Simon Azoulay – Chief Executive Officer

B - PERSONS IN CHARGE OF THE FINANCIAL AUDIT

1. REGULAR STATUTORY AUDITORS

Cabinet Dauge & Associés
Represented by Mr. Christian Laplane - 41 avenue de Friedland, 75008 Paris

Initial appointment date: 30 June 1997
Renewal dates: 25 June 2003 and 23 June 2009
Mandate expires: at the Ordinary General Meeting called to approve the 2014 financial statements.

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

Initial appointment date: 25 June 2003
Renewal date: 23 June 2009
Mandate expires: at the Ordinary General Meeting called to approve the 2014 financial statements.

2. SUBSTITUTE STATUTORY AUDITORS

Cabinet Kling - substitute for Cabinet Dauge & Associés
Represented by Mr. Didier Kling - 41 avenue de Friedland, 75008 Paris.

Initial appointment date: 25 June 2003
Renewal date: 23 June 2009

Mandate expires: at the Ordinary General Meeting called to approve the 2014 financial statements.

Société IGEC, Substitute statutory auditors for Grant Thornton
Represented by Mr. Gilles Hengoat - 3, rue Léon Jost, 75017 Paris.

Initial appointment date: 25 June 2003
Renewal date: 23 June 2009
Mandate expires: at the Ordinary General Meeting called to approve the 2014 financial statements.

C – PERSON IN CHARGE OF FINANCIAL INFORMATION

Monsieur Bruno Benoliel
Chief Operating Officer

E-mail: comfi@ALTEN.fr
Tel: + 33 (0)1 46 08 70 00

II - GENERAL INFORMATION REGARDING ALTEN AND ITS CAPITAL

A – INFORMATION REGARDING THE ISSUER

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

Issuer's company name: 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, especially 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 purpose is defined in Article 2 of its articles of association as follows: "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 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 has been registered in the Nanterre Trade and Companies Register under no. 348 607 417 since 16 November 1988.

6. INFORMATION ON THE ARTICLES OF ASSOCIATION

6.1 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.

6.2 Statutory 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 allocate 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.

6.3 Payment of dividends (Article 25 of the articles of association)

The Ordinary 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.

6.4 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.

6.5 Indivisibility of shares– Bare ownership – Usufruct (Article 13)

13.1 The shares are indivisible with regard to the Company. The co-owners of undivided shares are represented at general meetings by one of the owners or by a common agent. If there is disagreement, the agent shall be appointed by the courts at the request of the first co-owner to act.

13.2 Voting rights belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings. However, the shareholders may agree to any other distribution of the voting rights at the general meetings. The Company shall be informed of such agreement by registered letter, and is bound to respect this agreement for all meetings which convene following expiration of a one month period after mailing of the letter. However, in any case, the bare owner has the right to participate in general meetings. The voting rights of pledged securities are exercised by the owner.

At the Combined General Meeting on 21 June 2010, there will be a proposal to bring this article of the articles of association into compliance with the provisions of Article L. 225-110 of the French Commercial Code and to amend it accordingly. Article 13.2 of the articles of association would read as follows:

"13.2 Voting rights attached to shares belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings."

6.6 Double voting 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.

The transfer by succession, liquidation of community property between spouses or inter vivos gift to a spouse or a relative entitled to succeed does not result in a loss of acquired rights and does not interrupt the four year period described above.

A merger or demerger of the Company shall have no effect on the double voting rights, which may be exercised by the beneficiary company(ies) if the articles of association of such company(ies) so provide.

Any share converted to bearer shares or whose ownership is transferred loses its double voting rights.

6.7 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 indicate that no notice was submitted to the company and such failure to notify is duly recorded in the minutes of the General Meeting.

6.8 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.

6.9 Modification to the share capital and rights attached to the shares (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.

6.10 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 (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 Director 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."

6.11 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 organised 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.

6.12 Chairmanship of the Board of Directors – Minutes (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.

6.13 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.

6.14 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 managing 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.

6.15 For your information, in the interest of improving the presentation of the Company articles of association, at the Combined General Meeting of Shareholders there will be a proposal to approve a revision of the articles of association, more specifically to amend the order and general organisation of the articles and to review the wording in some of them.

7. 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*

B – INFORMATION REGARDING ALTEN'S CAPITAL

1. SHARE CAPITAL

As of 31 December 2009, share capital was €32,292,949.10, divided into 31,771,921 shares (implied par value). It was the subject of an increase related to the exercise of share subscription options, recorded by the Board of Directors at its meeting on 21 April 2010 and currently equals €32,386,537.33, divided into 31,863,999 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. CHANGES IN SHARE CAPITAL

DATE	Transaction	Capital	Cumulative premiums	Number of shares	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	14,414,809 F	6,087,502	
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	€31,553,439	€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	
30/07/2009	Stock options exercised	€32,250,071	€14,099,686	31,729,735	
10/11/2009	Stock options exercised	€32,286,636	€14,368,873	31,765,710	
14/12/2009	Stock options exercised	€32,287,144	€14,373,730	31,766,210	
18/01/2010	Stock options exercised	€32,292,949	€14,436,570	31,771,921	
21/04/2010	Stock options exercised	€32,386,537	€15,202,780	31,863,999	

3. CAPITAL AUTHORISED BUT NOT ISSUED

3.1 Note that the Board of Directors was authorised by the Combined General Meeting of 23 June 2009, for a maximum period of 26 months, to increase the company's share capital by an aggregate value of €16,256,000, in one or several transactions, with or without pre-emptive subscription rights, through the public and/or private placement (annual cap of 20% of the capital) 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.

The Board of Directors was also authorised by the Combined General Meeting of 23 June 2009, for a maximum period of 26 months, to increase share capital through the capitalisation of premiums, reserves, profits or other amounts, up to a maximum par value of €16,662,400.

In addition, the Board of Directors was authorised by the Combined General Meeting of 23 June 2009, 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 23 June 2009, 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. A new delegation of authority of the same kind will be proposed at the Combined General Meeting on 21 June 2010.

The Board of Directors did not exercise any of these delegations.

3.2 Further note that the Board of Directors was authorised by the General Meeting of 23 June 2009, for a period of 18 months, to issue stock warrants reserved for the following category of persons: managers, whether or not officers or directors, and management employees of the Company or companies, French or foreign, which are related within the meaning of Article L. 225-180 of the French Commercial Code.
The nominal amount of shares able to be issued by virtue of the present delegated authority shall not exceed €510,000.

The Board of Directors exercised this delegation during its meeting on 7 September 2009 and decided to issue 487,000 stock warrants for the benefit of seven beneficiaries, i.e. seven managers, whether or not officers or directors, and management employees of the Company or of companies related to it within the meaning of Article L 225-180 of the French Commercial Code. More specifically, the beneficiaries are Group managers, including Mr. Simon Azoulay, Chief Executive Officer (150,000 stock warrants) and Mr. Gérald Attia, Deputy Managing Director (75,000 stock warrants).
These stock warrants, which are not traded on a regulated market, give their holders the right to subscribe for new common stock at the rate of one (1) new Alten share for one (1) stock warrant (maximum number of shares to be issued: 487,000 shares). These new shares shall be comparable to existing shares upon their admission to listing on the Euronext Paris – Compartment B market.
The price to subscribe for a warrant was set at one euro nineteen (€1.19) based on a report issued by an independent expert. The 487,000 warrants were fully subscribed by the beneficiaries.
The exercise price of the warrants was set at fifteen euros eighty-five (€15.85), an amount determined according to the rule established by the Combined General Meeting of 23 June 2009, i.e.: *"The subscription price of new 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 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 exercise period is established from 7 September 2013 to 7 September 2017. The maximum term of the stock warrants is eight (8) years, beyond which date the warrants shall expire. These share warrants are not transferable. A new delegation of the same kind will be proposed at the Combined General Meeting on 21 June 2010.

3.3 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 authorisation, the Board decided to allocate 105,600 free shares to two beneficiaries at its meeting on 11 April 2008. Because one of the beneficiaries waived the benefit of his free shares, only 52,800 free shares remain allocated as of this date. It is specified that these are existing shares.

A new authorisation of the same kind will be proposed at the Combined General Meeting on 21 June 2010.

3.4 In addition, the Board of Directors was authorised by the General Meeting of 23 June 2009, for a period of 38 months, to award share subscription and/or purchase options for up to 14% of capital. In accordance with this delegation, the Board decided to allocate 574,330 stock options to 689 employees at its meeting on 7 September 2009. This award of stock options was subject to the following terms:

- subscription price of €15.21 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 7 September 2013 and 7 September 2017, excluding periods of suspension as defined in the regulations.

No officers or directors appear on the list of 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.

For options distributed in 2009, an estimated 3.83% dividend is assumed. The risk-free rate at six years, estimated volatility is 27.48%, 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 €3.12 for an allotment price of €15.21.

Information related to all stock option plans appears on page 105 of this Annual Report.

4. POTENTIAL CAPITAL

Stock option plans

The Combined General Meeting of 25 June 2003, 27 June 2006 and 23 June 2009 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 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, 25 March 2001, 25 January 2002, 13 March 2003, 25 July 2003, 6 January 2004, 24 March 2005 and 23 October 2006, 18 February 2008 and 7 September 2009 established the stock option plans described page 105.

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 6.49% of the number of shares making up the share capital as of 31 December 2009.

Stock warrants

Pursuant to the delegation of authority granted to the Combined General Meeting on 23 June 2009, the Board of Directors decided to award 487,000 stock warrants (representing 0.33% of the capital as of the issue date) to seven (7) beneficiaries, i.e. seven managers, whether or not officers or directors, and management employees of the Company and of companies related to it within the meaning of Article L 225-180 of the French Commercial Code.
These stock warrants, which are not admitted to a regulated market, give their holders the right to subscribe for new common stock at the rate of one (1) new Alten share for one (1) stock warrant (maximum number of shares to be issued: 487,000 shares). These new shares shall be comparable to existing shares upon their admission to listing on the Euronext Paris – Compartment B market.

The number of shares to be issued pursuant to the stock warrants, i.e. 487,000 shares, represent 1.53% of the share capital as of 31 December 2009.

5. COMPANY'S BUYBACK OF ITS OWN SHARES

The Combined General Meeting of 23 June 2009 authorised the Board of Directors to buy back up to 10% of the Company's outstanding shares, or 95,177,205 euros. This delegation of authority expires on 22 December 2010.

Use of this authorisation is described on page 92 of this Annual Report.

At the General Meeting of 21 June 2010, 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

None.

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. All information concerning the liquidity contract appears on page 92 of this Annual Report.

C – INFORMATION ON ALTEN'S SHAREHOLDING STRUCTURE

1. BREAKDOWN OF CAPITAL AND VOTING RIGHTS (at 31/12/09)

Information concerning the breakdown of capital and voting rights at 31 December 2009 appears on page 91 of this Annual Report.

2. BREAKDOWN OF CAPITAL AND VOTING RIGHTS (at 30/04/2010)

	Number of shares	% of shares	Number of voting rights	% of voting rights
Registered shares				
Simon Azoulay	3,217,938	10.09%	6,435,876	14.79%
SGTI [1]	8,612,961	27.02%	17,162,961	39.45%
Laurent Schwarz	251,410	0.79%	502,820	1.16%
Gérald Attia	11,690	0.04%	23,380	0.05%
Other	561,871	1.76%	609,082	1.40%
Subtotal	**12,655,870**	**39.70%**	**24,734,119**	**56.86%**
Bearer shares				
FCPE Alten [2]	370,000	1.16%	370,000	0.85%
Public	16,539,954	51.89%	16,539,954	38.02%
Fidelity International Ltd	1,574,009	4.94%	1,574,009	3.61%
Founders	285,184	0.89%	285,184	0.66%
Treasury stock	451,771	1.42%	(without voting rights)	-
TOTAL	**31,876,788**	**100%**	**43,503,266**	**100%**

1 Holding company owned by Simon Azoulay.

2 Employees' shares subject to collective management.

There have been no significant changes since 30 April 2010.

To the Company's knowledge, no other shareholder holds, directly or indirectly, individually or in concert, more than 3% of the capital or voting rights.

3. CHANGES TO THE BREAKDOWN OF CAPITAL OVER THE PAST THREE YEARS

	Position at 31 December 2009			Position at 31 December 2008			Position at 31 December 2007		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Simon AZOULAY	3,217,938	10.13	14.83	3,217,938	10.14	14.70	3,218,050	10.23	14.64
Laurent SCHWARZ	251,410	0.79	1.16	251,410	0.79	1.15	251,410	0.80	1.14
Gérald ATTIA	11,690	0.04	0.03	11,690	0.04	0.05	11,690	0.04	0.05
SGTI	8,612,961	27.11	39.56	9,000,000	28.37	41.11	9,000,000	28.61	40.93
Other	496,159	1.56	1.23	508,886	1.60	1.24	149,081	0.47	0.42
Sub-total actions in concert*				12,469,348	39.30	56.95	12,469,460	39.64	56.71
FCPE Alten	384,500	1.21	0.89	374,700	1.18	0.86	402,500	1.28	0.92
Public	16,465,687	51.82	37.95	17,625,132	55.55	40.25	18,141,689	57.67	41.25
Founders	285,184	0.90	0.66	285,184	0.90	0.65	285,184	0.91	0.65
Fidelity International Ltd	1,595,506	5.02	3.68	-	-	-	j-	-	-
Treasury stock	450,886	1.42	-	450,795	1.42	-	786	-	-
TOTAL	**31,771,921**	**100**	**100**	**31,725,735**	**100**	**100**	**31,460,390**	**100**	**100**

* the action in concert ended on 16 October 2009

4. CONTROL

The Company is controlled as described above. However, the Company believes that there is no risk that such control will be exercised in an abusive manner.

5. 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.

6. ACTION IN CONCERT

The action in concert which existed between Mr. Simon Azoulay, Mr. Laurent Schwarz and SGTI since Alten was first listed on the stock exchange on 1 February 1999 ended on 16 October 2009 (AMF declaration recorded under no. 209C1301).

7. CROSSING OF REPORTING THRESHOLDS

Reporting thresholds for Company shares which were crossed during the 2009 fiscal year appear on page 91 of the Annual Report.

In addition, by letter received on 12 March 2010, FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) declared that it had fallen below the threshold of 5% of Alten shares on 10 March 2010 following a sale of Alten shares on the market and holds 1,574,009 Alten shares, representing such voting rights, i.e. 4.95% of the capital and 3.59% of the voting rights of the company.

8. SHAREHOLDERS' AGREEMENT

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

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

To the best of the company's knowledge, the shares described below are subject to the following pledge arrangements to collateralise bank loans:

Name	Number of shares pledged:	Expiry date	Type	Percentage of share capital
Simon Azoulay	562,000	25/06/2011	Bank loan collateral	1.77%
	500,000	22/02/2011	Bank loan collateral	1.57%
	1,358,000	31/12/2010	Bank loan collateral	4.27%
	444,888	30/09/2011	Bank loan collateral	1.40%
	280,000	31/12/2010	Bank loan collateral	0.88%
SGTI	8,550,000	25/06/2011	Bank loan collateral	26.91%

10. 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.

11. 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.
However, at its meeting on 10 May 2010, the Board of Directors decided to ask the Combined General Meeting of shareholders to approve distribution of a dividend in the amount of €0.90 per share, i.e. a total dividend of €28,677,599.10.

In the event of a change in the number of shares giving the right to a dividend, compared with the 31,863,999 shares making up the share capital as of 10 May 2010, the total amount of the dividend shall be adjusted accordingly and the amount allocated to the carry forward account shall be determined based on dividends actually paid.

Further note that the entire amount distributed is eligible for the 40% tax reduction described in Article 158-3-2 of the General Tax Code.

The dividend payment date is set at 25 June 2010.

12. CHANGE IN SHARE PRICE OVER 12 MONTHS

This information appears on page 53 of the Annual Report.

III – INFORMATION ON ALTEN'S BUSINESS ACTIVITIES

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 Engineering and Technology Consulting sector.

1988
Alten is founded by three engineers, all graduates of prestigious French universities who are 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) and the group strengthens its international positions.

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 Aerotecewec 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. 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.
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[1] and offshore/nearshore[2] 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.

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

[2]Services consumed in France and produced overseas (in nearby countries: nearshore or in distant or very distant countries: offshore)

2007
Alten reaffirms its status as a leader in technology consulting and engineering.

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 thereby strengthens its position as a leader in the ETC market (source: PAC 2009[3]).

2009
The decline in economic activity is abruptly felt at the very start of 2009. It affects most business sectors but mainly the Automotive sector, where the drop has been significant. The Group has implemented all necessary measures to 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. The Alten Group becomes the French leader in integrated projects.

2010
During a slight economic recovery but with visibility remaining low during the first half of 2010, the Alten Group continues to relaunch its package through integrated projects. This strategy leads it to strengthen and restructure its Technical Department and to start the CMMI certification process.

B. THE ROLE OF ALTEN S.A

1) A holding company

ALTEN S.A. manages all of the Group's equity interests and guides its growth though 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 services (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 have approximately 4,000 engineers, specifically 1,859 engineers in Paris –Ile de France and 2,160 engineers in the regions. They comprise a number of branches (profit centres) like all companies within the Group.

C. GROUP ORGANISATION CHART at 31/12/2009

See notes to the financial statements on pages 162 and 163 of this Annual Report.

[3] Study conducted by Pierre Audoin Consultants

D. DESCRIPTION OF ACTIVITIES OF THE GROUP'S MAIN COMPANIES

Table of activities for the Alten Group's main companies:

Alten	Group's holding and management division. Alten operational activities (Alten Techno) for the Ile de France and Province regions; consulting and engineering services in telecommunications, on-board and real-time systems and physical sciences.
Alten SIR	Consulting services in information systems and network architecture.
Alten Sud Ouest	Design, R&D, consulting, project management packages (PMP) in the aeronautics, space, energy and telecom sectors.

In its role as the operational holding company, ALTEN SA generates 37% of the Group's consolidated sales. Other companies that significantly contribute to consolidated sales are: Alten SIR (11% of consolidated sales) and Alten Sud Ouest (6% of consolidated sales). Alten's access to the cash flow and income of its subsidiaries is not restricted.

E. ALTEN'S POSITION IN ITS MARKETS

1) ALTEN'S MARKET AND POSITIONING

ALTEN's market covers all consulting, technical support, fixed-price project completion 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.

1.1. THE IT SERVICES, TECHNOLOGY CONSULTING AND MANAGEMENT CONSULTING MARKET

All information below comes from studies by Pierre Audoin Consultants, the primary marketing analysis company for this sector in France and in Europe.

Alten's market is part of the segment referred to by Pierre Audoin Consultants as "C-IS" (Consulting, Systems Integration).

These markets represented more than €18.1 billion in France during 2009. It covers a wide range of activities and services.

1.2. ALTEN'S POTENTIAL MARKET IN TECHNOLOGY CONSULTING

According to Pierre Audoin Consultants, ALTEN's potential market is composed of two main segments, included under the designation "Technology Consulting".

– C-IS in scientific and technical systems and applications

This segment involves the following fields:
- Scientific applications (calculations, simulation, etc.)
- Control, command and supervision
- Real-time applications
- "On-board" applications or applications embedded in products, systems, services...

– C-IS in Research & Development (R&D) outsourcing

This segment includes subcontracted services in "assisted" mode or through engineering and development projects in various fields of technology: 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:

- €2,809 million with regard to scientific and technical applications (STIE) or Application Management,
- €2,672 million with regard to R&D outsourcing,

For a total of €5,436 million in 2009.

However, Alten's potential market represents only a portion of this total. There are two types of players in this market:

- on the one hand, systems integrators carry out their services on a "fixed price" basis, for example major, complex systems in the fields of Defence, Energy, Transport and others.
- on the other hand are companies specialised in consulting and support.

These two types of players are increasingly converging towards fixed price contracts and outsourced platforms as requested by their customers.

€M	2008	2009	2010	2011	2012	2013
Technology Consulting **(ALTEN's core scope of business)**	6,004	5,436	5,636	5,916	6,290	6,711
Growth	-	(-)9.5%	3.7%	5.0%	6.3%	6.7%

It is interesting to review changes in Alten's potential market as compared with the entire C-IS market.

2009 posted a -(9.5%) retraction in Alten's core scope of business.
The economic crisis heavily impacted the CET sector, especially the automotive industry, followed by Electronics/High-Tech and Aerospace. The Industrial sector is far from the largest consumer of technology consulting services, with a market estimated by PAC at €3.5 billion in 2009.

1.3 COMPETITIVE ENVIRONMENT

ALTEN is commonly included in the information technology engineering services competitive environment. In this general context, Alten is ranked 10th among service providers based on their Services sales in France (IT Services + Management Consulting + R&D outsourcing) in 2009 and is ranked 7th among French service companies according to total sales.

However, it is advisable to position ALTEN among companies that offer the same types of packages.

Pierre Audoin Consultants has established classifications for specialists in the "Technology Consulting" segment. ALTEN has been a first tier provider in the technology consulting market for the past several years.

ALTEN once again gained market share in France during 2009 as compared with its direct competitors. Customers continued to optimise their purchases, reduce the number of service providers and rely increasingly on comprehensive services.

1.4 CONCLUSIONS ON ALTEN'S POSITION

The Technology Consulting market suffered greatly in 2009. The automotive sector in particular saw demand collapse due to the economic crisis.

Alten nevertheless managed to increase its market share at a time of significant business decline, due to its nearly exclusive position in the engineering fields and to its flexible package of consulting through integrated and comprehensive packages, both in France and overseas.

2010 should show a gradual recovery, especially starting in September. The automotive sector has undergone profound changes, which is being echoed in the aeronautical manufacturing sector.

2010 should also show increasing market concentration, due to the poor economic results reported by a significant number of market participants. The most important players, which can rely on a diversified package and are able to offer offshore services should be less impacted than their competitors *(See PAC study, March 2010)*.

2) ALTEN'S MAIN CUSTOMERS

ALTEN works mainly with major accounts (nearly 95% of sales). Its credit risk is therefore limited. Customer account collection periods were 115 days, the same as 2008.

Main customers' share (in % of sales)

	2007	2008	2009
1st	8.5	8.3	9.7
Top 5	29	29.1	25.3
Top 10	42	41.7	40.2

3) CUSTOMER CONTRACTS

Alten invoices nearly all of its services based on a time spent basis.
Alten enters into technical assistance contracts or work packages (comprehensive platforms) of variable duration according to the project in question.

Only 8% of the Group's turnover is generated by fixed-price contracts. These contracts are the subject of specific monthly reporting to validate the projected margin at the end of the project. 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 specifications. In connection with ISO certifications, a procedure covering the validation and monitoring of customer contracts has been implemented within the Alten Group.

In 2009, the Group recognised €145 K in losses upon termination (€1,009 K in 2008).

Thus, these customer contracts are validated by the Quality, Security and Legal

departments.

3.1. Partnerships

On 18 February 2010 a jointly-held company known as Alten Systèmes d'Information et Réseaux Global Testing Services was formed with Group Critères, a simplified joint stock company with share capital of €649,920, with its head office at 27, rue Fortuny 75017 Paris, registered with the Nanterre Trade and Companies Register under number 398 092 981 in the field of third party application acceptance testing (TRA). Alten holds 51% of this company's capital and voting rights, while Groupe Critères holds 49% of its capital and voting rights.

3.2. Financing of receivables

The Alten Group does not make use of debt securitisation or factor its receivables. The Company finances all of its trade receivables with shareholders' equity or uses short-term credit facilities. However, on 1 February 2010, Alten's Board of Directors authorised the signing of a proposed credit agreement in the total maximum amount of €110,000,000.

IV - COMPOSITION OF THE EXECUTIVE, MANAGEMENT AND SUPERVISORY BODIES

A. THE BOARD OF DIRECTORS

1. COMPOSITION

The composition of the Board of Directors is presented on pages 6 and 7 of this Annual Report.

2. SPECIFIC INFORMATION CONCERNING COMPANY OFFICERS AND DIRECTORS

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.

3. EXPERTISE AND EXPERIENCE OF MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

Mr. Simon Azoulay is a graduate of SUPELEC. After having managed the R&D laboratory of Thalès, he founded ALTEN in 1988 with Mr. Thierry Woog (a graduate of Centrale Paris, and Mr. Laurent Schwarz (both of whom have since left the Group).
Mr. Gerald Attia (a Hartford MBA graduate) became a partner in 1993. He is currently Deputy Managing Director.

4. DECLARATIONS PERTAINING TO MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

To the Company's knowledge, and at the date on which this document was prepared, during the past five years (i) no member of the Board of Directors or general management has been convicted of fraud, (ii) no member of the Board of Directors has been associated with bankruptcy, receivership or liquidation proceedings, (iii) no member of the Board of Directors 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 or conducting an issuer's business activities, and (iv) no member of the Board of Directors has been charged with a criminal offence or has been the subject of an official sanction handed down by any statutory or regulatory authority.

B. THE COMMITTEES

1 - COMPOSITION OF THE EXECUTIVE COMMITTEE

The composition of the Executive Committee is presented on page 7 of this Annual Report.

2. COMPOSITION OF THE ADMINISTRATIVE COMMITTEE

The composition of the Administrative Committee is presented on page 7 of this Annual Report.

C. 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.

D. 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

Extensive information concerning remuneration received by the company officers and directors appears on page 100 of this Annual Report.

E. OPTIONS TO SUBSCRIBE TO OR PURCHASE SHARES GRANTED TO EACH COMPANY OFFICER OR DIRECTOR AND OPTIONS EXERCISED BY THEM

The Board of Directors decided to allocate 16,000 stock options to Mr. Gérald Attia at its meeting on 23 October 2006. In addition, no other options were allocated to a director or officer. No options were exercised by officers or directors during the 2009 fiscal year.

F. 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

Conventions that fall within the scope of Articles L. 225-38 and L. 225-42 of the French Commercial Code appear on page 109 of this Annual Report.

G. OVERALL INFORMATION REGARDING LOANS AND GUARANTEES GRANTED TO OR IN FAVOUR OF MEMBERS OF THE COMPANY'S ADMINISTRATIVE, EXECUTIVE OR SUPERVISORY BODIES

Not applicable.

V - MANAGEMENT REPORT BY THE BOARD OF DIRECTORS

Alten Group's consolidated financial statements have been prepared in accordance with the IFRS standards published by the International Accounting Standards Board (IASB) as approved by the European Union. The accounting principles are set forth in detail in the notes to the company and consolidated financial statements.

A. THE GROUP

1. BUSINESS ACTIVITY

1) Activity of the Group during the past fiscal year

All subsidiaries of Alten (hereafter the "Company" or "Alten") are consolidated into the Group financial statements in accordance with the methods described in the notes to the consolidated financial statements.

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, specifically:

- Scientific and Technical Research,

- Network Architecture and Systems.

After a dynamic 2008 throughout Europe, business suddenly declined at the start of 2009. The first half of the year was heavily impacted by the sudden economic crisis which struck the TCE market, especially in the Automotive, Electronics and Telecom sector. The low point was reached during the second quarter. Business only stabilised at the end of the third quarter of 2009.

More specifically, with regard to the Automotive sector, the crisis was evidenced by:

- an approximately 40% drop in business during 2009,
- the sudden halt of services and programmes at certain manufacturers as of 1 January 2000 and a gradual decline among other builders and manufacturers,
- implementation of short-time work measures in the automotive sector as from the 1st half of 2009.

In this environment, increasingly demanding Purchasing Departments continued their policy of reducing short lists, favouring more comprehensive packages – especially in work package mode – and continued to apply price pressures.

Alten has taken the necessary measures to adapt itself to this crisis. The sudden drop in business resulted in an 11-12% increase in consultants between contracts during the first half of 2009, reduced to 7.5% during the second half due to skills transferability and effective resource management.

Operating expense reduction measures were implemented to adapt to economic conditions and the reduction in business:

Alten also streamlined certain organisations by merging Paris Ile-de-France companies with Spanish companies.

b. Acquisitions

Alten finalised three acquisitions at the beginning of 2009, which were consolidated effective 1 January 2009:

- A company specialised in vehicle systems design, engine control and motorisation systems with 180 consultants, which had sales of €14 million in 2008 (acquisition of 100% of the shares).

- A company specialised in services with 220 consultants, which had sales of €28 million in 2008 (acquisition of 100% of the shares).

- A company specialised in telecom and embedded software with 150 consultants, which had sales of €10 million in 2008 (acquisition of 100% of the shares).

2. RESULTS

The Group's consolidated sales were €857.1 million, up 1.3 % as compared with 2008 (€846.3 million). The percentage of overseas business rose to 30.7% (26.3% in 2008) due to acquisitions completed at the beginning of the year in Sweden and Italy.

Business remained stable in 2009 due to acquisitions completed at the start of the year, but declined by 9.5% on a like-for-like basis (-9.9% in France, - 8.3% overseas).

The major economic crisis in 2009 resulted in a sudden drop in the number of projects starting in January 2009, leading to a decline in the activity ratio to 88.6% during the first half of 2009.

The Automotive, Electronics and Telecom sectors were hit the hardest. On the other hand, the Rail, Aeronautics and Energy sectors continued to grow.

To address the drop in business and decline in operating margins during the first half of the year (5.8% of sales before non-recurring items and impairment of goodwill), the Alten Group implemented reorganisation measures.

Business gradually stabilised during the second half of the year throughout Europe, permitting a gradual rise in the activity ratio. It reached 92.5% for the second half of the year.

Accordingly, operating profit before non-recurring costs was €39.9 million for the second half of 2009, i.e. 9.6% of sales.

For the 2009 fiscal year, it totalled €65.5 million, i.e. 7.6% of sales, down 32.5% as compared with 2008.

Operating income from ordinary activities was €66.2 million after taking into account share-based payments (according to IFRS 2).

Extraordinary losses totalled -€23.1 million, of which -€7.1 million was recorded in the first half of the year and -€16 million in the second half. They mainly included costs related to the bankruptcy filing and liquidation of Idestyle Technologies, which occurred during the second half of the year. Impairment of goodwill, in the amount of -€9.6 million, mainly concerns the Group companies Idestyle and Cisia. These impairments were mainly recorded during the first half of the year.

After taking into account these financial items, operating income equalled €33.4 million (3.85% of sales), down 62% as compared with 2008.

Financial losses were --€1.5 million; income tax expense was -€13.3 million.

Net income was €18.6 million, and €18.4 million - Group share.

The Alten Group generated free cash flow of €46.7 million (€51.5 million in 2008). This cash generation resulted from reduction in working capital, due to the organic decline in business despite an almost 50% reduction in net cash flow.

Harnessed free cash flow enabled Alten to self-finance its investments, in the amount of €34 million, and to reduce its debt to €3 million by the end of 2009. Accordingly, gearing is almost zero.

Alten Group's consolidated results are presented in the following table:

In millions of euros	2008		2009		Change
	€M	**%**	**€M**	**%**	**%**
Sales	846.3	100	857.1	100	1.3
Operating profit	97.2	11.5	65.5	7.6	-32.6
Cost of stock options	-4.4		0,7		
Operating income from ordinary activities	92.8	11	66.2	7.7	-28.7
Extraordinary profit or loss	0		-23.1		
Impairment of goodwill	-5.5		-9.6		
Profit/loss from disposals	-0.3		0		
Operating income	87.0	10.3	33.4	3.8	-62
Financial income/loss	-1.3		-1.5		
Net earnings, Group share	54.5	6.4	18.4	2.1	-67

Approval of the consolidated financial statements

The General Meeting will be asked to approve the consolidated financial statements for the fiscal year ended on 31 December 2009, showing a profit of €18,463,649, in accordance with Article L 225-100 of the French Commercial Code.

3. INVESTMENT STRATEGY

3.1 Research and development activity

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

3.2 Main investments during 2009

During 2009, Alten made the following main investments:

- continued implementation of an ERP in the approximate amount of €3 million,
- acquisition of companies and earn-outs paid in the amount of approximately €27.4 million.

These investments were self-financed for the most part.

3.3 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 31 December 2009 under assets in the Group's consolidated financial statements and as debts on fixed assets for a total estimated amount of €8.8 million.

4. RISK FACTORS

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

4.1 Credit risk

During 2009, the Company had access to annually renewable short-term credit facilities on which it could 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 April 2010 the Group affirmed its lines of credit as part of a "club deal" and has confirmed a €110 million line of credit. It also has short-term unconfirmed lines of credit that are annually renewable.

4.2 Interest rate, foreign exchange and stock market risks

Alten has short-term unconfirmed bank financing indexed to the Eonia. Confirmed financing established in April 2010 is indexed to the EURIBOR.

It therefore incurs an exchange rate risk based on changes in the reference index. Due to the structure of its financing, the Group has not implemented interest rate hedging.

With the exception of subsidiaries in the United Kingdom, Switzerland and Sweden, the Group bills for its services in euros. Therefore it has a very limited exchange rate risk. During 2009, exchange rate effects represented €420 K of its total sales.

It has little risk in respect of the trading price of its shares. Indeed, in addition to treasury shares held under the liquidity contract, Alten holds only 450,241 treasury shares, representing 1.41% of its share capital as of 31 December 2009. These purchases of 450,241 shares, which were 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. Alten acquired no shares during the 2009 fiscal year outside of the liquidity contract.

In addition, securities granting future access to capital issued by Alten in 2009 only represent 1.53% of the share capital. These securities were issued within the scope of an allocation of stock warrants determined by the Board of Directors at its meeting on 7 September 2009, in accordance with delegations of powers granted by the Combined General Meeting of 23 June 2009.

Further note that on 11 April 2008 the Board of Directors decided to allocate free shares, in accordance with the delegation of authority granted by the Combined General Meeting on 27 June 2007. Given the waiver by one of the beneficiaries of his free shares, as of 31 December 2009 these free shares only represent 0.16% of Alten's share capital.

4.3 Liquidity risk

The Group is not affected any liquidity risk and has short term lines of credit with six (6) major banks. These overdraft facilities are not subject to any specific *covenant*. Short term/long term classifications are available at page 170. 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.

The establishment of a "club deal" syndicated loan in April 2010 enabled the Group to access confirmed lines of credit in the amount of €110 million, in addition to the continuation of overdraft facilities.

4.4 Legal risk

Alten's services are invoiced mainly on a time-spent basis. In reality, there are few risks related to results-oriented contracts (approximately 8% 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.

4.5 Exceptional circumstances and lawsuits

In connection with its activities, the Group is involved in certain legal actions, mainly relating to former employees, commercial matters and taxes. 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. Provisions are broken down by type, amount and expected maturity in the Notes to the consolidated financial statements.

There are no other governmental, judicial or arbitration proceedings, including any proceedings of which the company has knowledge, which are pending or threatened which are likely to have, or have had during the past twelve months, a material effect on the Company's and/or the Group's financial position or profitability.

4.6 Relocation risks

For the past several years, customers' Purchasing Departments have expressed interest in performing some of their research and development activities in "low-cost" countries. Accordingly, the Alten Group has established structures to meet this demand. In practice, the number of projects carried out in offshore or nearshore mode remains very limited.

Alten currently has organisation in Romania, Poland and Vietnam. It established a subsidiary in India at the beginning of 2010.

At this time, there are almost no relocation risks. This package, if it expands, should enable Alten to gain ground in new markets.

4.7 Business activity risks

The Group's customers are among the largest European accounts. The Alten Group derives 43% of its sales from approximately ten customers, with its largest customer representing 9% of Group sales within various entities in several countries.

There is no identified risk of dependency with regard to a specific client.

4.8 Industrial risks related to the environment

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

5. INSURANCE

The Group's insurance policy is linked to a strong initiative to prevent and protect against risk. All Group companies are insured through top insurance companies for all major risks that could significantly impact its business, results or assets.

The main insured risks concern:

- damage to property and operating losses;
- damages incurred by customers and third parties.

6. 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.

7. FINANCING POLICY

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.

8. PROGRESS ACHIEVED AND DIFFICULTIES ENCOUNTERED

The first half of 2009 was strongly affected by the sudden economic crisis in the ETC market.
At the same time, the collapse of activity in the automotive sector was abruptly felt by Alten Group subsidiaries which have businesses dedicated to the automotive industry. More specifically, Idestyle Technologies, a simplified joint stock company with capital of €600,557.06, whose head office is located at 3, Avenue du 8 Mai 1945, 78280 Guyancourt, registered with the Versailles Trade and Companies Register under number 383 695 806, a subsidiary of Idestyle Group which is in turn a subsidiary of Alten, lost nearly 70% of its business starting in January 2009. Despite the steps that were taken, the lost business recorded by Idestyle Technologies as of early January was nearly 70% and continued to subsequently decline. A bankruptcy filing became inevitable.

By decision issued on 4 August 2009, the Versailles Commercial Court began a court-supervised reorganisation of Idestyle Technologies. However, the company could not continue operations and no candidate submitted a purchase offer before the expiry date established by the Court. Accordingly, the Versailles Commercial Court pronounced the bankruptcy of Idestyle Technologies (and of the Idestyle Group) on 15 October 2009.
Alten proposed re-employment solutions for Idestyle Technologies employees and largely funded the Employment Protection Plan implemented as of 28 October 2009, out of concern for social solidarity.
Within this context, Alten has taken the necessary measures to enable the Group to adapt to this crisis. Efficient management of resources, transferring key competences to the most lucrative sectors, and a strong sales dynamic led to improvement in the activity ratio during the second half of the year.

9. PATRONAGE

Alten supports various charities each year through cash donations. For the 2009 fiscal year, these donations totalled €377,284.

10. SIGNIFICANT EVENTS OF THE YEAR

10.1 Equity investments:

None except for acquisitions which have been completed, described in the “Acquisitions” section on page 82.

10.2 Acquisitions:

Acquisitions made in the 2009 fiscal year are described in the “Acquisitions” section on page 82.

10.3 Disposals and exits

No disposals took place during the 2009 fiscal year. Note that Idestyle Technologies and the Idestyle Group were subject to bankruptcy proceedings under a decision issued on 15 October 2009 (see section 8 on pages 86 and 87 of this Annual Report).

10.4 Internal restructuring operations:

a) Europe (excluding France)

1) In Spain

- Merger of Burke Newco, Burke Formacion and Information Customer Services (ICS) into Cronos, following the merger dated 1 September 2009, with retroactive tax effect to 1 January 2009,
- Merger of Alten Ingenieria, Alten Technologias de la Informacion y consultoria (Alten TIC), Grupo Alten Soporte Global, Apex and Algor into Alten Soluciones Productos Auditoria e Ingenieria (Alten SPAIN) (ex Cronos Iberica), following the merger dated 24 November 2009, with retroactive tax effect to 1 January 2009.

2) In the Netherlands

- Merger of PTS Software into Axen, following the merger dated 20 February 2009, with retroactive tax effect to 1 August 2008,
- Merger of Axen into Alten Nederland, following the merger dated 20 February 2009, with retroactive tax effect to 1 August 2008,

b) In France

Mergers of assets and liabilities (Article 1844-5 paragraph 3 of the French Civil Code) with retroactive tax effect to 1 January 2009:

- between Cisia Cetop and MI-GSO leading to the dissolution of Cisia Cetop on 28 February 2009,
- between GIST and Alten leading to the dissolution of GIST on 1 July 2009,
- between ECAM and Alten Sud Ouest leading to the dissolution of ECAM on 1 January 2010.

11. SIGNIFICANT EVENTS SUBSEQUENT TO THE CLOSE OF THE FISCAL YEAR

11.1 On 4 February 2010, Alten acquired 19% of the capital of Phoebe. Phoebe is a public limited company with share capital of €266,848, whose head office is located at Le Clos de la Mare, 21 rue Albert Calmette – 78 350 Jouy en Josas, registered with the Versailles Trade and Companies Register under number 405 334 004.
Phoebe is the holding company of Phoebe Group (8 companies in France), which holds 100% of the share capital of Ingenica, which specialises in engineering with the Energy sector.

11.2 On 20 January 2010 a Private Limited Company was established in India, a corporate form in which shareholders' liability is restricted to the amount of their contributions.

11.3 On 18 February 2010 a jointly-held company was formed with Group Critères, a simplified joint stock company with share capital of €649,920, with its head office at 27, rue Fortuny 75017 Paris, registered with the Nanterre Trade and Companies Register under number 398 092 981 in the field of third party application acceptance testing (TRA). Alten holds 51% of this company's capital and voting rights, while Groupe Critères holds 49% of its capital and voting rights.

11.4 On 7 April 2010, Alten and its subsidiary Alten Cash Management signed a syndicated credit agreement with nine banks, enabling the Group to secure confirmed financing in the amount of €110 million.

12. DESCRIPTION OF ACTIVITIES OF THE GROUP'S MAIN FRENCH SUBSIDIARIES

Company	Business	Sales (in thousands of euros)		Earnings (in thousands of euros)		Workforce	
		2009	2008	2009	2008	2009	2008
Alten SIR	Consulting services in information systems and network architecture.	113,922	118,598	5,875	9,319	1,181	1,210
Alten Sud Ouest	Engineering, R&D, consulting, project management packages (PMP) in the aeronautics, space, energy and telecoms sectors.	67,511	51,925	5,029	3,387	742	726

Alten SIR enables Alten Group to position itself as a major player in France in the field of information systems and network 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.

13. FORESEEABLE DEVELOPMENTS AND PROSPECTS

The ETC market remains fragmented despite the crisis and the reduction in the number of listed suppliers. After a year of substantially reduced demand during 2009, business should gradually recover during 2010.

Alten's challenges are threefold:

- Accelerate the Group's international expansion through targeted acquisitions,
- Capitalise on business expertise by business sector to affirm Alten's position as a leader in Integrated Projects
- Confirm the improvement in operating margins which started during the second half of the year.

14. GROUP ACTIVITY BY SECTOR

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

B. ALTEN S.A.

1. ALTEN S.A.'s ACTIVITY

1.1 General observations regarding Alten S.A.'s activity during the past year

Comments concerning Alten's activity during 2009 are similar to those made with regard to the Alten Group earlier in this Management Report.

Alten absorbed its subsidiary GIST, also positioned in ETC activities in the Paris – Ile de France region, following a merger of assets and liabilities within the meaning of Article 1844-5 paragraph 3 of the French Civil Code dated 1 July 2009. Given the high rate of subcontracting and "piggy-back" activities between the two companies, the operational merger of its commercial activities and the reallocation of trade perimeters as of 1 July, as of the second half of the year it is no longer possible to identify GIST's former perimeter within Alten. Accordingly, Alten's rate of business growth and results for 2009 as compared with 2008 are not relevant.

The 2009 economic crisis, which sharply impacted GIST and Alten as of 1 January 2009, led to significant drops in business in several business segments, especially the automotive industry. Short-time work measures were implemented during the second half of 2009 for engineers in the Automotive sector, along with training and skill transferability programmes. Supportive measures were not enough to offset the drop in business activity. Because of this, GIST and Alten, which operated in similar and sometimes competitive markets, had to merge their operations.

Alten recorded sales of €338,958 K.

These revenues include "piggy-back" revenues in the amount of €44,246 K, which correspond to services provided by certain Group subsidiaries on the customer premises for which Alten S.A. is the only approved supplier. In this case, Alten S.A. is billed by its subsidiary, then bills the customer euro for euro. Alten invoices it subsidiaries for managing accounts receivables carried.

Excluding "piggy back" activities, Alten had sales of €294,712 K.

Operating income, after employee profit sharing, was €10,281 K representing 3% of sales for accounting purposes, and 3.5% of sales excluding piggy back. Due to insufficient taxable income in 2009, Alten will not distribute profit sharing to its employees. Financial income was €43,257 K in 2009 compared with a financial loss of -€17,281 K in 2008. Such financial income was mainly comprised of €13,000 K in dividends, €33,850 K merger premium from GIST, -€3,748 K for provisions for depreciation of assets related to Idestyle (current accounts) and -€1,364 K for financial expenses on the bank overdraft.

Financial results showed a loss in 2008 due to allowances for depreciation of financial fixed assets for -€9,552 K (mainly impairment losses on Idestyle and Cisia equity interests) and net interest expenses of -€1,789 K.

Losses on non-recurring activities were -€9,876 K (almost entirely made up of liquidation expenses for Idestyle Technologies).

After income tax in the amount of €2.9 million, net earnings equalled €46,578 K, i.e. 13.75% of sales.

Alten, which is mainly positioned in the field of engineering and technology consulting, faced an especially challenging first half of the year, with a drop in the number of projects accompanied by a significant rise in the number of consultants between contracts to 10%. Reorganisation measures and commercial actions enabled the company to stabilise its business during the second half of the year, lowering the rate of consultants between contracts to 7%, The company is now organised to take advantage of a possible business recovery during 2010.

1.2 Approval of the company financial statements

The General Meeting will be asked to approve the company financial statements for the fiscal year ended on 31 December 2009, showing a profit of €46,578 K, in accordance with Article L 225-100 of the French Commercial Code.

2. FINANCIAL EARNINGS

1) Results for the fiscal year

Results for the fiscal year ended 31 December 2009 were €46,578,514.04.

2) Dividends distributed in prior 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-deductible charges

No non-tax deductible charges or expenses have been recognised during the 2009 fiscal year.

4) Social impact of the business

This information is presented in Appendix 1 of this Management Report.

5) Environmental impact of the business

This information is presented in Appendix 1 of this Management Report.

3. THE COMPANY'S SHARE CAPITAL

1) Company shareholders

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 and voting rights at General Meetings as of 31 December 2009 is set forth below:

2) Breakdown of share capital and voting rights (at 31/12/09)

	Position as of 31 December 2009		
	Number of shares	% of capital	% of voting rights
Registered shares			
Simon Azoulay*	3,217,938	10.13	14.83
Laurent Schwarz*	251,410	0.9	1.16
Gérald Attia	11,690	0.04	0.03
SGTI (1) *	8,612,961	27.11	39.56
Others	496,159	1.56	1.23
Bearer shares:			
FCPE Alten	384,500	1.21	0.89
Public	16,465,687	51.82	37.95
Founders	285,184	0.90	0.66
Fidelity International Ltd	1,595,506	5.02	3.68
Treasury shares	450,886	1.42	-
TOTAL	**31,771,921**	**100**	**100**

*The action in concert which existed between Mr. Simon Azoulay, Mr. Laurent Schwarz and SGTI since Alten was first listed on the stock exchange on 1 February 1999 ended on 16 October 2009.

(1) SGTI is entirely controlled by Mr. Simon Azoulay.

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.

To the Company's knowledge, the only reporting thresholds crossed during the 2009 fiscal year were the following:

Reporting thresholds crossed (A L233-7 of the French Commercial Code)

Declarant's name	Transaction date	AMF Reference	Type of threshold crossing
Fidelity International Ltd	03/08/2009	209C1096	crossing above the 5% capital threshold
	03/09/2009	209C1165	falling below the 5% capital threshold
	08/12/2009	209C1488	crossing above the 5% capital threshold

3) Cash management shares

As of 31 December 2009, Alten held 450,886 shares representing 1.42% of the share capital.

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 under its liquidity contract between the beginning and the end of the past fiscal year:

a) Number of share purchased: 292,991 (ALTEN's portion representing 58.58%, i.e. 171,633 shares)

Average purchase price: €14.28

b) Number of shares sold: 292,834 (ALTEN's portion representing 58.58 %, i.e. 171,542 shares)

Average sale price: €14.34

Total trading costs: None.

c) Number of shares recorded at year-end (within the scope of the liquidity contract):

1,102 (ALTEN's portion representing 58.58%, i.e. 645 shares)

Reasons for purchase	% of share capital
Stabilisation of share price	100
Employee share ownership	Not applicable
Securities conferring a right to shares	Not applicable
Acquisitions	Not applicable
Cancellation	Not applicable

During the 2008 fiscal year, Alten purchased 450,241 of its own shares for a total amount of €8,429,835.98 euros, i.e. an average per-share purchase price of €18.72.

105,600 of these shares, purchased to cover stock options or other employee share ownership systems, and to finance acquisitions, were used as part of an allocation of free shares. Following a partial waiver, 52,800 free shares remain allocated. The Company has not required any additional shares during the 2009 fiscal year.

At the close of the fiscal year, Alten held 450,886 shares representing 1.42% of share capital.

The total nominal value was €458,100.

The value at purchase price was €16.50.

Shares held by the Company have not been subject to reallocation for other purposes since the last authorisation granted by the general meeting.

4. SUMMARY STATEMENT OF TRANSACTIONS REFERRED TO UNDER ARTICLE 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 the Company manager and/or the person mentioned in article L 621-18-2 of the MFC	Duties performed At Alten	AMF Reference	Transaction dates	Description of the financial instrument	Type of transaction	Total number of financial instruments sold / subscribed	Per unit price in €
Société Générale pour les Technologies et l'Ingénierie (SGTI)	N/A	209D6469	07/10/2009	Alten shares	Sale	18,142	18.37
		209D6470	08/10/2009	Alten shares	Sale	19,000	18.46
		209D6471	09/10/2009	Alten shares	Sale	16,345	18.359
		209D6472	12/10/2009	Alten shares	Sale	71,513	18.953
		209D6473	13/10/2009	Alten shares	Sale	45,604	19.101
		209D6474	14/10/2009	Alten shares	Sale	30,949	19.116
		209D6475	15/10/2009	Alten shares	Sale	28,200	19.339
		209D6476	16/10/2009	Alten shares	Sale	19,174	19.049
		209D6477	19/10/2009	Alten shares	Sale	25,340	19.22
		209D6478	20/10/2009	Alten shares	Sale	16,218	19.24
		209D6479	21/10/2009	Alten shares	Sale	14,882	18.728
		209D6480	22/10/2009	Alten shares	Sale	68,226	18.357
		209D6481	23/10/2009	Alten shares	Sale	8,260	18.342
		209D6482	26/10/2009	Alten shares	Sale	5,186	18.075

5. ELEMENTS LIKELY TO AFFECT A PUBLIC PURCHASE OFFER

Alten's capital structure and the company's known direct and indirect equity interests and all other information on this matter, set forth in pages 70 and 91, show that the key shareholders (SGTI and Mr. Simon Azoulay) together hold a majority at the General Meetings in terms of voting rights.

There are no statutory restrictions to the exercise of voting rights, except for the removal of voting rights from shares which were not the subject of a reporting threshold declaration which can be requested by one or more shareholders holding at least 3% of the share capital. The next general meeting will be asked to raise the participation threshold required to request such removal of voting rights to 5%.

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. In the event of an increase in capital by the incorporation of reserves, earnings or premiums, this double voting right is also conferred from the time of issue to 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 and rules governing amendment of the articles of association 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.

Delegations and authorisations granted by the Board of Directors which are currently in effect are described in the Management Report, pages 94 to 98 of this Annual report, and in Appendix 2 of the Management Report on page 117 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 Company's 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."

To the company's knowledge, there are no shareholders' agreements. Accordingly, as of 16 October 2009, Mr. Laurent Schwarz's departure from the action in concert resulted in the termination of such action in concert which existed since 1999.

Voting rights attached to Alten shares held by employees through Alten FCPE shares are exercised by a representative appointed by the FCPE Supervisory Board to represent it at the General Meeting.

6. AUTHORISATIONS CONCERNING THE SHARE REPURCHASE PROGRAMME

1) Authorisation for the Board of Directors to buy back Company shares within the scope of the Share Repurchase Programme

In its 10th resolution, the 23 June 2009 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 22 December 2010.

There is a proposal to proceed with its early renewal and authorise the Board of Directors, with the right to further delegate its authority, 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 my arise during the duration of the programme.

The purchases may be made 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),
- 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 21 June 2010 in its seventh extraordinary resolution.

These share purchases may be carried out by any appropriate means, either on the market or through a private sale, 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 will be 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 € 95,592,000.

This authorisation, given for a period of 18 months, would cancel and supersede the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 10th resolution.

2) Authorisation for the Board of Directors to allow the Company to cancel shares repurchased by the Company as provided for by Article L. 225-209 of the French Commercial Code.

In its 7th resolution, the 27 June 2008 Combined General Meeting of Shareholders authorised the Board of Directors cancel shares repurchased by the Company as provided for by Article L. 225-209 of the French Commercial Code.

This delegation of authority, issued for a period of 24 months, will expire on 26 June 2010.

There is a proposal to proceed with its early renewal and to authorise the Board of Directors to:

- in its sole discretion, on one or more occasions, up to a maximum of 10% of the share capital calculated on the date of the cancellation decision, less any shares cancelled during the 24 previous months, to cancel shares that the Company holds or will hold following repurchases carried out under Article L. 225-209 of the French Commercial Code and to reduce the share capital by the same in accordance with the legal and regulatory provisions in force,
- conduct the required transactions for such cancellations and the corresponding reduction in the share capital, to amend the company articles of association accordingly and to carry out all required formalities.

This authorisation, given for a period of 24 months, would cancel and supersede the authorisation given to the Board of Directors by the Combined General Meeting of 27 June 2008 in its 7th resolution.

7. DELEGATIONS OF AUTHORITY FOR CAPITAL INCREASES

1) Delegation of authority to the Board of Directors to issue stock warrants reserved for a certain category of persons

In its 17th resolution, the 23 June 2009 Combined General Meeting of Shareholders authorised the Board of Directors to issue stock warrants reserved for a certain category of persons.

This delegation of authority, issued for a period of 18 months, will expire on 22 December 2010.

There is a proposal to proceed with its early renewal and authorise the Board of Directors, on one or more occasions and in the proportions and timeframes it chooses, to issue stock warrants with the rescission of preferential subscription rights for the benefit of a certain category of persons defined below, 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 nominal value of shares able to be issued by virtue of the present delegated authority shall not exceed €711,000;
- 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 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 shareholders' preferential subscription rights shall be rescinded for the stock warrants to be issued to the following category of persons: managers, whether or not officers and directors, and management employees of the Company or companies, French or foreign, which are related within the meaning of Article L. 225-180 of the French Commercial Code.
- this delegation of authority entails the shareholders' waiver of pre-emptive subscription rights of the Company shares likely to be issued upon exercise of the stock warrants for the benefit of warrant holders;

The Board of Directors may issue stock warrants with the right to further delegate its authority, and 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, charge, at its discretion, the cost of 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 new share capital following each capital increase;
- And more generally, take all necessary and useful steps.

This authorisation, given for a period of 18 months, would cancel and supersede the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 17th resolution.

2) Authorisation for the Board of Directors to allocate free shares to salaried employees and/or to certain officers and directors

In its 12th resolution, the 27 June 2007 Combined General Meeting of Shareholders authorised the Board of Directors to issue free shares to salaried employees and/or certain directors and officers.

This delegation of authority, issued for a period of 38 months, will expire on 26 August 2010.

There is a proposal to proceed with its early renewal and authorise the Board of Directors, on one or more occasions, in accordance with Articles L 225-197-1 and L 225-197-2 of the French Commercial Code, to proceed with award of existing or future common stock of the company for the benefit of:

- salaried employees of the company or of companies directly or indirectly related in accordance with Article L 225-197-2 of the French Commercial Code, and/or
- officers or directors who comply with the provisions of Article L 225-197-1 of the French Commercial Code.

The total number of awarded free shares shall not exceed 3% of the share capital on the date of the board of directors' decision to award them.

Award of free shares shall be final at the end of a vesting period whose duration shall be established by the Board of Directors, and which shall not be less than two years. The beneficiaries must retain these shares for the period established by the Board of Directors, it being specified that the lock-up period shall not be less than two years from the final allocation of such shares. However, to the extent the vesting period for all or part of one or more awards is a minimum of four years, the Board of Directors is authorised to not impose any vesting period for the shares in question.

By way of exception, final award shall occur before the end of the vesting period in the event of the beneficiary's disability corresponding to the classification in the second and third categories described in Article 341-4 of the Social Security Code.

Full powers are granted to the Board of Directors, with the right of further delegation, to:

- Set the conditions and, if applicable, the criteria for the award of the shares,
- Determine the identity of the beneficiaries and the number of shares awarded to each of them,
- Determine the impact on the rights of the beneficiaries, the transactions that modify the share capital or may influence the value of shares to be awarded and realised during the vesting and lock-up periods and, accordingly, amend or adjust if necessary the number of awarded shares to preserve the rights of the beneficiaries,

If need be:

- establish the existence of sufficient reserves and proceed upon each allocation with the payment to an unavailable reserve account the sums required to pay up the new shares to be awarded,
- determine at a given moment the capital increases through capitalisation of reserves, premiums or earnings correlating to the issue of freely awarded new shares,
- proceed with the necessary purchases in connection with a share repurchase programme and allocate those shares to the award plan,

- take all useful steps to ensure compliance with the lock-up requirement for the beneficiaries, and
- generally to do those things, within the framework of applicable law in effect, that the implementation of the present authorisation may require.

This authorisation automatically includes the waiver by the shareholders of their preferential subscription rights to new shares issued through capitalisation of reserves, premiums or earnings.

This authorisation, given for a period of 38 months, would cancel and supersede the authorisation given to the Board of Directors by the Combined General Meeting of 27 June 2007 in its 12th resolution.

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

Pursuant to the provisions of Article sl. 225-129-6 and L. 225-138-1 of the French Commercial Code and L. 3332-18 et seq. of the French Labour Code, there is a proposal to authorise 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 within the meaning of Article L. 225-180 of the French Commercial Code) who are members of a company savings plan (PEE).

- Preferential subscription rights to the shares that may be issued by virtue of this delegation of authority will be rescinded.
- The maximum par value of the capital increase(s) that may be carried out under this authorisation is limited to 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 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, of 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.

This authorisation, given for a period of 26 months, would cancel and supersede the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 15th resolution.

8. STATUTORY AMENDMENTS

8.1 At the General Meeting of shareholders there will be a proposal to bring Article 13.2 of the articles of association into compliance with the provisions of Article L. 225-110 of the French Commercial Code and to amend it as follows.

Former version:

“13.2. Voting rights belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings. However, the shareholders may agree to any other distribution of the voting rights at the general meetings. The Company shall be informed of such agreement by registered letter, and is bound to respect this agreement for all meetings which convene following expiration of a one month period after mailing of the letter.

However, in any case, the bare owner has the right to participate in general meetings. The voting rights of pledged securities are exercised by the owner."

New version:

"13.2. Voting rights attached to shares belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings."

8.3 In the interest of improving the presentation of the Company articles of association, at the General Meeting of shareholders there will also be a proposal to approve a revision of the articles of association, more specifically to amend the order and general organisation of the articles and to review the wording in some of them.

9. COMPANY OFFICERS AND DIRECTORS

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. The Board of Directors has not imposed any specific restrictions on the powers of the Chief Executive Officer.

In its 5th resolution, the 23 June 2009 Combined General Meeting renewed Mr. Simon Azoulay's term as director for a period of four (4) years, i.e. for a term expiring at the end of the General Meeting called to approve the financial statement for the fiscal year ended 31 December 2012.

The Board of Directors meeting on 23 June 2009 held at the end of the Combined General Meeting confirmed the option to combine the duties of Chairman of the Board of Directors and Chief Executive Officer and renewed Mr, Simon Azoulay's appointment as Chief Executive Officer for the duration of his term as director. The Board of Directors has not imposed any particular restrictions on the powers of the Chief Executive Officer.
Mr. Gérald Attia serves as Deputy Managing Director. He was appointed by the Board of Directors on 28 June 2002 at the suggestion of the Chairman. No restrictions have been placed on his powers.

Mr. Gérald Attia's term as Deputy Managing Director was renewed by the Board of Directors meeting which followed the 23 June 2009 Combined General Meeting for the duration of the term of the Chairman of the Board of Directors, i.e. for a term expiring at the end of the General Meeting called to approve the financial statements for the year ended 31 December 2012. The Board of Directors has not imposed any particular restrictions on the powers of the Chief Executive Officer.

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 and before the courts.

2) Offices and positions held by company officers and directors

The complete list of offices and positions held within and outside of Alten Group appears in Appendix 3 of the Management Report (pages 119 and 124 of the Annual 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 will expire at the end of the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2009.

It will be proposed at the Combined General Meeting of shareholders to renew this term for a period of four (4) years. Thus, Mr. Gerald Attia's term as Director will expire at the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2013.

4) Directors' fees

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

10. REMUNERATION OF OFFICERS AND DIRECTORS

Remuneration for the fiscal year ended 31 December 2009:

Simon Azoulay *Chief Executive Officer*	2008	2009
Remuneration due for the fiscal year	€259,080.00	€409,080.00
Value of options awarded during the fiscal year	N/A	N/A
Value of performance-based shares awarded during the fiscal year	N/A	N/A
TOTAL	***€259,080.00***	***€409,080.00***

Gérald Attia *Deputy Managing Director*	2008	2009
Remuneration due for the fiscal year	€148,159.00	€218,224.00
Value of options awarded during the fiscal year	N/A	N/A
Value of performance-based shares awarded during the fiscal year	N/A	N/A
TOTAL	***€148,159.00***	***€218,224.00***

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

Simon Azoulay	2008		2009	
	Amount paid	Amount owed	Amount paid	Amount owed
- Fixed remuneration	€109,080.00	€109,080.00	€109,080.00	€109,080.00
- Variable remuneration	N/A	N/A	N/A	N/A
- Extraordinary remuneration	N/A	N/A	N/A	N/A
- Director's fee	€0	€150,000.00	€300,000.00	€300,000.00
- Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	***€109,080.00***	***€259,080.00***	***€409,080.00***	***€409,080.00***

* This amount corresponds to:

- €150,000 paid to Mr. Simon Azoulay in June 2009, for 2008, by Alten Ltd, a company formed under English law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors fees for the performance of his duties as *Director*. This amount is therefore mentioned for 2008 and for 2009 (even if paid only in 2009);
- €150,000 paid to Mr. Simon Azoulay in December 2009, by Alten Tecnologias de la Informacion y Consultoria S.L, a company formed under Spanish law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors fees for the performance of his duties as *Consejero.*

Mr. Simon Azoulay is also the majority shareholder and chairman of SGTI, which is bound to Alten S.A. through a service provision agreement. SGTI receives annual fees in the amount of €480,000 under this agreement (see note 15).

Gérald Attia	2008		2009	
	Amount paid	Amount owed	Amount paid	Amount owed
- Fixed remuneration	€148,159.00	€148,159.00	€178,224.00	€178,224.00
- Variable remuneration	N/A	N/A	N/A	N/A
- Extraordinary remuneration	N/A	€40,000.00	€40,000.00	€40,000.00
- Director's fee	N/A	N/A	N/A	N/A
- Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	***€148,159.00***	***€188,159.00***	***€218,224.00***	***€218,224.00***

3) Table of directors' fees

Non-executive corporate officers		Amounts paid in 2008 (in €)	Amounts paid in 2009 (in €)
Simon Azoulay	Directors' fees	None	€300,000.00(1)
	Other remuneration	None	None
Gérald Attia	Directors' fees	None	None
	Other remuneration	None	None
Catherine Azoulay	Directors' fees	None	None
	Other remuneration	None	None

(1) This amount corresponds to:

- €150,000 paid to Mr. Simon Azoulay in June 2009, for 2008, by Alten Ltd, a company formed under English law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors fees for the performance of his duties as *Director*;

- €150,000 paid to Mr. Simon Azoulay in December 2009, by Alten Tecnologias de la Informacion y Consultoria S.L, a company formed under Spanish law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors fees for the performance of his duties as *Consejero.*

4) Options to subscribe for or purchase shares awarded during the fiscal year to each officer or director

Name of company 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)	Value 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) Options to subscribe for or purchase shares exercised during the fiscal year by each officer or director

Name of officer or director	Options exercised by the 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 by the general meeting of shareholders in each fiscal year 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	Performance terms
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

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

8) Summary of officer and directors' employment contracts, compensation and/or benefits owed or likely to be owed due to termination or change in their duties or otherwise

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	None	None	None	None
Gérald Attia	None	None	None	None

9) Commitments of all kinds relating to remuneration, compensation or benefits owed or likely to be owed due to the appointment, termination or change in the duties of officers or directors, or subsequent to such events:

During the 2009 fiscal year, there were no commitments relating to remuneration, compensation or benefits owed or likely to be owed due to the appointment, cessation or change in an officer's or director's duties, or subsequent to such events.

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:

11.1 Stock options

At its meeting on 7 September 2009, pursuant to the delegation of authority granted by the Combined General Meeting on 23 June 2009, the Board of Directors decided to award 574,330 stock options to 689 employees (equal to 1.80% of the capital on the date of issuance).

This award of stock options was subject to the following terms:

- subscription price of €15.21 per share (corresponding to 95% of the average price quoted for Alten shares during the past twenty (20) stock market sessions),
- setting the option exercise period between 7 September 2013 and 7 September 2017.

No officers or directors appear on the list of beneficiaries.

During the 2009 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. However, note that 16,000 stock options were awarded to Mr. Gérald Attia during the 2006 fiscal year (plan dated 23/10/06).

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	Total number of options awarded / shares subscribed for or purchased	Weighted average price	Plan n°. 1
Options granted during the year by Alten and any company within its Group granting options, to the ten employees of Alten and all companies included in the group which grant options, with the highest number of options granted. (Comprehensive information)	120,000	N/A	7/09/2009
Option 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)	37,515	10.73 7.30 5.90 17.98 16.20	7/09/2009

Record of past stock option awards

Date awarded by the shareholders' meeting	Date awarded by the Board	Number of beneficiaries	First possible exercise date	Plan maturity date	Number of options awarded	Exercise price in €	Number of options waived	Number of options exercised	Number of options voided	Number of options exercised
07/01/99	27/01/99	34	27/01/03	28/01/07	27,950	6.86	-	18,880	9,070	-
07/01/99	16/12/99	190	16/12/03	17/12/05	292,900	27.4	-	17,150	275,750	-
07/01/99	27/09/00	50	27/09/04	28/09/08	174,250	27.2	85,000	1,750	52,500	-
07/01/99	09/01/01	180	09/01/05	10/01/09	283,000	28	64,500	14,670	174,000	-
07/01/99	28/03/01	3	28/03/05	28/03/09	30,000	26	-	-	30,000	-
07/01/99	21/08/01	2	21/08/05	21/08/09	28,500	16.85	-	28,500	-	-
07/01/99	25/01/02	214	25/01/06	25/01/10	438,400	15.72	60,000	292,205	73,475	12,720
7/01/99	05/09/02	1	05/09/06	05/09/10	10,000	6	-	10,000	-	-
07/01/99	13/03/03	237	13/03/07	13/03/11	359,150	5.9	-	303,915	37,900	17,335
07/01/99	25/07/03	6	25/07/07	25/07/11	450,000	7.3	-	379,500	500	70,000
07/01/99	06/01/04	259	06/01/08	06/01/12	318,970	10.73		134,607	84,800	99,563
23/06/03	24/03/05	356	24/03/09	24/03/13	496,500	17.98	-	2,316	197,875	296,309
27/06/06	23/10/06	598	23/10/10	23/10/14	1,189,780	24.1	-	-	642,740	547,040
27/06/06	18/02/08	794	18/02/12	18/02/16	622,790	19.13	-	-	165,075	457,715
23/06/09	07/09/09	689	07/09/13	07/09/17	574,330	15.21	-	-	12,705	561,625
			TOTAL		**5,296,520**		**209,500**	**1,203,493**	**1,756,390**	**2,062,307**

11.2 Stock warrants

At its 7 September 2009 meeting, pursuant to the delegation of authority granted by the Combined General Meeting on 23 June 2009, the Board of Directors decided to award 487,000 stock warrants (representing 0.33% of the share capital as of the issuance date) to seven (7) beneficiaries, i.e. seven managers (whether or not officers or directors) and management employees of the Company and of related companies within the meaning of Article L 225-180 of the French Commercial Code. More specifically, the beneficiaries are Group managers, including Mr. Simon Azoulay, Chief Executive Officer (150,000 stock warrants) and Mr. Gérald Attia, Deputy Managing Director (75,000 stock warrants).

These stock warrants, which are not admitted to a regulated market, give their holders the right to subscribe for new common stock at the rate of one (1) new Alten share for one (1) stock warrant (maximum number of shares to be issued: 487,000 shares). These new shares shall be comparable to existing shares upon their admission to listing on the Euronext Paris – Compartment B market.

The subscription price was set at one euro nineteen (€1.19) based on a report issued by an independent expert. The exercise price was set at fifteen euros eighty-five (€15.85), an amount determined according to the rule established by the Combined General Meeting of 23 June 2009, i.e.:

“The subscription price of new 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 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 exercise period is established from 7 September 2013 to 7 September 2017. The maximum term of the stock warrants is eight (8) years, beyond which date the warrants shall expire. These share warrants are not transferable.

History of past awards of stock warrants:

Date of the General Meeting	
Date of the Board of Directors meeting	07/09/2009
Total number of shares that can be subscribed for upon exercise of the warrants	487,000
Number of shares that can be subscribed for by :	
The officers and directors	
Officer/director 1	150,000
Officer/director 2	75,000
Initial exercise date of the warrants	07/09/2013
Expiry date	07/09/2017
Exercise price of the warrants (4)	€15.85
Exercise procedures (when the plan has several tranches)	N/A
Number of shares subscribed for as of 31/03/2010 (most recent date)	0
Cumulative number of stock warrants cancelled or voided	0
Remaining stock warrants at the end of the fiscal year	0

Stock warrants awarded during the fiscal year to each officer or director:

Name of company officer or director	Stock warrants awarded to each officer or director by Alten or by any Group company	Date of issue	Warrant subscription price	Number of shares granted for each warrant	Share subscription price	Exercise period
Simon Azoulay	150,000	7/09/2009	€1.19	1 warrant = 1 share	€15.85	From 7/09/2013 To 7/09/2017
Gérald Attia	75,000	7/09/2009	€1.19	1 warrant = 1 share	€15.85	From 7/09/2013 To 7/09/2017

12. THE STATUTORY AUDITORS

Alten's regular and substitute statutory auditors are:

Regular statutory auditors:

Cabinet Dauge & Associés

41, avenue de Friedland

75008 Paris

Substitute statutory auditors:

Cabinet Kling & Associés

41, avenue de Friedland

75008 Paris

Regular statutory auditors:

Grant Thornton

100, rue de Courcelles

75017 Paris

Substitute statutory auditors:

IGEC

3, rue Léon Jost

75017 Paris

In its sixth, seventh, eighth and ninth resolutions, the Combined General Meeting of shareholders on 23 June 2009 renewed all of the mandates of the regular and substitute statutory auditors for a term of six (6) fiscal years, expiring at the end of the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2014.

13. EMPLOYEES

1) Share of capital owned at year-end

At the end of the fiscal year 2009, employee share ownership as defined under Article L. 225-102 of the French Commercial Code represented 1.21% of the Company's share capital. These shares are held through the Alten FCPE.

2) Reserved capital increase

The shareholders were asked to again give early approval to proposed resolutions to increase capital by cash contribution at the next General Meeting.

Accordingly, they were also asked to approve a capital increase reserved for members of a company savings plan (PEE) carried out under the terms of Articles L. 3332-18 et seq. of the French Labour Code.

14. INFORMATION ON PAYMENT TERMS OF ALTEN'S SUPPLIERS AND CUSTOMERS

Pursuant to articles L. 441-6-1 and D. 441-4 of the French Commercial Code, as of 31 December 2009 the company's accounts payable totalled €19,956,658.05 and were composed of:

Accounts payable	Total accounts Payable at 31/12/2009	Debt due at year end	Total unmatured debt	Matures in less than 30 days	Matures between 30 and 60 days	Matures in 60 days
Trade payables	€5,297 K	€1,512 K	€3,785 K	€1,542 K	€2,230 K	€13 K
Group suppliers	€14,659 K	€8,615 K	€6,044 K	€22 K	€6,015 K	€7 K
Total for all Suppliers	€19,956 K	€10,127 K	€5,297 K	€1,564 K	€8,245 K	€20 K

Supplier invoices not yet received	€8,994 K

TOTAL ACCOUNTS PAYABLE AT 31/12/2009	€28,951 K

15. AGREEMENTS GOVERNED BY ARTICLES L. 225-38, L. 225-39 AND L. 225-42 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

The General Meeting of shareholders will be asked to approve the following agreements, which are mentioned in the special report of the Statutory Auditors:

1 - Tax consolidation

1.1 A tax consolidation agreement was signed on 13 October 2009 between Winwise and Alten, with retroactive effect to 1 January 2009. This agreement was subject to the prior approval of the Alten Board of Directors at its 12 May 2009 meeting.

1.2 A tax consolidation agreement was signed on 13 May 2009 between Dixid and Alten, with retroactive effect to 1 January 2009. This agreement was subject to the prior approval of the Alten Board of Directors at its 12 May 2009 meeting.

2 – Cash advance

A cash advance agreement was granted by Alten to its leading shareholder, SGTI, on 1 July 2009 for a maximum amount of €8,000,000. The actual amount of the advance granted under this agreement was €7,414,000. This cash advance agreement resulted in payment of interest to Alten, calculated as follows: EURIBOR 3 months + 2%. For the 2009 fiscal year, this interest totalled €56,353.70. This agreement was subject to prior authorisation by Alten’s Board of Directors at its 30 June 2009 meeting. At its 14 December 2009 meeting, Alten’s Board of Directors amended the expiry date of this cash advance agreement, initially set at 31 December 2009, moving it back to 30 June 2010.

3 – Service agreement

SGTI and Alten entered into a service provision agreement dated 16 December 2009. Under this agreement, SGTI provides consulting services to Alten in the areas of strategy, market analysis, seeking off-shore location opportunities and other matters. This agreement was subject to prior authorisation by Alten's Board of Directors at its 14 December 2009 meeting. The amount invoiced by SGTI for the 2009 fiscal year was €480,000.

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

1 - Loan granted by ALTEN to Alten GMBH (formerly IMP Engineering)

Following the approval of the Board of Directors on 27 June 2003, Alten granted a loan in the amount of €6,591,963 to its subsidiary, Alten GMBH, a company formed under German law. This loan was reduced to €3,716,963 during 2003 following a recapitalisation of Alten GMBH in the amount of €2,875,000, and then further reduced to €1,466,963 in June 2004 following a further recapitalisation of €2,250,000.

In 2005, this loan was reduced by Alten GMBH to €1,100,222 following two successive payments in November and December 2005, each in the amount of €183,370.

The debt currently stands at €948,037 following a payment of €152,184.94 made in 2009.

Interest on the loan is calculated as follows: EURIBOR 12 month +3 %.
Interest recognised during the 2009 fiscal year totalled €45,372.41.

2 – Tax consolidation

Company	Date the Board of Directors authorised the agreement	Signature date of the agreement	Effective date	Common officers and directors	Holds greater than 10% of voting rights
Abilog	26/09/2008	29/09/2008	01/01/2008	None	Yes
Alten Aerospace	30/12/2005	02/01/2006	01/01/2006	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 SIR	03/01/2000	05/01/2000	01/01/2000	Simon Azoulay	Yes
Alten Sud Ouest	06/01/2004	05/01/2004	01/01/2004	Simon Azoulay	Yes
Anotech Energy	26/09/2008	29/09/2008	01/01/2008	None	Yes
Avenir Conseil Formation	6/05/2008	7/05/2008	01/01/2008	None	Yes
Cisia Cetop*	6/05/2008	7/05/2008	01/01/2008	None	Yes
Cisia Ingenierie	6/05/2008	7/05/2008	01/01/2008	None	Yes
ECAM*	6/05/2008	7/05/2008	01/01/2008	None	Indirectly held but controlled company
GIST*	02/01/2001	02/07/2001	01/01/2001	Simon Azoulay	Yes
Idestyle Group(1)	6/05/2008	7/05/2008	01/01/2008	None	Yes
HPTI	26/09/2008	29/09/2008	01/01/2008	None	Yes
Idestyle Technologies(1)	6/05/2008	7/05/2008	01/01/2008	None	Yes
MI-GSO	06/01/2004	05/01/2004	01/01/2004	None	Yes

**** Companies dissolved by absorption during the fiscal year just ended***

(1) Companies placed into liquidation

Agreements entered into during the fiscal year:

- Tax consolidation agreement entered into between Alten and Cisia Cetop (following dissolution of the company through a complete transfer of assets and liabilities to MI-GSO),

- Tax consolidation agreement entered into between Alten and GIST (following dissolution of the company through a merger of assets and liabilities with Alten),
- Tax consolidation agreement entered into between Alten and ECAM (following dissolution of the company through a merger of assets and liabilities with Alten Sud Ouest).

Tax savings realised by Alten during the 2009 fiscal year which resulted from tax consolidation equalled €6,156,258, distributed among the contributing companies as follows:

- Dixid, for an amount of €122,531
- Winwise, for an amount of €307,028
- Alten Europe, for an amount of €59,263
- Abilog, for an amount of €175
- HPTI, for an amount of €45,507
- Idestyle Group, for an amount of €215,926
- Idestyle Technologies, for an amount of €5,171,739
- Cisia Ingenierie, for an amount of €234,089

2) Agreements governed by Article L. 225-42 of the French Commercial Code

SGTI and Alten entered into a service provision agreement dated 3 July 2009. Under this agreement, Alten performs administrative services (accounting, legal, etc.) for SGTI. SGTI is one of Alten's leading shareholders. Mr. Simon Azoulay is an officer of both companies. Accordingly, the agreement is subject to ratification by the Combined General Meeting of shareholders under Article L. 225-42 of the French Commercial Code. During the 2009 fiscal year, Alten invoiced a total of €15,000 excluding tax.

3) Agreements governed by Article L. 225-39 of the French Commercial Code

We also draw the shareholders' attention to the standard agreements entered into with Group subsidiaries during the ordinary course of business during the past fiscal year:

3.1 Group service provision agreements under which the Company provides standard services based on the needs of its subsidiaries (Group services) as well as more specific services as need be (subleasing of facilities)

1) Alten and B2I Automotive Engineering signed a framework agreement dated 1 September 2009, effective retroactive to 6 January 2009. During the 2009 fiscal year, Alten invoiced a total of €17,641.00.

2) Alten and Onion signed a framework agreement dated 30 January 2009, effective retroactive to 28 January 2009. During the 2009 fiscal year, Alten invoiced a total of €104,177.00.

3) Alten and X DIN AB signed a framework agreement dated 22 January 2009, effective retroactive to 1 January 2009. During the 2009 fiscal year, Alten invoiced a total of €93,702.00.

4) Alten and Winwise signed a framework agreement dated 13 October 2009, effective retroactive to 1 January 2009. During the 2009 fiscal year, Alten invoiced a total of €29,468.00.

5) Alten and BBR signed a framework agreement dated 22 January 2009, effective retroactive to 1 January 2009. During the 2009 fiscal year, Alten invoiced a total of €28,274.00.

6) Alten and Burke Formacion signed a framework agreement dated 22 January 2009, effective retroactive to 1 January 2009. During the 2009 fiscal year, Alten invoiced a total of €125,234.00.

3.2 Use of the Alten brand

Companies	Amount billed during 2009
Alten GMBH	€92,000.00
Alten Benelux	€85,000.00
Alten TIC*	€113,000.00
Alten Ingenieria*	€62,000.00

Companies dissolved during the fiscal year just ended

3.3 Subleasing of premises

Companies	Amount billed during 2009
Cisia Ingénierie	€215,329.05
Winwise	€37,492.00

C. CONCLUSION

The General Meeting of shareholders will be asked to fully discharge the Board of Directors from its management duties for the fiscal year ended 31 December 2009, as well as the Statutory Auditors for the completion of their mission as set out in their general report.

The Board of Directors asks the General Meeting of shareholders to vote in favour of the proposed resolutions.

21 April 2010

The Board of Directors

APPENDICES TO THE MANAGEMENT REPORT BY THE BOARD OF DIRECTORS

APPENDIX 1:

SOCIAL AND ENVIRONMENTAL IMPACT OF ACTIVITY

A- SOCIAL IMPACT OF ACTIVITY:

2009 was especially hard hit by difficult economic circumstances, which had significant repercussions for our entities operating in the automotive sector.

In addition, to address the listing needs of our customers, the Alten Group decided to merge its two entities, GIST and Alten, on 1 July 2009.

Accordingly, figures related to business and employment are not presented on a like-for-like basis as compared with 2008.

1) Employment at Alten SA:

The overall workforce grew by 5.57%, in part due to the GIST/Alten merger which took place in July 2009.

However, given the unstable economic environment, Alten SA chose to carefully manage recruitment and favoured internal skill redeployment.

Total workforce as of 31/12/2009: 3,944

Indefinite-term employment contracts: 663

Fixed-term employment contracts: 75

Alten SA controlled employee departures during the 2009 fiscal year, down 9% as compared with 2008.

Departures, all reasons combined: 1,482

- Resignations: 38% of departures

- Dismissals: 34% of departures

- End of trial period: 14% of departures

- End of fixed-term employment contract: 4% of departures

- Other (including transfers): 10% of departures

– Overtime worked: 3,776 hours

External labour: sub-contracted labour for the completion of technological projects

2) Employment and recruitment of foreign employees:

As of 31 December 2009, there were 213 employees of foreign nationality in the Alten workforce, including 174 from outside of the European Union.

3) Employment and insertion of disabled persons

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 13 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. Alten paid a tax of €1,198 K to AGEFIPH.

4) Mobility:

Given the nature of the company's business, all consultants can move within Alten. As of 31 December 2009, 600 consultants were working on short-term overseas assignments to carry out more than 2,000 projects in over 90 countries.

5) Working time:

Hours worked:

- Full time: 35 hours a week

- Part time: greater than or equal to 20 hours: 51 employees / less than 20 hours: 2 employees

Access to part time work was facilitated during 2009.

Absenteeism and its reasons: The average number of days absent per employee as 7.5 days, whereas the known national average is estimated at 17.8 days.

- Sabbaticals, parental leave, and leave for family events = 38%

- Maternity leave = 18%

- Sick leave = 43%

- Occupational injuries = 1 %

6) Employee relations:

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

Alten S.A. met with the Works Council 18 times and with employee representatives 11 times during 2009.

7) Hygiene and safety

Alten S.A.'s Health and Safety Committee met 10 times in 2009. 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 working condition or the performance of repetitive tasks (assembly line work).

During the fiscal year 2009, the Alten Group recorded a very low rate of work-related accidents (0.8%).

8) Training:

Alten devotes a significant budget to training activities. In 2009, this budget represented 2.14% 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.

9) Remuneration, mandatory and discretionary profit sharing and savings plans:

As of 31 December 2009, social security charges related to total payroll equalled €58,795 K.

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).

10) Welfare and cultural benefits:

The budget allocated to welfare benefits represented 0.8% of the total payroll.

11) Subcontracting:

Alten mainly uses subcontractors from within the Group. In 2009, subcontracting expenses amounted to €58,687,280.17. 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 2009, expenses related to the use of temporary workers equalled €204,099.79.

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 prestigious 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 Meeting	Delegation's expiry date	Authorised amount	Increases carried out in prior years	Increases carried out 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 through capitalisation of reserves, earnings or premiums	23/06/2009	22/08/2011	€16,662,400	None	None	€16,662,400
Delegation of authority for the purpose of increasing capital by issuing common shares or securities conferring a right in the share capital, reserved for shareholders	23/06/2009	22/08/2011	€16,256,000	None	None	€16,256,000
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 through public offering or private placement.	23/06/2009	22/08/2011	€16,256,000	None	None	€16,256,000
Delegation of authority to increase the capital within a limit of 10% for the purpose of remunerating contributions in kind of shares or securities	23/06/2009	22/08/2011	10% of capital	None	None	10% of capital
Delegation of authority to increase share capital with rescission of pre-emptive subscription rights reserved for members of a company savings plan (PEE)	23/06/2009	22/08/2011	5% of the amount of capital	None	None	5% of the amount of capital
Delegation of authority to issue stock options	23/06/2009	22/08/2012	14% of capital	None	(1)	12.2% of capital*
Delegation of authority to award free shares to salaried employees (and/or to certain company officers and directors)	27/06/2007	26/08/2010	3% of capital	(2)	None	2.67% of capital
Delegation of authority to issue stock warrants reserved for a category of persons	23/06/2009	22/12/2010	€510 000	None	(3)	€15,208

(1) with regard to the delegation of authority granted 23 June 2009, 574,330 options were awarded, conferring a right to 561,625 shares not yet exercised at the time of this report, i.e. 1.76 % of the share capital.

Recall that:

- with regard to the delegation of authority granted by the general meeting on 7 January 1999, 2,413,120 options were awarded, conferring a right to 199,618 shares not yet exercised at the time of this report, i.e. 0.63% of the share capital.
- under the delegation of authority dated 25 June 2003, 496,500 options were awarded, conferring a right to 296,309 shares not yet exercised at the time of this report, i.e. 0.93% of the share capital.
- under the delegation of authority dated 27 June 2006, 1,812,570 options were awarded, conferring a right to 1,004,755 shares not yet exercised at the time of this report, i.e. 3.16 % 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.

In all, 2,062,307 options awarded have yet to be exercised, i.e. 6.49% of the share capital (as of 31 December 2009).

(2) under the delegation of authority dated 27 June 2007, 105,600 free shares were awarded to two beneficiaries by the board on 11 April 2008. Because one of the beneficiaries waived his right to these free shares, only 52,800 remain awarded as of this date (representing 0.17% of the share capital).

(3) under the delegation of authority dated 23 September 2009, 487,000 stock warrants (representing 0.33% of the share capital) were awarded to 7 beneficiaries, with 1 stock warrant conferring the right to 1 Alten share.

APPENDIX 3:
LIST OF OFFICES AND POSITIONS HELD BY THE OFFICERS AND DIRECTORS

First and last name of member	Initial appointment date:	Term of office expires	Main position held in the Company	Positions held within the Group (excluding Alten SA) during the past five fiscal years	Other duties and positions held in any other company (outside of the Alten Group) during the past five fiscal years
Simon Azoulay Born on 29/05/1956 in Rabat (Morocco)	22/09/1998 (CEO) 19/02/1997 (Director)	General meeting called to approve the financial statements for the year ended 31/12/2012 (CEO) and the general meeting called to deliberate on the fiscal year ended 31/12/2012 (Director)	Chief Executive Officer	• Permanent representative of ALTEN, legal entity Chairman of: - Alten Sud Ouest SAS * - Alten Sir SAS* - Alten Si SAS - Develop4@LI SAS - Alten Sud Ouest SAS - Gist SAS - Anotech Energy SAS - Cogitel SAS - Humelec Technologies SAS • Permanent representative of Alten Europe, legal entity, Director of: - Alten Ingenieria Slu (Spain) • Permanent representative of Alten Europe, legal entity, Secretary of: - Anotech Energy Ltd * (Great Britain) • Director of: - Avenir Conseil Formation SA* - Quaternove SA - Groupecyber SA • Manager of : -Abilog SARL* - Alten Europe SARL * - Alten Cash Management SARL * - Alten Services SARL - SGTI SCI - HRLT • *Consejero* of: - Alten Spain SA Unipersonal * (Spain) - Burke Newco Slu (Spain) - Grupo Alten Soporte Global Slu (Spain) - Alten T.I.C. Slu (Spain) • Manager of: - Alten Benelux Sprl * (Belgium) - Axen Sprl * (Belgium) • Company director: - Alten Ltd * (Great Britain) - SD Partners Ltd (Great Britain)	• Director of: - Des Systemes et des hommes SA* • Manager of: -Avenir Montmorency SCI* - Simalep Société civile* - Cakciv Société civile* • Chairman of : - SGTI SAS*
Gérald ATTIA Born on 6/04/1962 in Livry-Gargan (France)	21/12/1998 (DMD) 23/01/1998 (Director)	General meeting called to approve the financial Statements for the year ended 31/12/2012 (DMD) and the general meeting called to approve the financial statements for the year ended 31/12/2009 (Director)	Deputy Managing Director	• Director of the company: - SD Partners Ltd * (Great Britain) • Director of: - Groupecyber SA • *Consejero* of: - Alten T.I.C. Slu (Spain) • *Apoderado* de : _ Alten Ingenieria Slu (Spain) • Styrelse ledamot of: - XDin Aktiebolag (Publ) * (Sweden) - HRH Consulting Aktiebolag * (Sweden) - Recoverrest Aktiebolag * (Sweden) - X Din Francisco Aktiebolag * (Sweden) - X Din Systems Aktiebolag * (Sweden)	• Permanent representative of Alten SA, Director of: - Smart Trade Technologies SA • Permanent representative of Alten SA, Member of the Supervisory Board of: - X Ange Capital SA • Chairman of: - Etic Software • Manager of: - Proxym SARL*
Catherine AZOULAY Born on 18/11/1958 in Paris (14th) (France)	28/06/2002 (Director)	General meeting called to approve the financial statements for the year ended 31/12/2013		None	• Manager of: - Cakciv Société civile*

* *Current term or position*

APPENDIX 4:

TABLE OF ALTEN S.A.'S RESULTS FOR THE PAST FIVE FISCAL YEARS
(in thousands of euros)

FINANCIAL SUMMARY	31/12/2009	31/12/2008	31/12/07	31/12/06	31/12/05
Share capital Number of common shares Number of shares with preferred dividend Maximum number of future shares to be created - by convertible bonds - by exercising subscription rights	32,293 31,771,921 2,062,307	32,246 31,725,735 1,842,773	31,976 31,460,390 2,137,433	31,400 30,893,171 2,861,202	31,096 30,594,025 2,257,375
Sales (net of tax)	338,958	373,490	291,946	241,027	176,707
EBITDA	52,429	29,903	43,261	31,875	21,351
Income tax	-2,917	7,120	9,490	6,921	7,105
Employee profit-sharing	0	2,587	2,695	2,269	2,381
Net earnings	46,579	2,546	30,254	20,772	9,848
Distributed profit	0	0	0	0	0
Earnings per share after tax and before depreciation and provisions	1,56	0,64	0,99	0,75	0,39
Earnings per share after tax, depreciation and provisions	1,47	0,08	0,97	0,67	0,39
Dividend per share	0	0	0	0	0
Average workforce during the fiscal year	3,854	3,726	3,084	2,520	2,059
Total payroll	134,312	130,532	106,430	91,237	71,883
Total payroll and employee benefits	68,564	64,767	51,765	43,097	33,267

VI – REPORT OF THE CHAIRMAN CONCERNING CORPORATE GOVERNANCE, INTERNAL OVERSIGHT PROCEDURES AND RISK MANAGEMENT IMPLEMENTED BY ALTEN

To our Shareholders,

This Report of the Chairman of the Board of Directors, approved by the Board during its meeting on 10 May 2010 in accordance with the provisions of Article L. 225-37 of the French Commercial Code, informs you of 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 the company's 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 describing the completion of their mission, presents their comments on this report.

I - <u>CORPORATE GOVERNANCE</u>

Alten (hereafter the "Company") will henceforth consult the Middlenext Corporate Governance Code for small and mid-cap companies issued on 17 December 2009 (hereafter, the "Reference Code") in connection with implementation of its governance, replacing the AFEP/MEDEF code of corporate governance for listed companies dated December 2008.

The Middlenext code is available on the Middlenext website at www.middlenext.com.

The Reference Code contains fifteen (15) recommendations that specifically concern officers and directors and the Board of Directors.

The Board of Directors has started a process to gradually achieve compliance with the recommendations of the Reference Code, specifically:

- *Appointment of independent directors:*

The sixth Recommendation of the Reference Code sets forth criteria to be used to establish independence of the members. These five (5) criteria demonstrate the independence of board members, characterised by the absence of a significant financial, contractual or familial relationship which is likely to alter the independence of the director's judgment:

• the director is not an employee, officer or director of the company or a company within its group, and has not held such position during the past three years;

• the director is not a significant customer, supplier or banker of the company or its group, or for which the company or its group represents a significant part of its business;

• the director is not a leading company shareholder;

• the director does not have a close family relationship with an officer or director or a leading shareholder;

• the director has not been a company auditor during the past three years.

The board of directors considers the circumstances of each member on a case-by-case basis in view of the criteria set forth above. Subject to supporting its position, the board can view one of its members as independent even where he does not fulfil all these criteria. On the other hand, it is possible that a member who fulfils all of these criteria may not be considered independent.

The board believes that, as of this date, none of its members fulfils the aforementioned criteria for independence. A search is underway to identify one or more candidates who may join the board as independent directors and provide complementary expertise in certain fields. As part of the Company's achieving compliance with the provisions of the eighth Recommendation in the Reference Code, the appointment one (1) independent director is required. Henceforth the Board will be composed of at least five (5) directors.

- *Implementation of a procedure to evaluate the work of the Board:*

In accordance with the provisions of the fifteenth recommendation of the Reference Code, once a year starting in the 2009 fiscal year, the members of the Board will be asked by the Chairman to express their opinion on the operation of the Board of Directors and the preparation of its work. At the same time, a procedure to effectively assess the work of the board will be established once an independent director is appointed to the Board of Directors.

The Reference Code also contains key issues that emerge from the framework for reasonable governance of French companies, which sets forth questions that the Board of Directors must ask itself to promote effective governance. The Company's Board of Directors took note of these key issues during its 10 May 2010 meeting.

1. 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 organised 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 referring to corporate governance.

Finally, given the adoption of the new Middlenext Reference Code by the Board of Directors, the Board's bylaws were subject to certain changes at the 1 February 2010 meeting of the Board of Directors.

The Board of Directors' bylaws complies with the sixth Recommendation of the Reference Code concerning content and publication of the bylaws. It is available on the Company's website *(http://www.alten.fr/finance/informations-reglementees-alten.htm).*

1.1 Operational and organisational rules

1.1.1 Members 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.

The Board of Directors is composed of:

- Mr. Simon Azoulay, who also serves as Chief Executive Officer;
- Ms. Catherine Behar (married name 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 2009 he held 10.13% of the capital (3,216,438 shares) in his own name and 27.11 % (8,612,961 shares) through SGTI, 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 2009 he held 0.93% of the company's capital (296,874 shares) in his own name.

Ms. Catherine Behar (married name Azoulay) was born on 18 November 1958 in Paris (14th). As of 31 December 2009, Ms. Catherine Azoulay held 0.005% of the company's capital (1,500 shares) in her own name.

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 Board of Directors asked the 23 June 2009 General Meeting of shareholders to approve an amendment to the articles of association concerning the terms of the directors, reducing their terms to four (4) years rather than six (6) years. The term of office for members of the Board of Directors is now set in the articles of association at four (4) years. This term complies with the suggestions in the tenth Recommendation of the Reference Code.

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

The list of offices held by members of the Board of Directors during the 2009 fiscal year is as follows:

First and last name Group) during of the director	Initial appointment date	Term of office expires	Main position other held in the Company	Positions held within the Group (excluding Alten SA) during the past five fiscal years	Other duties and positions held in any company (outside of the Alten the past five fiscal years
Simon AZOULAY Born on 29/05/1956 in Rabat (Morocco)	22/09/1998 (CEO) 19/02/1997 (Director)	General meeting called to approve the financial Statement for the fiscal year ended 31/12/2012 (CEO) and general meeting Called to deliberate on the fiscal year ended 31/12/2012 (Director)	Chief Executive Officer	• Personal representative of Alten, legal entity Chairman of: - Alten Sud Ouest SAS* - Alten Sir SAS * - Alten Si SAS - Develop4@LI SAS - Alten Sud Ouest SAS - Gist SAS -Anotech Energy SAS - Cogitel SAS - Humelec Technologies SAS • Personal representative of Alten Europe, legal entity, Director of: - Alten Ingenieria Slu (Spain) • Permanent representative of Alten Europe, legal entity, Secretary of: - Anotech Energy Ltd * (Great Britain) • Director of: -Avenir Conseil Formation SA* - Quaternove SA -Groupecyber SA • Manager of: - Abilog SARL * - Alten Europe SARL * - Alten Cash Management SARL* - Alten Services SARL - SGTI SCI - HRLT • *Consejero* of: - Alten Spain SA Unipersonal * (Spain) - Burke Newco Slu (Spain) - Grupo Alten Soporte Global Slu (Spain) - Alten T.I.C. Slu (Spain) • Manager of: - Alten Benelux Sprl * (Belgium) - Axen Sprl * (Belgium) • Company director of: - Alten Ltd * (Great Britain) - SD Partners Ltd (Great Britain)	• Director of: - Des Systemes et des hommes SA* • Manager of: - Avenir Montmorency SCI* - Simalep Société civile* - Cakciv Société cvile* • Chairman of: - SGTI SAS*
Gérald ATTIA Born on 6/04/1962 In Livry-Gargan (France)	21/12/1998 (DGD) 23/01/1998 (Director)	General meeting called to approve the financial statements for the fiscal year ended 31/12/2012 (DMD) and general meeting called to approve the financial statements for the fiscal year ended 31/12/2009 (Director)	Deputy Managing Director	• Company director of: - SD Partners Ltd * (Great Britain) • Director of: - Groupecyber SA • *Consejero* of: - Alten T.I.C. Slu (Spain) • *Apoderado* of: -Alten Ingenieria Slu (Spain) • *Styrelse ledamot* of : - XDin Aktiebolag (Publ) * (Sweden) - HRH Consulting Aktiebolag * (Sweden) - Recoverrest Aktiebolag * (Sweden) - X Din Francisco Aktiebolag * (Sweden)	• Permanent representative of Alten SA, Director of : - Smart Trade Technologies SA • Permanent representative of Alten SA, member of the Supervisory Board of: - X Ange Capital SA •Chairman of: - Etic Software • Manager of: - Proxym SARL *
Catherine AZOULAY Born on 18/11/1958 In Paris (14th) (France)	28/06/2002 (Director)	General meeting called toapprove the financial statements for the fiscal year ended 31/12/2013		None	• Manager of: - Cakciv Société civile*

* Current term or position

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 2009 was four (4) 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.

Pursuant to the provisions of Article L. 823-17 of the French Commercial Code, the Company's statutory auditors are called to all meetings of the Board of Directors that concern the review of approval of the annual or interim financial statements, as well as to all shareholders' meetings.

In addition, in an effort to improve transparency and put the statutory auditors in a position where they can best carry out their duties, they are called to all Board of Directors meetings in an increasingly systematic way.

1.1.4 Director information

To enable members of the Board of Directors to effectively prepare for meetings, the Chairman gives 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 Company'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 are drafted following after each meeting and are subject to approval of the Board of Directors 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. Only one Director used this right during fiscal year 2009.

1.1.6 Use of videoconference and telecommunication

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 or telecommunication. 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 2009 fiscal year.

1.1.7 Chairmanship of meetings

Chairman Simon Azoulay presided over the fourteen (14) meetings of the Board of Directors held during fiscal year 2009.

1.1.8 Guests invited to the Board Meeting

During the 2009 fiscal year, the Group's Chief Financial Officer and the Head of the Legal Department regularly attended Board meetings. The duties of Secretary of the Board are carried out by the Head of the Group's Legal Department.

1.2 Frequency of meetings and Directors' average attendance rate

The Board of Directors met fourteen (14) times during 2009 at Company headquarters with an average attendance rate of 66 %.

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 its implementation.

It operates in areas which relate to its own areas of competence such as approval of financial statements (annual and interim financial statements), convocation of General Meetings of shareholders, regulated agreements (within the meaning of Article L. 225-38 of the French Commercial Code) and determining remuneration for officers and directors.

In addition, the following transactions are subject to prior approval by the Board of Directors: (i) acquisitions (ii) cessation of business, (iii) formation of jointly-held companies with third parties, (iv) issuance of bonds, guarantees and sureties.

During 2009, the Board of Directors examined and approved the 2008 financial statements and the provisional management documents, approved four (4) acquisitions and corporate restructurings, examined and authorised financial press releases, decided on compensation for company officers, delegated authority to the Chief Executive Officer to issue guarantees, bonds and sureties under certain conditions and limitations, and authorised one (1) project to form a jointly-held company within the scope of a partnership.

1.4 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.

In its 5th resolution, the23 June 2009 Combined General Meeting renewed Mr. Simon Azoulay's term as director for a period of four (4) years, i.e. for a term expiring at the end of the General Meeting called to approve the financial statement for the fiscal year ended 31 December 2012.

The Board of Directors meeting on 23 June 2009 held at the end of the Combined General Meeting confirmed the decision to combine the duties of Chairman of the Board of Directors and Chief Executive Officer and renewed Mr, Simon Azoulay's appointment as Chief Executive Officer for the duration of his term as director. The Board of Directors has not imposed any particular restrictions on the powers of the Chief Executive Officer.

Mr. Gérald Attia serves as Deputy Managing Director. He was appointed by the Board of Directors on 28 June 2002 at the suggestion of the Chairman. No restrictions have been placed on his powers.

Mr. Gérald Attia's term as Deputy Managing Director was renewed by the Board of Directors meeting which followed the 23 June 2009 Combined General Meeting for the duration of the term of the Chairman of the Board of Directors, i.e. for a term expiring at the end of the General Meeting called to approve the financial statements for the year ended 31 December 2012. 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's 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 and before the courts.

1.5 Delegations of authority relating to guarantees, bonds and sureties – Art. L. 225-35 of the French Commercial Code

During its 18 January 2010 meeting, the Board of Directors renewed the authority it had given the Chairman at its 20 January 2009 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 delegation of authority, issued for a period of twelve (12) months, will expire on 18 January 2011.

This authorisation was used two (2) times during the fiscal year just ended:

- On 8 January 2009, Alten issued a comfort letter for its subsidiary Alten Europe, a private limited company with share capital of €57,120,299.48, whose head office is located at 40, avenue André Morizet, 92100 Boulogne Billancourt, registered with the Nanterre Trade and Companies Register under number 480 168 301 as part of Alten Europe's acquisition of a company in Italy;

- On 22 July 2009, Alten issued a comfort letter for its indirectly held Spanish subsidiaries Cronos Iberica S.A., Alten Tecnologias de la Informacion y Consultoria S.L., Alten Ingenieria S.L. and Grupo Apex S.A. as part of bank lines of credit.

1.6 Remuneration policy for company officers and directors

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.

1.6.1.1 Remuneration paid by Alten S.A.

During the 2009 fiscal year, Mr. Simon Azoulay received total gross fixed remuneration of €109,080 for his position as Chief Executive Officer. Mr. Simon Azoulay did not receive any variable remuneration during the 2009 fiscal year.

At its meeting on 7 September 2009, the Board of Directors awarded Mr. Simon Azoulay one hundred fifty thousand (150,000) stock warrants which are not traded on a regulated market. The subscription price of the stock warrants was set at one euro nineteen cents (€1.19), and the exercise price was set at fifteen euros eighty-five cents (€15.85). The exercise period for the stock warrants was set from 7 September 2013 to 7 September 2017.

Mr. Simon Azoulay was not awarded any stock options or free shares during the 2009 fiscal year. He did not receive any extraordinary remuneration or benefits in kind paid by the Company during the 2009 fiscal year.

1.6.1.2 Remuneration paid by companies controlled by Alten S.A. (within the meaning of Article L 233-16 of the French Commercial Code).

Mr. Simon Azoulay did not receive any remuneration* or benefits in kind paid by a company controlled by Alten S.A. (within the meaning of Article 233-16 of the French Commercial Code) during the 2009 fiscal year.

* Excluding directors' fees described in § 1.6.3 below

1.6.2 <u>Remuneration paid to the Deputy Managing Director during the 2009 fiscal year</u>

1.6.2.1 Remuneration paid by Alten S.A.

During the 2009 fiscal year, Mr. Gérald Attia received total gross fixed remuneration of one hundred seventy-eight thousand two hundred and twenty-four euros (€178,224) for his position as Deputy Managing Director.
Mr. Gérald Attia also received an extraordinary bonus of forty thousand euros (€40,000) paid in January 2009 for the 2008 fiscal year, for achieving the goal of reviving and reorganising the Integrated Project Development Department.

At its meeting on 7 September 2009, the Board of Directors awarded Mr. Gérald Attia seventy-five thousand (75,000) stock warrants which are not traded on a regulated market. The subscription price of the stock warrants was set at one euro nineteen cents (€1.19), and the exercise price was set at fifteen euros eighty-five cents (€15.85).
The exercise period for the stock warrants was set from 7 September 2013 to 7 September 2017.

Mr. Gérald Attia was not awarded any stock options or free shares during the 2009 fiscal year. He did not receive any extraordinary remuneration other than the previously mentioned €40,000 bonus or benefits in kind paid by Alten S.A. during the 2009 fiscal year.

1.6.2.2 Remuneration paid by companies controlled by Alten S.A.

Mr. Gérald Attia did not receive any remuneration or benefits in kind paid by a company controlled by Alten S.A. (within the meaning of Article 233-16 of the French Commercial Code) during the 2009 fiscal year.

To date, the officers and directors have not received any deferred remuneration, benefits to departing employees or pension obligations.

1.6.3 <u>Directors' fees</u>:

1.6.3.1 Directors' fees paid by Alten S.A.

Company directors have not received directors' fees from Alten S.A. for the 2009 fiscal year.

1.6.1.2 Directors' fees paid by companies controlled by Alten S.A. (within the meaning of Article L 233-16 of the French Commercial Code).

Mr. Simon Azoulay received the following directors' fees:

- One hundred and fifty thousand euros (€150,000) paid in June 2009, for 2008, by Alten Ltd, a company formed under English law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors fees for the performance of his duties as *Director*;
- One hundred and fifty thousand euros (€150,000) paid in December 2009 by Alten Tecnologias de la Informacion y Consultoria S.L, a company formed under Spanish law which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors' fees for the performance of his duties as Consejero.

Mr. Gérald Attia has not received any directors' during the past fiscal year.

1.7 Shares owned and securities transactions

The Board of Directors' Bylaws include certain provisions governing Company securities transactions that are carried out by members of the Board of Directors, including:

- members of the Board of Directors will declare to the Autorité des Marchés Financiers (AMF) and the Company (according to procedures set forth by law, the market authority's general regulations and stock market authorities and those currently set forth in the AMF instruction dated 3 February 2006) 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 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.

- like any shareholder, 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 four (4) stock market trading days. Board members shall also provide the Company's Legal Department a copy of the declaration submitted to the AMF.

1.8 The Executive Committee and the Administrative Committee

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

1.8.1 The Executive Committee

The Executive Committee, which meets at least one time (1) a month, is composed of the Chief Executive Officer, operational 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,
- analyse its sales and financial performance and determine operational measures to be implemented,
- to monitor ongoing projects.

1.8.2 The Administrative Committee

The Administrative Committee, which meets at least 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, the subsidiaries' Chief Financial Officers and the Division Operational Directors may be called to appear at meetings of the Administrative Committee.

Its primary missions are:

- to define social and remuneration policies, career paths and management rules for all operational staff, except for sales positions,

- 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 Operational Directors to implement the strategy set by general management.

1.9 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. Christian Laplane.

In its sixth, seventh, eighth and ninth resolutions, the Combined General Meeting of shareholders on 23 June 2009 renewed all of the mandates of the regular and substitute statutory auditors for a term of six (6) fiscal years, expiring at the end of the General Meeting called in 2015 to approve the financial statements for the fiscal year ended 31 December 2014.

2. CONDITIONS FOR SHAREHOLDERS' PARTICIPATION IN THE GENERAL MEETING

The right to take part in General Meetings is subject to the registration of shares in the books under the shareholder's or the agent's name not later than midnight, Paris time, on the third banking day preceding the General Meeting, either (i) in individual accounts managed by the company or (ii) 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: (i) give a proxy to their spouse or to another shareholder, (ii) send a proxy to the company without identifying an agent or (iii) 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 or by electronic telecommunication 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 officer, set forth under Article L. 225-100-3 of the French Commercial Code, is provided on page 94 of this Annual Report.

II – INTERNAL OVERSIGHT AND RISK MANAGEMENT PROCEDURES

The reference framework used to prepare the internal oversight and risk management section or this report is the subject of an AMF recommendation dated 22 January 2007.

1. Definition and objectives of internal oversight and risk management – Scope

Internal oversight is defined by the 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 the quality of information used within the Company and distributed outside the Company, and
- and generally, control of its activities, efficiency of its operations and effective use of its resources.

Internal oversight 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 oversight 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 oversight system

Internal oversight within the Group is officially set forth in a series of procedures that ensure both the financial and legal security of the various aspects of the Company's business.

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 the 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:

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.

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 sales are 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.

Purchasing:

All purchases are subject to independent verifications:

- the internal originator must issue a purchase request,
- purchase of equipment or services by the Group's applicable department (*General Services, IT, etc.*),
- validation of the service and/or delivery by the applicable department,
- validation of the payment slip and invoice by the Accounting Division 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.

Legal:

Legal procedures are in place at the Group level to involve the Legal Department in the various levels of pre-existing processes.

Legal audits of Group subsidiaries are carried out on a regular basis, based on a preliminary self-assessment questionnaire.

External growth:

The identification of targets and their preliminary approval are first handled by a special department and then validated by General Management, the Financial 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 designed to ascertain that the entities fit the business model, that they are financially sound and that potential risks are identified.

Once the project is approved, finalisation of the transaction is managed by the Legal Department, which drafts 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.

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 Company Secretary.

The Legal Department is also involved in the various stages of lease negotiations, overseeing them with the General Services Department. A property committee meets each week to maintain a constant flow of information between the Legal Department and the General Services Department, providing visibility and ongoing updates of current and future projects.

Financial communications:

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 sales and the biannual and annual publication of its earnings.
The Group organises semi-annual analysts’ meetings at the time it publishes its earnings.

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.

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.

Work completed in 2009

After implementing the "Vision" ERP Project at Alten SIR in 2009, the Group decided to continue its deployment at Alten SA effective as of January 2010. This project will provide the Group with reliable, integrated information within short time frames, addressing the challenges posed by the Group's size and international expansion.
It also helps the Group enhance its internal oversight process and secure the flow of data.
A project to replace the CRM tool is also underway. A dedicated department established for this purpose conducted a study to enable general management to select a new CRM that integrates the human resource management consultant, Business Intelligence, a search engine and a portal to provide managers a tool to oversee and manage their integrated business.

Cash management

The Group's central cash management department manages the cash of all French subsidiaries. All flows are secured with ETEBAC 5 (French standard) and are gradually moving to the Swift network standard, deployed as of 1 January 2010 for France.

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.

Work completed in 2009

New cash management and banking communication tools are being gradually deployed and used to manage cash flow with banks that are integrated into the Group's French bank syndicate. These flows are now managed through the Swift network.
The initial phases have been implemented, including the establishment of a cash management budget and a tool for managing interest rate and foreign exchange risks, with a launch planned for 2010.

3. Risk Management

Identified risks and resources implemented to manage these risks are described in pages 84, 85 and 86 of this Annual Report.

4. Conclusion - Outlook

The Alten Group will continue the ongoing improvements to its internal oversight that it has pursued during the past three years, specifically to adapt the performance of its management and oversight tools to the Group's ongoing growth and challenges.

The following actions will take place during 2010:

- Ongoing deployment of "Vision" at Alten Group companies,
- Continued deployment of cash pooling on an international basis in connection with new cash management tools.
- Preparations to deploy a new CRM tool.

10 May 2010

Chairman of the Board of Directors
Simon Azoulay

VII – DRAFT RESOLUTIONS

<u>ORDINARY GENERAL MEETING</u>:

FIRST RESOLUTION

Approval of the company financial statements for the year ended 31 December 2009 – 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 2009 fiscal year as submitted, which show a profit of €46,578,514.04, as well as all transactions reflected in these financial statements or summarised in these reports.

The General Meeting notes that no non-deductible charges or expenses have been recognised during the 2009 fiscal year.

The General Meeting discharges the Directors from their duties for the 2009 fiscal year.

SECOND RESOLUTION

Allocation of earnings

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings, and as proposed by the Board of Directors, resolves to allocate earnings for the

Origin:	
Earnings for the fiscal year	€46,578,514.04
Allocation	
- Legal reserve:	€14,054.00
- Dividend: 31,86, 999 shares at €0.90	€28,677,599.10
- Carry forward	€17,886,860.94

Accordingly, a dividend of €0.90 will be paid to each share giving the right to a dividend, it being specified that in the event of a change in the number of shares giving the right to a dividend as compared with the 31,863,999 shares making up the share capital as of 10 May 2010, the total amount of the dividend shall be adjusted accordingly and the amount allocated to the carry forward account shall be determined based on dividends actually paid.

Note that the entire amount distributed is eligible for the 40% reduction described in Article 158-3-2 of the General Tax Code.

The dividend payment date is set at 25 June 2010.

Note that no dividend has been paid during the past three fiscal years.

THIRD RESOLUTION

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 and the Statutory Auditors, approves the consolidated financial statements prepared in accordance with Articles L. 223-16 et seq. of the French Commercial Code for the fiscal year ended on 31 December 2009 as presented, showing profit (Group share) of €18,463,649, as well as all transactions reflected in these financial statements or summarised in these reports.

FOURTH RESOLUTION

Statutory Auditors' special report on regulated agreements and commitments – Approval and ratification of these agreements

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and having heard the special report prepared by the Statutory Auditors on agreements and commitments described under Articles L.225-38 et seq. of the French Commercial Code, approves and successively ratifies the new agreements listed therein.

FIFTH RESOLUTION

Renewal of a Director's term

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that Mr, Gérald Attia's term as director ends at the end of this General Meeting called to approve the financial statements for the fiscal year ended 31 December 2009, decides to renew his term for a period of four (4) years.

Thus, Mr. Gerald Attia's term as Director will expire at the end of the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2013.

Mr. Gérald Attia has stated in advance that he would accept renewal of his term as Director and that he fulfils all the conditions required under the laws and regulations in force, especially with regard to concurrent appointments.

SIXTH RESOLUTION

Repurchase by the Company of its own shares

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and having heard the Board of Directors' report:

1. authorises the Board of Directors, 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 Company's share capital, adjusted if necessary to account for any increase or reduction of share capital that my arise during the duration of the programme.

This authorisation terminates the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 10th ordinary resolution.

The purchases may be made 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,
- proceed with the potential cancellation of the shares purchased, subject to the authorisation to be granted by the present General Meeting in its seventh extraordinary resolution.

These share purchases may be carried out by any appropriate means, either on the market or through a private sale, 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 €95,591,970.

The General Meeting grants to the Board of Directors, with the right of further delegation, all powers necessary to carry out these transactions, to determine the terms and conditions thereof, to enter into all necessary agreements, to carry out all formalities, and generally to take all necessary steps in accordance with this authorisation.

EXTRAORDINARY GENERAL MEETING:

SEVENTH RESOLUTION

Authorisation for the Board of Directors to allow the Company to cancel the shares it repurchases pursuant to Article L. 225-209 of the French Commercial Code.

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings and having heard the Board of Directors' report and the report of the Statutory Auditors:

1°) - Give the Board of Directors the authority, in its sole discretion, on one or more occasions, up to a maximum of 10% of the share capital calculated on the date of the cancellation decision less any shares cancelled during the 24 previous months, to cancel shares that the Company holds or will hold following repurchases carried out under Article L. 225-209 of the French Commercial Code and to reduce the share capital by the same in accordance with the legal and regulatory provisions in force,

2°) - Set at 24 months as from the present Meeting, namely until 20 June 2012, the duration of the validity of the present delegated authority,

3°) - Give full powers to the Board of Directors to conduct the required transactions for such cancellations and the corresponding reduction in the company's capital, to modify the Company's articles of association accordingly and to carry out all required formalities.

This authorisation terminates the authorisation given to the Board of Directors by the Combined General Meeting of 27 June 2008 in its 7th resolution.

EIGHTH RESOLUTION

Delegation of authority to issue stock warrants reserved for a category of persons

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings and having heard the Board of Directors' report and the special report of the Statutory Auditors:

1) Grants the Board of Directors the necessary powers to issue stock warrants with the rescission of preferential subscription rights for the benefit of a certain category of persons defined below, on one or more occasions and in the proportions and timeframes it chooses, 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. 20 June 2011;
3) Resolves that the par value of shares that may be issued under this delegation of authority shall not exceed €711,000;
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 shareholders' preferential subscription rights for the stock warrants to be issued to the following category of persons: managers, whether or not officers and directors, and management employees of the Company or companies, French or foreign, which are related within the meaning of Article L. 225-180 of the French Commercial Code.
6) Notes that this delegation of authority entails the shareholders' waiver of pre-emptive subscription rights of the Company shares likely to be issued upon exercise of the stock warrants for the benefit of warrant holders;
7) 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 precise 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;
- 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.

This authorisation terminates the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 17th resolution.

NINTH RESOLUTION

Authorisation to award free shares to salaried employees and/or to certain company officers and directors

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings and having heard the Board of Directors' report and the special report of the Statutory Auditors, to proceed, on one or more occasions, in accordance with Articles L. 225-197-1 and L. 225-197-2 of the French Commercial Code, to award existing or future common stock in the Company to:

- salaried employees of the Company or of companies directly or indirectly related in accordance with Article L 225-197-2 of the French Commercial Code, and/or
- officers or directors who comply with the provisions of Article L 225-197-1 of the French Commercial Code.

The total number of awarded free shares shall not exceed 3% of the share capital on the date of the Board of Directors' decision to award them.

Award of free shares shall be final at the end of a vesting period whose duration shall be established by the Board of Directors, and which shall not be less than two years. The beneficiaries must retain these shares for the period established by the Board of Directors, it being specified that the lock-up period shall not be less than two years from the final allocation of such shares.

However, to the extent the vesting period for all or part of one or more awards is a minimum of four years, the general meeting authorises the Board of Directors to not impose any vesting period for the shares in question.

By way of exception, final award shall occur before the end of the vesting period in the event of the beneficiary's disability corresponding to the classification in the second and third categories described in Article 341-4 of the Social Security Code.

Full powers are granted to the Board of Directors, with the right of further delegation, to:

- Set the conditions and, if applicable, the criteria for the award of the shares,
- Determine the identity of the beneficiaries and the number of shares allocated to each of them,
- Determine the impact on the rights of the beneficiaries, the transactions that modify the share capital or may influence the value of shares to be allocated and realised during the vesting and lock-up periods and, accordingly, amend or adjust, if necessary, the number of allocated shares to preserve the rights of the beneficiaries,

If need be:

- establish the existence of sufficient reserves and proceed upon each allocation with the payment to an unavailable reserve account of the sums required to pay up the new shares to be awarded,
- determine at a given moment the capital increases through capitalisation of reserves, premiums or earnings correlating to the issue of freely awarded new shares,
- proceed with the necessary purchases in connection with a share repurchase programme and allocate those shares to the award plan,
- take all useful steps to ensure compliance with the lock-up requirement for the beneficiaries, and
- generally to do those things, within the framework of applicable law in effect, that the implementation of the present authorisation may require.

This authorisation automatically includes the waiver by the shareholders of their preferential subscription rights to new shares issued through capitalisation of reserves, premiums or earnings. It is given for a period of thirty-eight (38) months as from the day of the present Meeting.

This authorisation terminates the authorisation given to the Board of Directors by the Combined General Meeting of 27 June 2007 in its 12th resolution.

TENTH RESOLUTION

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

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings, and having heard the Board of Directors' report and the special report of the Statutory Auditors, deciding 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 related to it in the sense of Article L. 225-180 of the French Commercial Code) who are members of a company savings plan;
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%), or thirty percent (30%) when the lock-up period stipulated in the plan in accordance with Articles L. 3332-25 and L. 3332-26 of the French Labour Code is equal to or greater than ten (10) years, below 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 or not to implement this authorisation, and may take all steps and carry out all formalities as necessary.

This authorisation terminates the authorisation given to the Board of Directors by the Combined General Meeting of 23 June 2009 in its 15th resolution.

ELEVENTH RESOLUTION

Bring Article 13.2 of the Company's articles of association into compliance with the provisions of Article L. 225-110 of the French Commercial Code

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings, and having heard the Board of Directors' report, resolves to bring Article 13.2 of the articles of association into compliance with the provisions of Article L. 225-110 of the French Commercial Code and to amend it accordingly as follows:

Former version:

"13.2. Voting rights belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings. However, the shareholders may agree to any other distribution of the voting rights at the general meetings. The Company shall be informed of such agreement by registered letter, and is bound to respect this agreement for all meetings which convene following expiration of a one month period after mailing of the letter.

However, in any case, the bare owner has the right to participate in general meetings.

The voting rights of pledged securities are exercised by the owner."

New version:

"13.2. Voting rights attached to shares belong to the beneficial owner at ordinary general meetings and to the bare owner at extraordinary general meetings."

TWELFTH RESOLUTION

Adoption of the Company's amended articles of association

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings and having heard the Board of Directors' report, resolves:

- to review the wording of certain articles of the Company's articles of association,

- to amend the order and general organisation of the articles in the Company's articles of association.

Accordingly, the General Meeting adopts, article by article then as a whole, the amended articles of association of the Company, which shall henceforth govern the Company. A copy of the amended articles of association is attached to these minutes.

THIRTEENTH RESOLUTION

Authority granted by the general meeting to carry out all formalities required by law

The General Meeting grants the bearer of the original, a copy or an excerpt of this document the authority to carry out all registration, publication or other procedural formalities related to the resolutions approved by the General Meeting.

VIII – CONSOLIDATED ACCOUNTS

I – CONSOLIDATED FINANCIAL STATEMENTS

1) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of euros)

ASSETS	Notes	31/12/2009	31/12/2008	31/12/2007
Goodwill	1	177,932	162,561	124,427
Intangible fixed assets	2	11,987	10,211	3,038
Property, plant and equipment	2	10,224	11,428	11,498
Non-current financial assets	3	11,300	15,016	13,977
Tax assets	4	6,227	6,883	5,737
NON-CURRENT ASSETS		**217,670**	**206,100**	**158,677**
Trade receivables	5	333,620	377,096	299,025
Other current assets	5	40,064	27,117	22,215
Cash and cash equivalents	6	52,395	43,719	32,167
CURRENT ASSETS		**426,080**	**447,932**	**353,407**
TOTAL ASSETS		**643,750**	**654,032**	**512,084**

LIABILITIES	Notes	31/12/2009	31/12/2008	31/12/2007
Share capital		32,293	32,246	31,976
Premiums		15,017	14,065	12,036
Consolidated reserves		270,819	216,754	177,353
Consolidated earnings		18,464	54,483	42,879
SHAREHOLDERS' EQUITY (Group share)		**336,593**	**317,549**	**264,244**
MINORITY INTERESTS		**274**	**0**	**428**
TOTAL SHAREHOLDERS' EQUITY		**336,867**	**317,549**	**264,672**
Provisions	11	10,803	8,205	6,009
Non-current financial liabilities	7	3,456	3,375	1,704
Other non-current liabilities	8	4,986	6,772	4,731
NON-CURRENT LIABILITIES		**19,244**	**18,352**	**12,444**
Provisions	11	1,335	2,225	1,511
Current financial liabilities	9	52,966	58,542	27,919
Trade payables		29,925	32,560	23,707
Other current liabilities	10	203,413	224,803	181,831
CURRENT LIABILITIES		**287,639**	**318,131**	**234,968**
TOTAL LIABILITIES		**643,750**	**654,032**	**512,084**

2) CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	31/12/2009	31/12/2008	31/12/2007
SALES	**21**	**857,077**	**846,284**	**701,156**
Purchases consumed	**12**	(63,730)	(46,800)	(44,769)
Payroll expenses	**13**	(611,916)	(593,824)	(481,263)
External charges	**14**	(94,544)	(91,946)	(76,653)
Taxes other than on income	**15**	(12,475)	(12,916)	(11,202)
Depreciation allowance		(6,621)	(5,473)	(5,047)
Other business expenses	**16**	(5,492)	(5,151)	(3,438)
Other business revenues	**16**	3,220	6,967	5,741
OPERATING PROFIT		**65,518**	**97,141**	**84,525**
Share-based payments	**17**	646	(4,366)	(4,195)
OPERATING INCOME FROM ORDINARY		**66,165**	**92,776**	**80,330**
Other non-current liabilities	**18**	(24,367)	0	(1,594)
Other non-current revenues	**18**	1,265	0	0
Profit/loss from disposals		0	(260)	0
Impairment of goodwill	**1**	(9,617)	(5,560)	(5,644)
OPERATING INCOME		**33,446**	**86,956**	**73,093**
Financial charges	**19**	(3,373)	(3,132)	(3,159)
Financial income	**19**	1,890	1,867	2,429
Income tax	**20**	(13,309)	(30,889)	(29,147)
INCOME OF CONSOLIDATED ENTITIES		**18,653**	**54,802**	**43,216**
of which:				
Minority interests		**190**	**319**	**337**
Group share		**18,464**	**54,483**	**42,879**
Net earnings per share in euros (Group share)	**22**	0.58	1.72	1.38
Diluted net earnings per share (Group share)	**22**	0.58	1.72	1.36

3) STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Earnings, Group share	18,464	54,483	42,879
Earnings, Minority interests	190	319	337
Consolidated net earnings	**18,653**	**54,802**	**43,216**
Neutralisation of share-based payments reported in the income statement net of tax	177		
Translation adjustment	353	(426)	(438)
Income and expenses directly recorded in shareholders' equity	**530**	**(426)**	**(438)**
COMPREHENSIVE INCOME FOR THE PERIOD	**19,184**	**54,376**	**42,777**
of which:			
. Group share	***18,994***	***54,057***	***42,440***
. Minority interests	***190***	***319***	***337***

4) CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	31/12/2009	31/12/2008	31/12/2007
Consolidated net earnings		**18,653**	**54,802**	**43,216**
Depreciation and provisions	23	18,233	12,147	7,516
Share-based payments	17	(646)	4,366	4,195
Income tax	20	13,309	30,889	29,148
Other		862	(357)	(321)
Financial charges	19	3,373	3,132	3,159
Financial income	19	(1,890)	(1,867)	(2,429)
Net cash flow after cost of financial debt and income tax		**51,895**	**103,112**	**84,483**
Income tax paid		(27,254)	(31,862)	(28,076)
Change in working capital requirements	23	22,041	(19,756)	(34,026)
Net cash from (for) operating activities		**46,681**	**51,493**	**22,382**
Acquisition of tangible and intangible fixed assets		(6,938)	(12,628)	(8,431)
Acquisition of financial assets		(698)	(2,300)	(8,156)
Impact of changes in scope of consolidation and earn-out	23	(27,435)	(37,080)	(14,622)
Disposal of tangible and intangible fixed assets		257	627	300
Reduction in financial assets		813	1,090	788
Net cash from (for) investment activities		**(34,002)**	**(50,292)**	**(30,121)**
Cost of net financial debt	19	(1,914)	(626)	(437)
Capital increase	23	1,098	2,299	4,573
Acquisitions and disposals of treasury shares		(225)	(7,465)	0
Repayment of long-term financial debt		(780)	65	(1,145)
Change in current financial liabilities		(2,182)	16,077	8,171
Net cash from (for) financing activities		**(4,002)**	**10,351**	**11,161**
Change in cash position		**8,677**	**11,552**	**3,422**
Opening cash position	6	43,719	32,166	28,744
Year-end cash position	6	52,395	43,719	32,166
Change		8,677	11,552	3,422

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	52,395	43,719	32,166
Bank borrowings	9	(51,716)	(54,533)	(25,650)
Bank loans	7,9	(3,370)	(6,903)	(3,267)
Net cash flow		(2,690)	(17,718)	3,249

5) CHANGE IN SHAREHOLDERS' EQUITY

Change in consolidated shareholders' equity, Group share

(in thousands of euros)

	Number of shares	Capital	Primes	Reserves	Treasury shares	Conversion reserves	Earnings (Group share)	Shareholder s'equity
At 31 December 2007	**31.460,390**	**31,976**	**12,036**	**177,844**	**(48) 0**	**(443) 0**	**42,879**	**264,244**
Allocation of 2007 earnings	265,345	270	2,030	42,879			(42,879)	0
Capital increase (1)				0				2,299
Treasury shares					(7,418)			(7,418)
Share-based payments				4,366				4,366
Transactions with shareholders		**270**	**2,030**	**47,244**	**(7,418)**	**0**	**(42,879)**	**(752)**
Comprehensive earnings for the period						(426)	54,483	54,057
Earnings, income and expenses in shareholders' equity		0	0	0	0	(426)	54,483	54,057
At 31 December 2008	**31,725,735**	**32,246**	**14,065**	**225,088**	**(7,465)**	**(869)**	**54,483**	**317,549**
Allocation of 2008 earnings				54,483			(54,483)	0
Capital increase (2)	46,186	47	372	0				419
Other changes (3)			580	(77)	0			503
Treasury shares					(225)			(225)
Share-based payments				(646)				(646)
Transactions with shareholders		**47**	**951**	**53,760**	**(225)**	**0**	**(54,483)**	**50**
Comprehensive earnings for the period				177		353	18,464	18,994
Earnings, income and expenses in shareholders' equity		**0**	**0**	**177**	**0**	**353**	**18,464**	**18,994**
At 31 December 2009	**31,771,921**	**32,293**	**15,017**	**279,025**	**(7,690)**	**(516)**	**18,464**	**336,593**

(1) In 2008, capital increases resulted from the exercise of stock options representing 265,345 shares.
(2) In 2009, capital increases resulted from the exercise of stock options representing 46,186 shares.
(3) Of which: issue of stock warrants (€669,000) and dilutive effect (-€167,000).

Change in shareholders' equity, Minority interest share
(in thousands of euros)

	Reserves	Earnings	Shareholders' Equity
At 31 December 2007	**91**	**337**	**428**
Allocation of 2007 earnings	337	(337)	0
Change in scope (1)	(747)		(747)
2008 earnings		319	319
At 31 December 2008	**(319)**	**319**	**0**
Allocation of 2008 earnings	319	(319)	0
Change in scope (1) (2)	84		84
2009 Earnings		190	190
At 31 December 2009	**84**	**190**	**274**

(1) Changes in scope reflect changes in the percentage of interests resulting from integration of firm or conditional commitments to purchase minority interests.
(2) In 2009, the change in scope also integrates the subscription of minority interest in the capital of Anotech Energy France and Anotech Energy UK.

II - NOTES TO THE FINANCIAL STATEMENTS

1) PROFILE OF THE ALTEN GROUP

Founded in 1988, Alten is the 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 80% and information systems and network services representing 20% 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 21 April 2010 meeting.

2) HIGHLIGHTS

Business

The effects of the crisis were suddenly and strongly felt. Business sectors were affected in different ways, with the automotive, electronic and telecom sectors being especially hard hit. Against a background of significantly reduced demand, customers have pursued reductions in listed suppliers and have maintained rate pressures.

Following a dynamic 2008, Alten’s business suddenly declined at the start of 2009, resulting in an increased number of consultants between contracts during the first half of the year. Net earnings were substantially burdened by non-recurring costs and impairment of goodwill (especially Idestyle and Cisia).

The crisis in the automotive sector weighed heavily on the business and earnings for the year. Business fell by 35% in this sector. Alten was required to train and redirect hundreds of engineers to other activities. Restructuring costs, mainly corresponding to redundancy compensation and other transaction costs, totalled €14.9 million.

Idestyle Technologies (380 employees), operating in the fields of mechanics and design which are considered non-strategic, suffered a sudden 70% drop in business at the beginning of 2009. Despite attempts to relaunch the business, Idestyle Technology’s business was irreparably compromised. Faced with these conditions, a court-supervised reorganisation was begun on 4 August 2009. With no buyers, its bankruptcy was declared on 15 October 2009. Idestyle Technologies and its holding company, Idestyle Group, were removed from the scope of consolidation effective 1 July 2009.

An Employment Protection Plan was implemented at Idestyle Technology, with costs of €9.5 million being paid by the Alten Group.

Within this framework, Alten undertook supportive measures such as:

- carrying out detailed skill mapping, repositioning design engineers from the Automotive sector to other business sectors,
- daily oversight of resources and recruitment policies,
- reliance on short time work measures for Automotive sector consultants,
- reduction of overhead expenses.
- launch of new “business” packages by business sector,
- streamlining the organisation by merging companies located in Paris Ile-de-France and Spain.

Legal reorganisations

Several legal reorganisations were carried out during 2009, effective as of 1 January 2009:

- In the Netherlands: Alten Nederland became Alten PTS after absorbing Axen Pays-Bas and PTS Software.
- In France: Cisia Cetop was reclassified within the MI-GSO Group, then dissolved by a merger of assets and liabilities into MI-GSO. The other companies making up the Cisia Group (Cisia Investissements, Groupe Cisia Ingenierie, Cisia Ingenierie, Cisia Exaterm) were merged into Cisia Investissements, which took the corporate name of Cisia Ingenierie.
- In France: Alten SA absorbed GIST on 1 July 2009 through a merger of assets and liabilities.

Acquisitions

Alten has continued its policy of targeted acquisitions, in France and abroad.

- In France:
- a company specialising in vehicle systems design, engine control, motorisation systems and on-board and real-time software, acquired in January 2009 (180 consultants, annual sales: €14 million).
- a company specialising in services, acquired on 26 March 2009 (220 consultants, annual sales: €28 million).
- In Italy: a company specialising in telecom and on-board software, acquired in January 2009 (150 consultants, annual sales: €10 million).

These companies were consolidated as of January 1, 2009.

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: 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 2009 are identical to those used for the year ended 31 December 2008.

The following standards, interpretations and amendments are being applied for the first time effective 1 January 2009:

- IFRS 8 “Operating Segments”, replacing IAS 14 “Segment Reporting”,
- IAS 1 “Presentation of Financial Statements” revised in 2007,
- IAS 23 “Borrowing Costs” revised in 2007,
- Revised IAS 40 “Investment property”,
- Amended IAS 32 “Puttable Financial Instruments and Obligations Arising on Liquidation”,
- Amendment to IFRS 2 “Share-based payment” concerning the conditions of acquiring rights and accounting for a cancellation,
- amendments to IFRS 7 "Disclosures about financial instruments”.
- IFRIC 11 “Group and Treasury Share Transactions”,
- IFRIC 13 “Customer Loyalty Programmes”,
- IFRIC 14 “IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”.

Initial application of these standards, interpretations and amendments has no impact on the financial statements prepared as of 31 December 2009. Only IAS 1 as revised has an impact on the presentation of Group disclosures. Application of IFRS 8 “Operating Segments” did not cause the Group to revise segmentation of its business for the purposes of segment reporting, as this segmentation complies with the internal reporting method used to monitor performance and allocate resources.

The Group did not apply any standards, amendments or interpretations published by IASB but not yet adopted by the European Union, or which has been adopted at the European level but whose application was not mandatory as of 31 December 2009.

This specifically concerns the following standards:

- Revised IFRS 3: “Business Combinations”,
- IAS 27: “Consolidated and Separate Financial Statements”,
- Amendment to IAS 32: “Classification of Rights Issued”,
- Improvement to IFRS (April 2009, not adopted by the European Union),
- Revised IFRS 24: “Related Party Disclosures”,
- Amendment to IAS 39: “Eligible Hedged Items",
- Amendment to IFRS 2: “Cash-settled Share-based Payment Transactions”,
- Amendment to IFRIC 14: “Prepayments of a Minimum Funding Requirement”,
- IFRIC 19: “Extinguishing Financial Liabilities with Equity Instruments”,
- IFRS 9: “Financial instruments: classification and measurement”,
- IFRIC 17: “Distributions of Non-cash Assets to Owners”.

The Group is analysing the effect of applying these standards to the consolidated financial statements.

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 made 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 position concerned measurement of impairment of goodwill (note II-3-H and note III-1), earn-outs (notes III-8 and III-10), retirement obligations (note IV-6) and provisions (note II-30-P and note III-11).

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.

Financial indicators

The Group mainly relies on the following financial indicators:

- Sales,
- “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 taking into account 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 sales. 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).

Operating segments

The ALTEN Group has only one business activity: Technology Consulting and Engineering.

IFRS 8 “Operating Segments” did not lead to a change in the presentation adopted by the Group under the previous standard (IAS 14 “Segment Reporting”). This presentation already reflects the “management approach” based on the Group’s internal reporting.

Accordingly, segment reporting is presented by geographic region, distinguished between France and overseas (see note III-21).

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”.

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 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 H).

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 organisation 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.

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. Revised IAS 23, “Borrowing Costs” eliminated the ability to recognise all borrowing costs as expenses, and required their capitalisation when they are directly attributable to the acquisition, production or construction of an eligible asset. Insofar as the Group had no eligible assets financed through debt in 2009, this amendment has no effect on the Group’s consolidated financial statements.

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 the Alten Group and whose deployment was started in 2009 by Alten SIR with completion scheduled for 2013, it was decided to amortise its cost over a 10 year period, beginning on 1 January 2009.

Property, plant and equipment

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.

Revised IAS 23 related to borrowing costs is applied under the same conditions as for intangible fixed assets.

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.

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.

Impairment of property, plant and equipment

According to IAS 36, “Impairment of assets”, the useful value of intangible assets and property, plant and equipment with a fixed lifespan is reviewed at each closing and tested at each balance sheet date. For goodwill, which has an indefinite lifespan, 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.

Whether such impairment loss is recognised is determined on the basis of the discounted cash flow, for which the Group expects to obtain flows from the cash generating unit. This projection is based on the following assumptions (see note 1):

- A four-year financial budget prepared by entity and validated by the Group’s financial department, updated at the time the year-end budged is prepared. Cash flow beyond four years is extrapolated on the basis of a growth rate to infinity;
- Low growth rate: this growth rate does not exceed the long-term average growth rate for the business sector;
- Weighted average cost of capital, resulting from risk-free interest rates, risk premiums and additional beta and prime coefficients;
- Sensitivity table.

Net tax rates are used as the discount rates.

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 financial commitments (note IV-5).

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 going concern value 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.

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.

Trade receivables

Trade receivables are valued at nominal value. They are individually valued and, where applicable, depreciated to account for any difficulties which may arise in collecting certain amounts.

Other current assets

They are valued at nominal value less any impairment arising from recovery difficulties.

Cash and cash equivalents

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.

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.

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.

- 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.

The Group has not established employee benefits as part of defined benefit plans. Its commitment is limited to retirement obligations which, pursuant to IAS 19, are valued by an independent actuary 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 IV-6):

- Financial assumptions

- a financial discount rate;
- an inflation rate;
- a revaluation rate for employees; - an employer contribution rate;

- 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
- age of first 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).

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.

Other liabilities

Other liabilities include social security, tax, other debt and unearned income and earn-outs.

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 recognised 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.

Minority interest obligations

In accordance with IAS 27 “Consolidated financial statements and accounting for investments in subsidiaries” and IAS 32 “Financial Instruments”, commitments related to the purchase of minority interests, either firm or conditional, are considered a share purchase and recognised under other liabilities in consideration of a reduction in minority interests. The difference between the fair value of the buyback agreement and the contractual price is recorded as financial earnings.

Recognition of Sales

Group income is recognised over the period in which services are rendered and made up of invoiced services (issued or to be issued):

- on a cost basis: income is equal to time spent multiplied by an hourly, daily or monthly 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.

Subsidies and tax credits

Operating subsidies and tax credits are recorded as deductions for expenses of the type they are intended to offset.

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 recognised under operating income. Plans prior to 7 November 2002 are neither valued nor recognised.

Investment income

Financial earnings are broken down into two elements:

Financial charges are composed of:

- paid financial charges: financial charges on bank overdrafts, financial charges on loans, financial charges on lease financing agreements, exchange losses;
- calculated financial charges: provisions for the impairment of securities and receivables of non-consolidated companies, costs related to discounting of provisions and long-term debt;

Financial income is composed of:

- earned financial income: proceeds from the sale of marketable securities, income from investments, income from loans and receivables, exchange gains;
- calculated financial income: 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.

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 are the ratio of net earnings as compared to the potential weighted average of shares.

4) FINANCIAL RISK FACTORS

Liquidity risk

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 appear in notes 7 and 9. 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.

Credit risk

During 2009, 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 April 2010 the Group affirmed its lines of credit as part of a "club deal" and thus has confirmed a €110 million line of credit. It also has short-term unconfirmed lines of credit that are annually renewable. This "club deal” requires that the following ratios are met while the contract is in force and an advance is outstanding:

- “Net financial debt / Operating profit” ratio. This ratio must be less than 1.7.
- “Net financial debt / Shareholders’ equity” ratio. This ratio must be less than 0.6.

Interest rate and foreign exchange risks

Alten has short-term unconfirmed bank financing indexed to the Eonia. Confirmed financing established in April 2010 is indexed to the EURIBOR.

It therefore incurs an exchange rate risk based on changes in the reference index. Due to the structure of its financing, the Group has not implemented interest rate hedging.

With the exception of subsidiaries in the United Kingdom, Switzerland and Sweden, the Group bills for its services in euros. Its exchange rate risk is therefore very limited. During 2009, exchange rate effects represented €420 K of its total sales.

5) SCOPE OF CONSOLIDATION

The percentage of interests and control set forth below include firm or conditional commitments to dispose of minority interests, even if the disposals are not yet completed, in accordance with IFRS-3 and IAS 27 as revised.

France

Company name	Siret no.	Basis of Consolidation	% interest	% control
ALTEN SA (1)	34860741700055	FC	100.00	100.00
ALTEN SIR	40035788500021	FC	100.00	100.00
ABILOG	35390354500062	FC	99.70	99.70
GIST	34960109600044	FC	100.00	100.00
ALTEN SUD-OUEST	40419144700048	FC	100.00	100.00
MI-GSO (2)	38054561600050	FC	100.00	100.00
ALTEN CASH MANAGEMENT	48011617700019	FC	100.00	100.00
ALTEN EUROPE	48016830100012	FC	100.00	100.00
ELITYS CONSULTING	48420799800010	FC	100.00	100.00
PEGASE SI	48484024400012	FC	100.00	100.00
CISIA INGENIERIE (2)	43904555000019	FC	100.00	100.00
ALTEN AEROSPACE	48761023100019	FC	100.00	100.00
ECAM SAS	37780393700020	FC	100.00	100.00
AVENIR CONSEIL FORMATION	40246017400038	FC	100.00	100.00
ANOTECH ENERGY France	49304667600018	FC	96.40	100.00
HPTI	49967035400012	FC	100.00	100.00
DIXID	45036890700025	FC	100.00	100.00
WINWISE	39237816200052	FC	100.00	100.00
B2I AUTOMOTIVE	45341899800028	FC	100.00	100.00

(1) Consolidating entity.
(2) Cisia Ingénierie resulted from the merger of Cisia Investissements, Cisia Groupe, Cisia Ingénierie, Cisia Exaterm after the sale of Cisia Cetop to MI-GSO. Cisia Cetop was then merged into MI-GSO.

Abroad

Company name	Basis of Consolidation	% interest	% control	Country of operation
ANOTECH ENERGY UK	FC	96.45	100.00	Great Britain
ALTEN LTD	FC	100.00	100.00	Great Britain
SD PARTNERS	FC	100.00	100.00	Great Britain
EMS LTD	FC	100.00	100.00	Great Britain
AXEN SPRL	FC	100.00	100.00	Belgium
ALTEN BENELUX	FC	100.00	100.00	Belgium
ALTEN INGENIERIA	FC	100.00	100.00	Spain
ALTEN TECNOLOGIAS	FC	100.00	100.00	Spain
GRUPO APEX	FC	100.00	100.00	Spain
ALGOR	FC	100.00	100.00	Spain
CRONOS	FC	100.00	100.00	Spain
GRUPO ALTEN SOPORTE GLOBAL	FC	100.00	100.00	Spain
ALTEN PTS (1)	FC	100.00	100.00	The Netherlands
DDA GROEP BV	FC	100.00	100.00	The Netherlands
ORION	FC	100.00	100.00	The Netherlands
ELITYS SA	FC	100.00	100.00	Switzerland
ALTEN SWITZERLAND SARL (2)	FC	100.00	100.00	Switzerland
ALTEN CONSULTING SARL (3)	FC	100.00	100.00	Switzerland
ASTON CONSULTING	FC	100.00	100.00	Switzerland
AEROTEC ENGINEERING AG	FC	100.00	100.00	Switzerland
ALTEN ITALIA (4)	FC	100.00	100.00	Italy
ONION	FC	100.00	100.00	Italy
MI-GSO GMBH	FC	100.00	100.00	Germany
AEROTEC ENGINEERING GMBH	FC	100.00	100.00	Germany
ALTEN GMBH	FC	100.00	100.00	Germany
IMP CZECH	FC	100.00	100.00	Czech Republic
IMP POLAND	FC	100.00	100.00	Poland
IMP ENGINEERING SLOVAKIA	FC	100.00	100.00	Slovakia
ALTEN SI TECHNO ROMANIA	FC	100.00	100.00	Romania
AEROTEC SRL	FC	100.00	100.00	Romania
BURKE NEWCO	FC	100.00	100.00	Spain
BURKE FORMACION	FC	100.00	100.00	Spain
ICS	FC	100.00	100.00	Spain
BBR INGENIERIA DE SERVICIOS	FC	100.00	100.00	Spain
X-DIN	FC	100.00	100.00	Sweden

(1) Merger of ALTEN NEDERLAND, AXEN PAYS-BAS and PTS SOFTWARE as of 01/01/2009.
(2) Former name: AXEN SARL became ALTEN SWITZERLAND SARL.
(3) Former name: ALTEN SUISSE SARL became ALTEN CONSULTING SARL.
(4) Former name: DEC INFORMATICA.

III - BREAKDOWN OF THE CONSOLIDATED FINANCIAL STATEMENTS

1) GOODWILL

Goodwill, allocated by country, breaks down as follows:

GROSS VALUES	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
31/12/2007	**81,886**	**4,879**	**3,104**	**7,644**	**14,497**	**17,100**	**2,682**	**1,891**	**0**	**0**	**133,683**
Adjustment of earn-outs	(155)			125	398			(78)	(93)	4,693	4,890
Acquisitions (1)	8,065			5,083	13,900				1,031	10,724	38,804
Reclassifications	(471)				(84)	118			437		(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**
Adjustment of earn-outs	3,533	208		(28)	(2,327)		272	(145)		(885)	628
Acquisitions (1)	19,526						4,829			4	24,360
Reclassifications											0
Exits from the scope of consolidation (3)	(8,927)										(8,927)
31/12/2009	**103,458**	**5,087**	**3,104**	**12,823**	**26,384**	**17,218**	**7,783**	**1,668**	**1,376**	**14,537**	**193,438**

IMPAIRMENT	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
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**
Provisions (2)	8,832				440				344	9,617	
Exits from the scope of consolidation (3)	(8,927)										(8,927)
31/12/2009	**7,337**	**3,851**	**0**	**0**	**1,444**	**1,929**	**600**	**0**	**344**	**0**	**15,506**

IMPAIRMENT	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
31/12/2007	**80,014**	**1,028**	**3,104**	**7,644**	**13,493**	**15,171**	**2,082**	**1,891**	**0**	**0**	**124,426**
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**
31/12/2009	**96,120**	**1,236**	**3,104**	**12,823**	**24,940**	**15,289**	**7,183**	**1,668**	**1,031**	**14,537**	**177,932**

(1) **In 2008:** The increase of goodwill in the amount of €38,804 K is primarily due to the acquisitions of WINWISE in France, PTS SOFTWARE in the Netherlands, Grupo BURKE and BBR Ingenieria de Servicios in Spain and X-DIN in Sweden.

In 2009: The increase of goodwill in the amount of €24,360 K was mainly due to the acquisitions of two companies in France and one company in Italy.

(2) **In 2008:** Non-recurring depreciation concerned CISIA Group, Idestyle Technologies and its subsidiary Ecam in France.

In 2009: Non-recurring depreciation concerned CISIA Ingénierie, Idestyle Group, Idestyle Technologies, Avenir Conseil Formation and Ecam in France, Alten Si Techno Romania in Romania, and Burke in Spain. These companies showed a loss of value index as of 31 December 2009.

(3) **In 2009:** Idestyle Group and Idestyle Technologies were removed from the scope of consolidation.

The following key assumptions were used to determine the values in use of the CGUs:

Discount rate and growth rate:

	Discount rate		**Growth rate in perpetuity**	
Country / year	**2009**	**2008**	**2009**	**2008**
France	10.75% to 11.75%	10% to 11.56%	2%	2%
Germany	11.25%	10%	2%	2%
Spain	11.25%	10%	2%	2%
Benelux	10.75%	10%	2%	2%
Italy	10.75% to 11.25%	10%	2%	2%
Sweden	11.75%	10%	2%	2%
Other countries	10.75%	10%	2%	2%

Items that make up the weighted average cost of capital (WACC):

Country	**OAT (French treasury bond)**	**Risk premium**	**Additional premium**	**Beta coefficient**
France	3.5%	5%	0.5% to 1.5%	135%
Germany	3.5%	5%	1%	135%
Spain	3.5%	5%	1%	135%
Benelux	3.5%	5%	0.5%	135%
Italy	3.5%	5%	0.5% to 1%	135%
Sweden	3.5%	5%	1.5%	135%
Other countries	3.5%	5%	0.5%	135%

The one point increase in the WACC and one point decrease in the growth rate would result in recognition of an additional loss of value not exceeding €253 K on Alten’s financial statements.

2) FIXED ASSETS AND DEPRECIATION

GROSS VALUE	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
31/12/2007	**12,306**	**25,946**	**38,252**
Change in scope	2,909	2,644	**5,553**
Acquisitions and payments	8,686	4,186	**12,873**
Disposals and scrapping	(1,898)	(2,377)	**(4,275)**
31/12/2008	**22,003**	**30,400**	**52,403**
Change in scope	(875)	896	**21**
Acquisitions and payments	3,584	3,485	**7,069**
Disposals and scrapping	(525)	(3,765)	**(4,290)**
31/12/2009	**24,187**	**31,015**	**55,203**

DEPRECIATION	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
31/12/2007	**9,268**	**14,448**	**23,716**
Change in scope	2,953	1,987	**4,940**
Provisions and payments	1,465	4,009	**5,473**
Decreases	(1,894)	(1,472)	**(3,366)**
31/12/2008	**11,792**	**18,971**	**30,763**
Change in scope	(1,204)	206	**(998)**
Provisions and payments	2,053	4,586	**6,640**
Decreases	(441)	(2,973)	**(3,414)**
31/12/2009	**12,200**	**20,791**	**32,991**

NET VALUES	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
31/12/2007	**3,038**	**11,49**	**14,535**
31/12/2008	**10,211**	**11,42**	**21,640**
31/12/2009	**11,987**	**10,22**	**22,213**

The change in the gross value of intangible assets mainly comes from capitalisation of development costs for integrated management software (ERP). This software is being depreciated over 10 years starting on 1 January 2009.

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 financial fixed assets	TOTAL
31/12/2007	**10,960**	**203**	**33**	**3,404**	**933**	**15,532**
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)**
31/12/2008	**10 965**	**475**	**223**	**4,351**	**765**	**16,780**
Change in scope	8,961	0		135	(630)	**8,466**
Acquisitions and payments	(1,819)	(334)	37	835	89	**(1,193)**
Disposals			(24)	(2,194)		**(2,218)**
31/12/2009	**18,107**	**141**	**236**	**3,127**	**225**	**21,836**

PROVISIONS	Non-consolidated holdings	Equity interests	Loans	Security deposits and guarantees paid	Other fixed financial assets	TOTAL
31/12/2007	**791**	**2**	**0**	**11**	**755**	**1,558**
Change in scope						**0**
Provisions and payments	574			(11)	3	**566**
Decreases	(361)					**(361)**
31/12/2008	**1,004**	**2**	**0**	**0**	**758**	**1,764**
Change in scope	8,812				(630)	**8,182**
Provisions and payments	1,159	20				**1,180**
Decreases	(590)					**(590)**
31/12/2009	**10 ,386**	**22**	**0**	**0**	**128**	**10,536**

NET VALUES	Non-consolidated holdings	Equity interests	Loans	Security deposits and guarantees paid	Other fixed financial assets	TOTAL
31/12/2007	**10,169**	**202**	**33**	**3,393**	**179**	**13,977**
31/12/2008	**9,961**	**474**	**223**	**4,351**	**7**	**15,016**
31/12/2009	**7,721**	**119**	**236**	**3,127**	**96**	**11,300**

Non-consolidated holdings include the following equity interests:
(in thousands of euros)

Company	%	Gross value	Depreciation	Net value	Sales	Shareholders' equity	Net earnings	Comments
AUSY	9.24%	3,596		3,596	138,101	28,866	6,186	At 31/12/2008
X-ANGE	5.97%	3,750		3,750	N/A	54,785	1,236	At 31/12/2008
SMART TRADE	4.19%	634	401	233	2,309	5,565	1,202	At 31/03/2009
Groupe Idestyle	100%	9,972	9,972	-	742	(4,759)	(3,674)	In liquidation
Miscellaneous		155	13	142				
	Total	18,107	10,386	7,721				

4) TAX ASSETS

(in thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Tax credit from carry-back losses		560	605
Deferred tax assets	6,227	6,323	5,132
Total	**6,227**	**6,883**	**5,737**

Deferred tax is broken down as follows:

(in thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Employee profit-sharing	813	2,560	2,463
Retirement benefits	1,610	1,336	936
Other timing differences	1,282	953	188
Tax loss carry-forwards	2,498	1,260	1,170
Total deferred taxes	**6,203**	**6,110**	**4,758**

Of which:

Deferred tax assets:	6,227	6,323	5,132
Deferred tax liabilities:	(23)	(213)	(374)

The change in deferred taxes is broken down as follows:

(in thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Deferred taxes at opening	**6,110**	**4,758**	**4,646**
Changes in scope and exchange rate	3,093	1,270	304
Expenses (or income) for the period (note 20)	(3,000)	82	(192)
Deferred taxes at fiscal year end	**6,203**	**6,110**	**4,758**

The amount of recognised deferred taxes related to tax losses carried forward equalled €1,339 K at 31/12/2009.

5) CURRENT ASSETS

	31/12/2009	31/12/2008	31/12/2007
TRADE RECEIVABLES			
Gross value	342,858	384,416	307,606
Impairment	(9,238)	(7,319)	(8,581)
Total	**333 620**	**377 096**	**299 025**
OTHER CURRENT ASSETS			
Inventory	97	146	90
Receivables related to employees	801	1,003	1,121
Tax claims (1)	25,334	16,351	13,628
Other receivables (2)	14,579	8,450	6,446
Impairment of other receivables	(3,325)	(1,978)	(2,005)
Prepaid expenses	2,577	3,145	2,934
Total	**40,064**	**27,117**	**22,214**

(1) 2009/2008 change: +€9 million of which: excess payment of corporate income tax instalments (+€13.3 million), value added tax (-€4.3 million) in relation to the drop in trade payables.

(2) 2009/2008 change: +€6 million of which: SGTI current account (+€7.5 million), impact of the Idestyle companies' removal from the scope of consolidation (+€1.1 million), miscellaneous receivables (-€2.6 million).

The following table presents the breakdown of the portfolio of trade receivables by age of the account:

(in thousands of euros)	31/12/2009					31/12/2008					31/12/2007				
	Not yet due	Less than 6 months	6 months to 1 year	More than 1 year	**Balance**	Not yet due	Less than 6 months	6 months to 1 year	More than 1 year	**Balance**	Not yet due	Less than 6 months	6 months to 1 year	More than 1 year	**Balance**
TRADE RECEIVABLES															
Gross value	231,477	83,728	14,255	13,398	**342,858**	300,484	65, 806	7 ,236	10, 889	**384,415**	194,331	94 ,233	6,620	12,422	**307,606**
Provisions		(198)	(343)	(8,697)	**(9,238)**		(272)	(362)	(6, 685)	**(7,319)**		(166)	(163)	(8,252)	**(8,581)**
Net values	**231,477**	**83, 530**	**13,912**	**4,701**	**333,620**	**300,484**	**65, 534**	**6 ,874**	**4, 204**	**377,096**	**194,331**	**94,067**	**6,457**	**4,170**	**299,025**

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

	31/12/2009	31/12/2008	31/12/2007
Marketable securities	4,531	2,750	2,450
Cash and equivalents	47,864	40,968	29,717
TOTAL	**52,395**	**43,719**	**32,167**

Marketable securities are valued at fair value.

7) NON-CURRENT FINANCIAL LIABILITIES

	31/12/2009	31/12/2008	31/12/2007
Bank loans (1)	980	1,981	292
Other loans and related debt	1,341	1,062	890
Employee profit-sharing	34	171	293
Security deposits and guarantees received	1,102	162	229
Total	**3,456**	**3,375**	**1,704**

(1) 2007/2008 change: from a company acquired in Spain during the period.

8) OTHER NON-CURRENT LIABILITIES

	31/12/2009	31/12/2008	31/12/2007
Earn-outs (1)	2,906	5,278	3,421
Social security debt (2)	2,056	1,281	936
Deferred tax liabilities	23	213	374
Total	**4,986**	**6,772**	**4,731**

(1) Discounted value of earn-outs related to newly-acquired subsidiaries with maturity greater than one year.

(2) Debt related to time savings accounts.

9) CURRENT FINANCIAL LIABILITIES

	31/12/2009	31/12/2008	31/12/2007
Bank loans	113	2,000	1,292
Other loans and related debt	906	1,852	793
Bank overdrafts (1) (2)	51,716	54,533	25,649
Employee profit-sharing	231	157	185
Total	**52,966**	**58,542**	**27,919**

(1) The 2007/2008 change includes a €9,827 K line of credit from a company acquired in Spain.
(2) Effective 31/12/2009 there is no longer any factoring (compared with €5,000 K as of 31/12/2008).

10) OTHER CURRENT LIABILITIES

	31/12/2009	31/12/2008	31/12/2007
Social security debt	95,992	97,203	85,332
Tax	70,440	88,830	75,943
Earn-outs	5,867	4,318	2,050
Other liabilities	16,225	13,474	8,504
Deferred income	14,888	20,978	10,002
Total	**203,413**	**224,803**	**181,831**

11) PROVISIONS

	Industrial disputes	Commercial disputes	Other risks	Retirement benefits	TOTAL
At 31/12/2007	**2,487**	**1,629**	**596**	**2,808**	**7 520**
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)
At 31/12/2008	**2,974**	**2,062**	**1,385**	**4,009**	**10 430**
Change in scope	(37)		(911)	(255)	(1,203)
Provisions for the fiscal year	1,842	546	2,068	1,076	5,532
Reversals (provisions used)	(448)	(245)	(92)		(785)
Reversals (provisions no longer required)	(745)	(816)	(275)		(1,836)
At 31/12/2009	**3,586**	**1,547**	**2,175**	**4,830**	**12,138**

NON-CURRENT PROVISIONS

	31/12/2009	31/12/2008	31/12/2007
Industrial disputes	2,695	1,825	1,647
Commercial disputes	1,286	1,030	1,063
Other risks	1,992	1,342	491
Retirement benefits	4,830	4,009	2,808
Total	**10,803**	**8,205**	**6,009**

CURRENT PROVISIONS

	31/12/2009	31/12/2008	31/12/2007
Industrial disputes	891	1,150	840
Commercial disputes	262	1,032	566
Other risks	183	43	105
Total	**1,335**	**2,225**	**1,511**

	31/12/2009	31/12/2008	31/12/2007
Total non-current provisions	10,803	8,205	6,009
Total current provisions	1,335	2,225	1,511
Total provisions for risks and	**12**	**10,430**	**7,520**

The charge to provisions for industrial disputes covers several disputes both in France (€1,420 K) and abroad (€422 K). The charge to provisions for other risks mainly concerns Idestyle Technologies.

12) PURCHASES CONSUMED

	31/12/2009	31/12/2008	31/12/2007
Purchases and operational subcontracting	(58,113)	(42,324)	(40,775)
Purchases not for stock	(5,616)	(4,476)	(3,994)
Total	**(63,730)**	**(46,800)**	**(44,769)**

As of 31/12/2009, increased subcontracting mainly came from acquisitions during the period (€13,454 K).

13) PAYROLL CHARGES

	31/12/2009	31/12/2008	31/12/2007
Salaries and social security charges	(599,901)	(577,140)	(468,113)
Industrial disputes (note 11)	(648)	(159)	2,281
Retirement benefits (notes 11 and 28)	(1,076)	(953)	(635)
Taxes payable on salaries	(7,909)	(7,786)	(7,621)
Employee profit sharing	(2,382)	(7,786)	(7,175)
Total	**(611,916)**	**(593,824)**	**(481,263)**

As of 31/12/2009, social security charges paid under defined contribution pension plans equalled €158,992 K compared with €152,508 K as of 31/12/2008 and €120,812 K as of 31/12/2007 (company contribution).

14) EXTERNAL CHARGES

	31/12/2009	31/12/2008	31/12/2007
Leases, maintenance	(23,904)	(21,554)	(18,039)
Non-company personnel, fees	(12,180)	(11,040)	(11,144)
Transport and travel	(45,856)	(44,084)	(34,859)
Other external charges	(12,603)	(15,268)	(12,612)
Total	**(94,544)**	**(91,946)**	**(76,653)**

15) TAXES AND LEVIES

	31/12/2009	31/12/2008	31/12/2007
Professional tax	(7,669)	(7,915)	(6,218)
Property tax	(792)	(644	(728
Other taxes and levies	(4,015)	(4,357)	(4,257)
Total	**(12,475)**	**(12,916)**	**(11,202)**

16) OTHER BUSINESS INCOME AND EXPENSES

	31/12/2009	31/12/2008	31/12/2007
Expenses			
Provisions for impairment	(2,548)	(720)	(1,131)
Losses on unrecoverable receivables	(859)	(953)	(370)
Provisions for risks and expenses	(1,114)	(833)	(1,486)
Book value of disposed assets	(895)	(2,618)	(381)
Other expenses	(77)	(25)	(70)
Total expenses	(5,492)	(5,151)	(3,438)
Income			
Reversal of provisions for receivables	707	2,534	1,965
Reversal of provisions for risks and expenses	1,427	539	2,335
Sale price of disposed assets	257	2,596	300
Other income	828	1,298	1,141
Total income	3,220	6,967	5,741

The item “other income and expenses” mainly includes capitalised development costs of €1,243 K as of 31/12/2008.

17) SHARE-BASED PAYMENTS

These payments are based on the various plans described below:

Stock option plans

	31/12/2009	**31/12/2008**	**31/12/2007**
Cost of stock options	1,221	(4,366)	(4,195)
Cost of free shares	(574)		
Total	**646**	**(4,366)**	**(4,195)**

At its 7 September 2009 meeting, the Board of Directors implemented a stock option plan pursuant to the authorisation granted by the 23 June 2009 General Meeting. The plan has a four year vesting period and the grant of shares is conditioned at a minimum on the beneficiaries' presence within the Group. The valuation of this plan is set forth below:

Share price on the award date	€16.67
Average exercise price	€15.21
Average fair value of an option (1)	€3.12
Estimated annual turnover rate	3%
Implied volatility	27.48%
Risk-free financial yield	2.90%
Number of options awarded	574 330

(1) Specifically taking into account a dividend rate of 3.83% and a non-transferability discount of 15%.

The following plans are in effect:

PLAN	1	2	3	4	5
Date awarded by the Board	27/09/2000	09/01/2001	25/01/2002	13/03/2003	25/07/2003
Number of beneficiaries	50	180	214	237	6
Number of options awarded	**174,250**	**283,000**	**438,400**	**359,150**	**450,000**
including the number of options awarded to employees	174,250	283,000	438,400	359,150	450,000
including the number of options awarded to officers and					
First possible exercise date	27/09/2004	09/01/2005	25/01/2006	13/03/2007	25/07/2007
Last possible exercise date	27/09/2008	09/01/2009	25/01/2010	13/03/2011	25/07/2011
Date of first possible sale	27/09/2005	09/01/2006	25/01/2006	13/03/2007	25/07/2007
Number of shares which may be exercised as of 1 January 2007	**37,250**	**62,500**	**32,052**	**321,900**	**449,500**
Number of options waived					
Number of options exercised as of 31 December 2007	1,750	11,170	18,119	246,452	265,568
Number of options expired as of 31 December 2007	500	21,500	-3,700	1,750	
Fair value of the option in euros				3.59	4.32
Number of options which may be exercised as of 31 December	**35,000**	**29,830**	**17,633**	**73,698**	**183,932**
2007 annual charge				***87,359***	***273,862***
Number of shares which may be exercised as of 1 January 2008	**35,000**	**29,830**	**17,633**	**73,698**	**183,932**
Number of options waived					
Number of options exercised as of 31/12/2008			3,413	50,248	
Number of options expired as of 31/12/2008	35,000			-2,000	93,932
Fair value of the option in euros					
Number of options which may be exercised as of 31/12/2008	**0**	**29,830**	**14,220**	**25,450**	**90,000**
2008 annual charge				***7,173***	***0***
Number of shares which may be exercised as of 1 January 2009	**0**	**29,830**	**14,220**	**25,450**	**90,000**
Number of options waived					
Number of options exercised as of 31 December 2009			1,500	6,715	20,000
Number of options expired as of 31 December 2009		29,830		1,400	
Fair value of the option in euros					
Number of options which may be exercised as of 31/12/2009	**0**	**0**	**12,720**	**17,335**	**70,000**
2009 annual charge					

Stock option plans (cont.)

PLAN (cont.)	6	7	8	9	10	TOTAL
Date awarded by the Board	06/01/2004	24/03/2005	23/10/2006	18/02/2008	07/09/2009	
Number of beneficiaries	259	356	598	794	689	
Number of options awarded	**318,970**	**496,500**	**1,189,780**	**622,790**	**574,330**	**4,457,170**
including the number of options awarded to employees	318,970	496,500	1,173,780	622,790	574,330	**4,441,170**
including the number of options awarded to officers and			16,000			**16,000**
First possible exercise date	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	
Last possible exercise date	06/01/2012	29/03/2013	23/10/2014	18/02/2016	07/09/2017	
Date of first possible sale:	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	
Number of shares which may be exercised as of 1 January 2007	**277 320**	**426,750**	**1,189,780**	**0**	**0**	**2,797,052**
Number of options waived						**0**
Number of options exercised as of 31 December 2007						**277,491**
Number of options expired as of 31 December 2007	32,150	62,600	1,760			**116,560**
Fair value of the option in euros	7.13	6.83	10.58			
Number of options which may be exercised as of 31 December 2007	**245,170**	**364,150**	**1,188,020**	**0**	**0**	**2,137,433**
2007 annual charge	***393,492***	***580,255***	***2,859,602***			**4,194,570**
Number of shares which may be exercised as of 1 January 2008	**245,170**	**364,150**	**1,188,020**	**0**	**0**	**2,137,433**
Number of options awarded				622,790		**622,790**
Number of options waived						**0**
Number of options exercised as of 31 December 2008	0					**53,661**
Number of options expired as of 31 December 2008	96,796	9,200	33,980	11,550		**184,526**
Fair value of the option in euros				7.86		
Number of options which may be exercised as of 31 December 2008	**148,374**	**354,950**	**1,154,040**	**611,240**	**0**	**2,428,104**
2008 annual charge	***(19,037)***	***602,771***	***2,844,718***	***930,203***		**4,365,828**
Number of shares which may be exercised as of 1 January 2009	**148,374**	**354,950**	**1,154,040**	**611,240**	**0**	**2,428,104**
Number of options awarded					574,330	**574,330**
Number of options waived				30,000		**30,000**
Number of options exercised as of 31 December 2009	15,655	2,316				**46,186**
Number of options expired as of 31 December 2009	33,156	56,325	607,000	123,525	12,705	**863,941**
Fair value of the option in euros					3.12	
Number of options which may be exercised as of 31 December 2009	**99,563**	**296,309**	**547,040**	**457,715**	**561,625**	**2,062,307**
2009 annual charge		***(539,485)***	***(1,583,217)***	***756,272***	***145,899***	**(1,220,531)**

Free share allocation plan

PLAN	Total
Date awarded by the Board	11/04/2008
Number of beneficiaries	2
Number of options awarded	**105,600**
including the number of shares awarded to employees	105,600
including the number of shares awarded to officers and directors	
Date of definitive award	11/04/2010
First possible exercise date	11/04/2012
Last possible exercise date	11/04/2017
Date of first possible sale	11/04/2012
Number of shares allocated of 1 January 2008	**0**
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
Number of shares awarded as of 31 December 2008	**105,600**
2008 annual charge	***972,026***

Number of shares allocated of 1 January 2009	**105,600**
Number of vested shares as of 1 January 2009	48,400
Number of cancelled shares as of 31 December 2009	-24,200
Number of vested shares as of 31 December 2009	13,200
Fair value of the option in euros	20.08
Number of shares awarded as of 31 December 2009	**37,400**
2009 annual charge	***692,143***

For the fiscal year, one of the beneficiaries waived all 52,800 shares awarded to him. As of 31/12/2009, the number of awarded non-vested shares was 15,400. The cost of free shares (€574 K) corresponds to the stated waiver.

Charges for vested free shares are recorded under payroll charges.

Stock warrants

The Combined General Meeting of 23 June 2009 delegated the Board of Directors the authority to issue stock warrants without pre-emptive rights for managers (whether or not officers and directors) and management employees of the Company and of related companies within the meaning of Article L. 225-180 of the French Commercial Code. For this purpose, full authority was granted to the Board of Directors to award such stock warrants during a period of 18 months and to set the practical terms and conditions of award.

Under the delegation of authority dated 23 June 2009, 487,000 stock warrants were awarded to 7 beneficiaries, with 1 stock warrant conferring the right to 1 Alten share (with subscription for all stock warrants representing 1.53% of the share capital). The terms of the stock warrants are as follows:

Stock warrant subscription price: €1.19

Stock warrant exercise price: €15.85

Exercise period: from 7 September 2013 to 7 September 2017

The stock warrants are not admitted to trading on a regulated market and can not be sold.

The impact of the stock warrant issuance was recognised under shareholders' equity in the amount of €580 K.

18) OTHER NON-CURRENT INCOME AND EXPENSES

	31/12/2009	31/12/2008	31/12/2007
Expenses			
Restructuring costs (1)	(14,897)		(1,594)
Cost of closing Idestyle Technologies (2)	(9,467)		
Other	(3)		
Total expenses	**(24,367)**	**0**	**(1,594)**
Income			
Research tax credits	1,265		
Other			
Total income	**1,265**	**0**	**0**

(1) Costs generated by limited adaptation measures related to the decline in the economic environment (short time work, workforce reduction, site consolidation, etc.).
(2) Including benefits to departing employees (€7,286 K) and the Employment Protection Plan (€1,300 K).

19) FINANCIAL EARNINGS

FINANCIAL CHARGES

Financial charges paid	31/12/2009	31/12/2008	31/12/2007
Interest expense (1)	(2,091)	(1,604)	(1,486)
Exchange losses	(1,004)	(608)	(261)
Other financial charges	(117)	(267)	(237)
Total	**(3,211)**	**(2,479)**	**(1,984)**

(1) Increase in relation to the increase in bank overdrafts.

Financial charges calculated	31/12/2009	31/12/2008	31/12/2007
Discount of debts on fixed assets	(134)	(75)	(238)
Losses on unrecoverable financial receivables	(9)		
Allowances to financial provisions	(20)	(577)	(937)
Total	**(162)**	**(652)**	**(1,175)**
TOTAL FINANCIAL CHARGES	**(3,373)**	**(3,132)**	**(3,159)**

FINANCIAL INCOME

Financial income earned	31/12/2009	31/12/2008	31/12/2007
Income on loans and receivables	263	114	52
Exchange gains	693	1,111	441
Net gains on disposal of marketable securities	16	47	63
Other financial income	325	581	991
Total	**1,298**	**1,853**	**1,547**

Financial income calculated	31/12/2009	31/12/2008	31/12/2007
Reversal of financial provisions (2)	592	14	882
Total	**592**	**14**	**882**

TOTAL FINANCIAL INCOME	**1,890**	**1,867**	**2,429**

(3) Reversal of provisions on non-consolidated holdings.

20) BREAKDOWN OF INCOME TAX EXPENSE

(in thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Net earnings: Group and Minority interests	18,653	54,802	43,216
Impairment of goodwill	9,617	5,560	5,644
Stock options	(646)	4,366	4,195
Tax expense	13 ,309	30,889	29,147
Pre-tax earnings	**40,933**	**95,617**	**82,201**
Tax rate payable by consolidating entity	33.33%	33.33%	33.33%
Theoretical tax	13,644	31 ,872	27,400
Social security contributions 3.3%	50	706	642
Tax rate difference with foreign companies	(674)	(901)	(1)
Tax credits	(521)	(712)	(235)
Unrecognised deferred taxes	846	778	157
Other permanent differences (1)	(36)	(855)	1,183
Effective tax reported	**13,309**	**30,889**	**29,147**
Income tax distribution:			
Deferred taxes	3,000	(82)	192
Income tax payable	10,309	30,971	28,956
Total	**13,309**	**30 889**	**29,147**
Breakdown of effective tax rate:			
Tax rate payable by consolidating entity	33.33%	33.33%	33.33%
Social security contributions 3.3%	0.12%	0.74%	0.78%
Tax rate difference with foreign companies	(1.65%)	(0.94%)	(0.00%)
Tax credits	(1.27%)	(0.74%)	(0.29%)
Unrecognised deferred taxes	2.07%	0.81%	0.19%
Other permanent differences	(0.09%)	(0.89%)	1.44%
Effective tax rate	**32.51%**	**32.30%**	**35.46%**

(1) of which: at 31 December 2009:	
Tax adjustments and corrections	3 ,531
Removal of Idestyle companies from the scope of	(4,109)
Permanent differences	408
Other	134
Total	**(36)**

21) OPERATING SEGMENTS

	31/12/2009			31/12/2008			31/12/2007		
	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL
SALES	601,806	280,709	**882,514**	630,778	232,447	**863,225**	529,547	184,562	**714,109**
INTER-SEGMENT SALES	(8,244)	(17,194)	**(25,438)**	(7,133)	(9,808)	**(16,941)**	(5,471)	(7,482)	**(12,953)**
NET SALES	593,562	263,515	**857,077**	623,645	222,639	**846,284**	524,076	177,080	**701,156**
OPERATING PROFIT	42,245	23,273	**65,518**	72,181	24,960	**97,141**	64,536	19,989	**84,525**
OPERATING INCOME FROM ORDINARY ACTIVITIES	42,891	23,273	**66,165**	67,816	24,960	**92,776**	60,341	19,989	**80,330**
OPERATING INCOME	16,636	16,810	**33,446**	62,256	24,700	**86,956**	53,103	19,989	**73,093**
EARNINGS OF CONSOLIDATED ENTITIES	8,905	9,749	**18,653**	38,426	16,377	**54,802**	29,696	13,520	**43,216**
CONSOLIDATED NET EARNINGS	8,905	9,749	**18,653**	38,426	16,377	**54,802**	29,696	13,520	**43,216**

	31/12/2009			31/12/2008			31/12/2007		
	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL
NET GOODWILL	96,121	81,812	**177,932**	81,893	80,668	**162,561**	80,014	44,413	**124,427**
IMPAIRMENT OF GOODWILL	(8,832)	(784)	**(9,617)**	(5,560)		**(5,560)**	(1,761)	(3,883)	**(5,644)**
WORK FORCE AT YEAR END	7,270	4,023	**11,293**	8,300	4,170	**12,470**	7,574	2,928	**10,502**
FINANCIAL LIABILITIES	51,163	5,259	**56,422**	47,796	14,122	**61,918**	29,172	454	**29,626**
NET INVESTMENTS FOR THE PERIOD	24,537	8,763	**33,300**	20,690	29,602	**50,292**	19,556	10,565	**30,121**

Net investments for the period, previously presented based on the country of origin of the entity that made the investment, is now presented based on the country of destination. Data for the 2007 and 2008 fiscal years were reclassified among regions to ensure a relevant comparison.

In 2009, the contribution of newly acquired companies to net consolidated earnings was €3,023 K (France: €1,417 K and Overseas: €1,606 K).

Given the Group’s diverse customer portfolio, no customer represents more than 10% of consolidated sales as of 31 December 2009.

22) EARNINGS PER SHARE

(In euros)	31/12/2009	31/12/2008	31/12/2007
Earnings	**18,463,649**	**54,483,378**	**42,878,574**
Weighted average number of shares outstanding	31,739,171	31,620,207	31,072,756
Earnings per share	**0.58**	**1.72**	**1.38**
	31/12/2009	**31/12/2008**	**31/12/2007**
Earnings	18,463,649	54,483,378	42,878,574
Dilutive effect of stock warrants	(87,700)		
Diluted earnings	**18,375,949**	**54,483,378**	**42,878,574**
Weighted average number of shares outstanding	31,739,171	31,620,207	31,072,756
Dilutive effect	70,501	96,524	551,073
Weighted average number of shares after potential dilution	31,809,672	31,716,731	31,623,829
Diluted earnings per share	**0.58**	**1.72**	**1.36**

23 CASH FLOW STATEMENT

Change in depreciation and provisions, net of reversals	31/12/2009	31/12/2008	31/12/2007
Amortisation, intangible fixed assets	1,689	1,295	1,374
Amortisation, tangible fixed assets	4,016	3,872	3,141
Provisions for financial fixed assets	0	0	(91)
Impairment of goodwill	9,617	5,560	5,644
Provisions for risks and expenses	2,910	1,420	(2,552)
Total	**18,233**	**12,147**	**7,516**

Breakdown of cash flow on working capital	31/12/2009	31/12/2008	31/12/2007
Change in net working capital -trade receivables	58,363	(40,383)	(47,408)
Change in net working capital – trade payables	(5,494)	(4,391)	(2,444)
Change in net working capital – other receivables and operating debts	(30,828)	25,018	15,826
Total	**22,041**	**(19,756)**	**(34,026)**

Impact of changes in scope of consolidation and earn-out	31/12/2009	31/12/2008	31/12/2007
Acquisition of consolidated subsidiaries’ shares	(31,267)	(47,389)	(15,716)
Cash from (for) new consolidated subsidiaries	4, 830	10,309	1,094
Cash related to subsidiaries which have exited the scope of consolidation	(998)	0	0
Total	**(27,435)**	**(37,080)**	**(14,622)**

Capital increase	31/12/2009	31/12/2008	31/12/2007
Stock options exercised	419	2,299	4,549
Issuance of stock warrants	669		
Subscription for capital in new companies	10		24
Total	**1,098**	**2,299**	**4,573**

IV – OTHER INFORMATION RELATED PARTY TRANSACTIONS

Remuneration granted to managers

Simon Azoulay	2008		2009	
	Amount paid	Amount owed	Amount paid	Amount owed
- Fixed remuneration	€109,080.00	€109,080.00	€109,080.00	€109,080.00
- Variable remuneration	N/A	N/A	N/A	N/A
- Extraordinary remuneration	N/A	N/A	N/A	N/A
- Director's fee	N/A	€150,000.00	€300,000.00*	€300,000.00*
- Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	***€109,080.00***	***€259,080.00***	***€409,080.00***	***€409,080.00***

* This amount corresponds to:

€150,000 paid to Mr. Simon Azoulay in June 2009, for 2008, by Alten Ltd, a company formed under English law, which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors' fees for the performance of his duties as *Director*. This amount is therefore mentioned for 2008 and for 2009 (even if paid only in 2009);

€150,000 paid to Mr. Simon Azoulay in December 2009, Alten Tecnologias de la Informacion y Consultoria S.L, a company formed under Spanish law which is a wholly-owned subsidiary of Alten Europe, which itself is a wholly-owned subsidiary of Alten SA, for directors' fees for the performance of his duties as *Consejero.*

Gérald Attia	2008		2009	
	Amount paid	Amount owed	Amount paid	Amount owed
- Fixed remuneration	€148,159.00	€148,159.00	€178,224.00	€178,224.00
- Variable remuneration	N/A	N/A	N/A	N/A
- Extraordinary remuneration	N/A	€40,000.00	€40,000.00	€40,000.00
- Director's fee	N/A	N/A	N/A	N/A
- Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	***€148,159.00***	***€188,159.00***	***€218,224.00***	***€218,224.00***

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)	31/12/2009	31/12/2008	31/12/2007
Sales	204	87	35
Other operating income (expenses) (1)	(939)	(449)	(16)
Financial income (expenses)	56	8	1
Total	**(679)**	**(354)**	**21**

On the balance sheet:

(in	31/12/2009	31/12/2008	31/12/2007
Trade receivables	316	147	42
Current account (2)	7,470	2	101
Other receivables	0	103	
ASSETS	**7,786**	**252**	**143**
Trade payables	657	70	14
LIABILITIES	**657**	**70**	**14**

(1) Including €480 K in 2009 under the service provision agreement with SGTI.

(2) Alten made a cash advance to its leading shareholder (SGTI). This advance, bearing interest at the rate of Euribor 3 months + 2%, is repayable no later than 30/06/2010. It totalled €7.5 million at 31/12/2009.

1) CONTINGENT LIABILITIES

The Group is party to several disputes with minority shareholders of various subsidiaries.Total claims by the plaintiffs, disputed by Alten, total approximately €3 million.

2) WORKFORCE

The table below shows the Alten Group's average number of employees by category:

Category	31/12/2009	31/12/2008	31/12/2007
Managerial staff	10,527	11,099	8,950
Non-Managerial staff	1,516	1,295	571
Total	**12,043**	**12,394**	**9,521**

3) TREASURY SHARES

Within the scope of a share repurchase programme, during the fiscal year the company made the following treasury share transactions

Unallocated shares

	31/12/2009	31/12/2008	31/12/2007
Shares hold at opening	344,641		
Shares purchased		344,641	
Shares sold			
Reclassifications	52,800		
Shares held at closing	397,441	344,641	

Free share allocation plan

Treasury shares acquired and not yet awarded at opening	57,200	
Shares purchased		105,600
Free shares awarded	-13,200	-48,400
Waivers	24,200	
Reclassifications	-52,800	
Treasury shares acquired and not yet awarded at closing	15,400	57,200

Liquidity contract

Shares held at opening	553	786	1,651
Shares purchased	171,633	158,514	126,228
Shares sold	-171,541	-158,747	-127,093
Shares held at closing	645	553	786

For a total of 413,486 treasury shares at a value of €7,690 K liquidated through shareholders' equity at 31 December 2009.

4) FINANCIAL COMMITMENTS

(In thousands of euros)	31/12/2009	31/12/2008	31/12/2007
Guarantees granted			
Alten SA	231	231	231
Alten Benelux	178	178	364
Alten Indus.	229	229	229
Total	**638**	**638**	**824**
Bank guarantees received			
(collateral for liabilities)			
Alten Italia		250	500
Cronos		312	492
Grupo Apex		150	150
Cisia			1,000
Idestyle		167	333
Alten NL	200	200	
DDA		100	150
Avenir conseil	573	573	573
N2T (company merged into Alten SA)	125	250	250
RSYS (company merged into MI-GSO)	450	450	
M&P (company merged into MI-GSO)	75	100	
Dixid	50	75	
Alten PTS	420	420	
Winwise	300	300	
Burke	300	300	
BBR	220	220	
B2I	300		
HPTI	400		
Total	**3,413**	**3,867**	**3,448**
Operating leases (1)	49,591	33,348	22,459
Financial leases (2)	1,208	2,483	1,766

(1) Of which real property leases: €47,739 K (including €12,893 K at less than one year).

(2) Fees remaining due at 31 December 2009 are broken down as follows :

Type of property	**Fees remaining due**			Part less than one year	Part from 1 to 5 years
	Capital	Interest	**Total**		
Software	595	10	606	597	8
Equipment and furniture	211	13	225	101	124
Vehicles	370	8	378	237	141
Total	**1,177**	**31**	**1,208**	**935**	**274**

Assets used as guarantees:	Amount (€K)	***Type of asset***
. Lease-financing transactions:	2,523	*fixed assets*

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.

5) RETIREMENT BENEFITS

Charge recorded on the income statement (note 13)

	31/12/2009	31/12/2008	31/12/2007
Provisions	(1,076)	(959)	(691)
Reversal of provisions		6	56
Charge recorded on the income statement	**(1,076)**	**(953)**	**(635)**

The change in the provision recorded on the balance sheet is broken down as follows:

	31/12/2009	31/12/2008	31/12/2007
Balance at the beginning of the period	**4,009**	**2,808**	**2,067**
Change in scope	(255)	248	107
Impact on earnings:			
Cost of services rendered	867	738	513
Financial cost for the fiscal year	197	180	100
Spreading of actuarial gains and losses	13	35	22
Charge recorded on the income statement	***1 ,076***	***953***	***635***
Balance at the end of the period	**4,830**	**4,009**	**2,808**

The following main actuarial assumptions were used:

	31/12/2009	31/12/2008	31/12/2007
Discount rate	4.25%	4.25%	3.65%
Revaluation rate for employees;	1.50%	2.50%	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 2004-2006	TV 2003-2005
. Men	TD 2004-2006	TD 2004-2006	TD 2003-2005
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 material effect on valuing the commitment at 31 December 2009.

6) AUDIT FEES

Fiscal year: 2009

	DAUGE & ASSOCIES				GRANT THORNTON			
	Amount excluding tax		%		Amount excluding tax		%	
	2008	2009	2008	2009	2008	2009	2008	2009
AUDIT								
Statutory auditors, certification, audit of company								
. Issuer	145	163	53%	51%	180	192	35%	36%
. Fully consolidated subsidiaries	94	145	34%	45%	329	300	65%	56%
Other duties and services directly related to the statutory auditors' assignment:								
. Issuer	37	14	13%	4%	-	44	-	8%
. Fully consolidated subsidiaries	-	-	-	-	-	10	-	-
Sub-total	**276**	**322**	**100%**	**100%**	**509**	**536**	**100%**	**100%**
OTHER SERVICES								
Legal, tax, social								
. Issuer	-	-	-	-	-	-	-	-
. Fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Other								
. Issuer	-	-	-	-	-	-	-	-
. Fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-
TOTAL	**276**	**322**	**100%**	**100%**	**509**	**536**	**100%**	**100%**

7) CONSOLIDATING ENTITY

The Alten Group is consolidated into SGTI.

8) SECURITIES PLEDGED AS COLLATERAL

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

Name	Number of Alten shares pledged:	Maturity date	Type	Percentage of share capital
Simon Azoulay	562,000	25/06/2011	Bank loan collateral	1.77%
	500,000	22/02/2011	Bank loan collateral	1.57%
	1,358,000	31/12/2010	Bank loan collateral	4.27%
	444,888	30/09/2011	Bank loan collateral	1.40%
SGTI	8,550,000	25/06/2011	Bank loan collateral	26.91%

9) POST-CLOSING EVENTS

Formation of new companies and partnerships

While continuing to adapt to uncertain economic circumstances resulting from the ongoing crisis, the Group continues to seek out opportunities for growth and partnerships which will enhance its development.

Accordingly, the transactions acquisitions were completed since 1 January 2010:

- In France, the formation of a joint venture to combine Alten SIR's skills with a partner offering expertise in project management, design and applications testing. Alten owns 51% of the joint venture.

- In France, purchase of a 19% interest in Phoebe Ingenica to address the global needs of the leading energy companies.

- In India, the formation of Alten India, a wholly-owned subsidiary, to handle offshore projects as part of the offshore outsourcing and offset strategies of certain key Group customers.

URSSAF Audit

Alten is currently subject to an URSSAF audit.

IX – COMPANY FINANCIAL STATEMENTS

BALANCE SHEET - ASSETS

(in thousands of euros)

ITEM	Gross	Depreciation Provisions	Net at 31/12/09	Net at 31/12/08	Net at 31/12/07
INTANGIBLE FIXED ASSETS	39,953	5,328	34,625	19,071	13,214
TANGIBLE FIXED ASSETS	10,268	6,299	3,969	3,886	2,990
FINANCIAL FIXED ASSETS	167,127	16,687	150,440	157,970	159,821
FIXED ASSETS	**217,348**	**28,314**	**189,034**	**180,926**	**176,025**
INVENTORY AND WORK IN PROGRESS					
Inventory and work in progress	25	0	25	26	18
RECEIVABLES					
Trade receivables	151,187	5,489	145,698	169,208	142,381
Other receivables and prepaid expenses	56,905	3,105	53,800	15,012	12,064
Marketable securities	1,073	0	1,073	1,904	21
Cash and equivalents	1,021	0	1,021	599	533
CURRENT ASSETS	**210,211**	**8,594**	**201,617**	**186,750**	**155,017**
Translation adjustment	7	0	7	6	0
GENERAL TOTAL	**427,567**	**36,908**	**390,658**	**367,682**	**331,042**

BALANCE SHEET - LIABILITIES

(in thousands of euros)

ITEMS	31/12/09	31/12/08	31/12/07
Capital	32,293	32,246	31,976
Share premiums	15,017	14,065	12,036
Reserves and Carry-Forward	123,634	120,864	90,610
Earnings for the fiscal year	46,579	2,546	30,254
SHAREHOLDERS' EQUITY	**217,523**	**169,721**	**164,876**
PROVISIONS FOR RISKS AND CHARGES	**6,403**	**4,017**	**3,857**
Borrowings and similar debt	47,060	59,422	50,735
Trade payables	28,951	44,575	31,860
Other liabilities and deferred income	90,721	89,948	79,713
DEBT	**166,732**	**193,945**	**162,309**
GENERAL TOTAL	**390,658**	**367,682**	**331,042**

INCOME STATEMENT

(in thousands of euros)

ITEMS	31/12/09	31/12/08	31/12/07
NET SALES	**338,958**	**373,490**	**291,946**
REVERSAL OF DEPRECIATION AND PROVISIONS, TRANSFER OF EXPENSES	3,405	3,760	4,225
OTHER INCOME	934	420	1,215
OPERATING INCOME	343,297	377,671	297,386
OTHER PURCHASES AND EXTERNAL CHARGES	113,100	138,777	99,157
TAXES OTHER THAN INCOME TAX	10,295	10,148	8,166
PAYROLL CHARGES	202,876	195,300	158,195
CHARGES TO DEPRECIATION AND PROVISIONS	6,166	3,031	2,894
OTHER OPERATING EXPENSES	579	679	866
OPERATING EXPENSES	333,017	347,935	269,278
OPERATING INCOME	**10,281**	**29,735**	**28,108**
FINANCIAL EARNINGS	**43,257**	**-17,281**	**1,031**
PRE-TAX EARNINGS	**53,538**	**12,455**	**29,138**
EARNINGS ON NON-RECURRING ACTIVITIES	**-9,876**	**-201**	**13,301**
EMPLOYEE PROFIT-SHARING	0	2,587	2,695
INCOME TAX	-2,917	7,120	9,490
EARNINGS FOR THE FISCAL YEAR	**46,579**	**2,546**	**30,254**

Business sector and Alten SA's activity

Founded in 1988, Alten is the European leader in the Technology Consulting and Engineering market.

Its services, which are primarily invoiced on a time-spent basis, are mainly performed in this field.

Alten carries 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.

The scope of Alten’s business covers all outsourced technology consulting and engineering services.

ALTEN does not compete against conventional information technology service providers.

Highlights

Acquisitions completed in France

- In January 2009, it acquired 100% of B2I Automotive Engineering, which specialises in vehicle systems design: engine control, motorisation systems and on-board software.

Legal transactions

- On 1 July 2009, Alten SA dissolved GIST by way of a merger of assets and liabilities into Alten SA.
  In accordance with regulation 2004-01 dated 4 May 2004 of the *Comité de la réglementation Comptable* (Accounting Regulatory Committee), the merger premium from this complete transfer of assets and liabilities was recognised under financial earnings after validation of the calculated value of the assets

Other events

- The slowdown in economic activity felt at the very end of 2008 continued during the first quarter of 2009. It especially affected the automotive sector, where Alten realises a portion of its sales. First and foremost, ALTEN implemented all necessary adaptive measures (training, repositioning consultants in other business sectors, reduction of committed fixed costs) to address this new market environment.

- Idestyle Technologies, a subsidiary of Alten with 380 employees, operating in the fields of mechanics and design which are considered non-strategic by its customers, suffered a sudden 70% drop in business at the beginning of 2009. Despite attempts to relaunch the business, Idestyle Technology’s business was irreparably compromised. Faced with these conditions, a court-supervised reorganisation was begun on 4 August 2009. With no buyers, its bankruptcy was declared on 15 October 2009. Idestyle Technologies and its holding company, Idestyle Group, were removed from the scope of consolidation effective 1 July 2009. An Employment Projection Plan was established at Idestyle Technologies, the costs of which were paid by Alten.

Post-closing events

- On 4 February 2010, Alten acquired 19% of the capital of Phoebe SA. Phoebe is a public limited company with share capital of €266,848, whose head office is located at Le Clos de la Mare, 21 rue Albert Calmette – 78350 Jouy en Josas, registered with the Versailles Trade and Companies Register under number 405 334 004.
  Phoebe SA is the holding company of Phoebe Group (8 companies in France), which holds 100% of the share capital of Ingenica SAS, specialising in engineering with the Energy sector.

- On 20 January 2010 a private limited company was established in India, a corporate form in which shareholders' liability is restricted to the amount of their contributions. Alten SA directly holds only 0.01% of this entity while Alten Europe, a wholly-owned subsidiary of Alten SA, holds the rest.

- On 18 February 2010 a jointly-held company known as Alten Systèmes d'Information et Réseaux Global Testing Services was formed with Group Critères, a simplified joint stock company with share capital of €649,920, with its head office at 27, rue Fortuny 75017 Paris, registered with the Nanterre Trade and Companies Register under number 398 092 981 in the field of third party application acceptance testing (TRA). Alten holds 51% of this company's capital and voting rights, with Groupe Critères holding 49% of its capital and voting rights.

- In April 2010 the Group affirmed its lines of credit as part of a "club deal" and thus has confirmed a €110 million line of credit. It also has short-term unconfirmed lines of credit that are annually renewable. This "club deal" requires that the following ratios are met while the contract is in force and an advance is outstanding:
  - "Net financial debt / Operating profit" ratio. This ratio must be less than 1.7.
  - "Net financial debt / Shareholders' equity" ratio. This ratio must be less than 0.6.

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;
- independence between years;

and in accordance with the general rules for preparing and presenting financial statements.

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-Software licences	1 year / 3 years / 10 years L
- Transport equipment	5 years / L
- Office and computer equipment	1 to 5 years / L – 2 to 3 years / D
- Office furniture and fittings	5 to 10 years / 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 recognised 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 sales, 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, depreciated 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:

	31/12/2009	31/12/2008	31/12/2007
Discount rate	4.25%	4.00%	4.00%
Revaluation rate for employees	1.50%	2.50%	2.50%
Employer contribution rate			
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 2004-2006	TV 2003-2005
For men	TD 2004-2006	TD 2004-2006	TD 2003-2005
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 mainly charges for its services on a time-spent basis. Revenues are recognised as and when services are performed. Services for which a fixed price is charged account for approximately 5% to 10% of revenues. In such instances, sales and margins are recognised 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 in conformance with market rules.

h) Earnings on non-recurring activities

Earnings on non-recurring activities mainly includes costs related to the bankruptcy of Idestyle Group and Idestyle Technologie and to transactions related to the sale of tangible or intangible fixed assets. Non-recurring provisions or reversals of provisions are on a scale and or a type such that accounting for operating charges or income, leading to an erroneous understanding of the company's current and recurrent financial situation.

i) Contingent liabilities

Alten is party to several disputes with minority shareholders of various subsidiaries. Total claims by the plaintiffs, disputed by Alten, are approximately €3 million.

j) Capitalisation of fixed assets related to deployment of the ERP

By way of exception, as part of implementing its “ERP” programme (“Enterprise Resource Planning”), Alten capitalised the amount of €6,416 K in 2009 as fixed assets (€4,965 K at 1 January 2009 and €1,451 K at 1 July 2009).

k) Financial lease commitment

As part of deploying the ERP, Alten financed the acquisition of software by taking out a financial lease with Siemens Finance SAS.

The total amount of the financial lease was €2,255 K, to be paid over a period from 01/07/2008 to 30/06/2010 according to the table below:

Reference	Fees paid		Fees remaining to be paid				Residual purchase price
	For the fiscal year	Cumulative	Up to one year	+ 1 year to 5 years	+ 5 years	Total to be paid	
SIEMENS FINANCE SAS	1,128	1,691	564	0	0	564	0
Total	1,128	1,691	564	0	0	564	0

l) Tax consolidation

Alten follows a tax consolidation regime in which it is the Group’s holding company.

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.

m) Benefits granted to personnel

Pursuant to Article 4 of CRC 2008-15, the book value of shares affected by free share allocation plans is equal to their entry cost (purchase price or net book value on the reclassification date) until the date of final award to employees. They are recognised as marketable securities.

The charge recorded each year for vested free shares is recognised under payroll charges.

Pursuant to the opinion 2008-17 of the *Conseil National de Comptabilité* (CNC) dated 6 November 2008, shares allotted to free share allocation plans and stock option plans are not subject to impairment based on market value because of the commitment to award them to employees and the provision recognised under liabilities.

GROSS FIXED ASSETS

(in thousands of euros)

ITEMS	31/12/07	Movements related to mergers	Acquisitions formations / transfers	Less disposals	31/12/08	Movements related to mergers	Acquisitions formations / transfers	Less disposals	31/12/09
Intangible fixed assets	16,400	809	8,185	2,260	23,133	13,520	3,377	84	39,946
Property, plant and equipment	6,480	2	2,339	92	8,729	345	1,766	564	10,276
Financial fixed assets	161,430	-1,772	15,861	1,583	173,936	-15,268	9,125	666	167,127
GENERAL TOTAL	**184,310**	**-961**	**26,385**	**3,935**	**205,799**	**-1,403**	**14,268**	**1,315**	**217,348**

The change in the gross value of intangible assets mainly comes from capitalisation of development costs for integrated management software put into service on 1 January 2010. This asset is depreciated over 10 years.

DISTRIBUTION OF FINANCIAL FIXED ASSETS

ITEMS	31/12/07	Movements related to mergers	Acquisitions formations / transfers	Less disposals	31/12/08	Movements related to mergers	Acquisitions formations / transfers	Less disposals	31/12/09
Equity interests	**158,627**	-1,772	9,004	1,309	**164,550**	-15,273	7,524		**156,801**
Related receivables	**38**		0		**38**				**38**
Treasury shares	**0**		6,308		**6,308**		1,060		**7,368**
Security deposits	**1,549**		461	191	**1,819**	4	501	427	**1,899**
Loans	**1,216**		87	83	**1,220**		40	240	**1,021**
GENERAL TOTAL	**161,430**	**-1,772**	**15,861**	**1,583**	**173,936**	**-15,268**	**9,125**	**666**	**167,127**

AMORTISATION AND DEPRECIATION

ITEMS	31/12/07	Movements related to mergers	Increases charges	Decreases/reversals (2)	31/12/08	Movements related to mergers	Increases charges	Decreases Reversals (2)	31/12/09
Intangible fixed assets	**3,186**	89	792	5	**4,062**	**69**	1,196	0	**5,328**
Property, plant and equipment	**3,490**	2		53	**4,843**	**252**	1,492	288	**6,299**
GENERAL TOTAL	**6,676**	**92**	**2,196**	**58**	**8,906**	**322**	**2,689**	**288**	**11,627**

PROVISIONS FOR RISKS AND CHARGES

ITEMS	31/12/07	Movements related to mergers	Increases charges	Decreases /reversals (2)	31/12/08	Movements related to mergers	Increases charges	Decreases Reversals (2)	31/12/09
Provisions for industrial tribunal actions	**865**		154	230	**789**	166	601	456	**1,100**
Provisions for legal disputes (1)	**1,000**				**1,000**				**1,000**
Provisions for miscellaneous risks	**776**		360	470	**665**	239	1,670	670	**1,904**
Provisions for charges	**54**		6	54	**6**	31	14	5	**47**
IFC provisions	**1,162**		394		**1,556**	389	408		**2,353**
PROV. FOR RISKS AND CHARGES	**3 857**	**0**	**914**	**754**	**4,017**	**825**	**2,693**	**1,1326,403**	

(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) Of which non used provisions: €798 K in 2009 and €165 K in 2008

ITEMS	31/12/07	Movements related to mergers (1)	Increases Provisions (2)	Decreases /reversals	31/12/08	Movements related to mergers (3)	Increases Provisions (4)	Decreases /reversals (5)	31/12/09
Provisions for intangible fixed assets	0	84	84		**168**	38	0		**206**
Provisions for fixed financial assets	**1,608**	-1,023	15,381	0	**15,966**	1	1,498	779	**16,687**
Provisions for customer accounts	**3,171**	15	0	107	**3,079**	1,612	799	0	**5,489**
Other impairment	**296**	-102	236	104	**326**	4	3,021	246	**3,105**
PROVISIONS FOR IMPAIRMENT	**5 076**	**-1,026**	**15,701**	**211**	**19,539**	**1,655**	**5,318**	**1,025**	**25,487**
TOTAL PROVISIONS	**8,933**	**-1,026**	**16,615**	**966**	**23,556**	**2,480**	**8,011**	**2,157**	**31,890**

(1) 2008 : Including reversal of financial provision for SAGEIS securities for €1,023 K
(2) 2008 : Including provision for Idestyle Group equity interest for €9,921 K and CISIA for €4,662 K
Including provision for treasury shares for €742 K
(3) 2009 : Provision for GIST trade receivables
(4) 2009 : Including provision for B2I securities for €1,483 K
Including provision for the Idestyle Group current account for €3,012
(5) 2009 : Including treasury shares for €591 K

Of which	Provisions	Reversals	Other
Operations	3,478	1,146	0
Financial	4,533	786	225
Non-recurring	0	0	0
Total	8,011	1,932	225

STATEMENT OF MATURITY DATES OF RECEIVABLES AND PAYABLES (in thousands of euros)

STATEMENT OF DEBTS	Gross amounts			Up to 1 year	More than 1 year
	2007	2008	2009		
From fixed assets					
Receivables from equity interests	38	38	38	0	38
Loans	33	33	33	33	
Other fixed financial assets (2)	2,732	9,315	10,255	0	10,255
	2,803	9,386	10,326	33	10,293
Current assets					
Other trade receivables (4)	145,552	172,287	151,187	143,625	7,562
Personnel and related accounts	87	66	121	121	
Income tax		0	11,250	11,250	
Value added tax	4,943	6,201	3,935	3,935	
Other miscellaneous receivables	0	0	15	15	
Group and affiliated companies (1)	3,136	2,374	38,775	38,775	
Miscellaneous receivables	418	1,833	1,077	1,032	44
	154,136	182,761	206,361	198,754	7,607
Prepaid expenses	3,777	4,640	1,732	1,732	
GENERAL TOTAL	**160,715**	**196,787**	**218,418**	**200,518**	**17,900**

MATURITIES OF PAYABLES	Gross amounts			Up to 1 year	More than 1 year, max. 5 years	More than 5 years
	2007	2008	2009			
Bank borrowings maturing in less than 1 years						
Bank borrowings	13,906	37,089	45,807	45,802	5	
Miscellaneous financial borrowings and debt	12	12	127	127		
Trade payables	31,860	44,575	28,951	28,951		
Staff and social security debts	36,267	40,819	45,584	45,584		
Tax Debts	35,199	38,482	31,540	31,540		
Debts on fixed assets (3)	865	0	1,256	770	486	
Group and affiliated companies (5)	36,817	22,321	1,126	1,126		
Other debt	2,705	7,743	11,386'	10,544	596	247
Deferred income	4,678	2,904	955	955		
GENERAL TOTAL	**162,309**	**193,945**	**166,732**	**165,398**	**1,087**	**247**

(1) 2009 – Net current accounts are comprised of €89,499 K from current accounts with a negative balance and €50,724 K from current accounts with a positive balance

(2) 2009 - including €7,368 K which corresponds to treasury shares

(3) 2009 – including €400 K regarding provisions for disputes

(4) 2009 – including €1,650 K for receivables represented by negotiable instruments

(5) 2009 – tax consolidation current accounts

OUTSTANDING CHARGES

(in thousands of euros)

	2009	2008	2007
Trade payables	8,994	11,089	7,965
Taxes and social security payable	37,176	34,050	29,703
Fixed assets payable	0	0	865
Cash, outstanding charges	128	216	176
Other debt	8,714	5,540	1,310
Total	**55,012**	**50,896**	**40,020**

REVENUE ACCRUALS

	2009	2008	2007
Trade receivables	24,220	26,137	31,059
Receivables from the government	1,312	1,656	1,238
Other receivables	27	76	69
Total	**25,559**	**27,793**	**32,297**

Change in Shareholders' Equity
(in thousands of euros)

Dates	Number of shares	Capital	Premiums	Reserves	Other Reserves and Carryforwards	Earnings (Group share)	Shareholders' Equity
At 31 December 2007	**31,460,390**	**31,977**	**12,036**	**3,140**	**87,470**	**30,254**	**104,628**
Allocation of 2007 earnings				58	*30,196*	-30,254	0
Capital increase	265,345	270	2,030				2,299
31 December 2008 earnings						2,546	2,546
At 31 December 2008	**31,725,735**	**32,246**	**14,065**	**3,198**	**117,666**	**2,546**	**169,721**
Allocation of 2008 earnings				27	*2,519*	-2,546	0
Other change				225			225
Capital increase	46,186	47	951				998
31 December 2009 earnings						46,579	46,579
At 31 December 2009	**31,771,921**	**32,293**	**15,017**	**3,449**	**120,185**	**46,579**	**217,523**

The number of shares issued in 2008 corresponds to the issue of shares following the exercise of stock options (265,345 shares).

The number of shares issued in 2009 corresponds to the issue of shares following the exercise of stock options (46,186 shares).

The implied par value is €1.016.

<u>Information regarding Capital</u>

The Combined General Meeting of 7 January 1999 delegated to the Board of Directors the power to award stock 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 Meetings of 27 June 2006 and 23 June 2009. To this end, it granted the Board of Directors full powers to award these stock 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 199,618 shares not yet exercised at the time of this report, i.e. 0.63 % of the share capital.

- with regard to the delegation of authority granted 25 June 2003, 496,500 options were awarded, conferring a right to 296,309 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 1,004,755 shares not yet exercised at the time of this report, i.e. 3.16 % of the share capital.

- with regard to the delegation of authority granted 23 June 2009, 574,330 options were awarded, conferring a right to 561,625 shares not yet exercised at the time of this report, i.e. 1.76 % of the share capital.

In all, 2,062,307 options awarded have yet to be exercised, i.e. 6.49 % 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, including 574,040 shares not yet exercised as of the date of this report, i.e. 1.72% of the capital.

The Combined General Meeting of 23 June 2009 delegated to the Board of Directors the authority to issue stock warrants without pre-emptive rights for managers (whether or not officers and directors) and management employees of the Company and of related companies within the meaning of Article L. 225-180 of the French Commercial Code. For this purpose, full authority was granted to the Board of Directors to award such stock warrants during a period of 18 months and to set the practical terms and conditions of award.

Under the delegation of authority dated 23 June 2009, 487,000 stock warrants were awarded to 7 beneficiaries, with 1 stock warrant conferring the right to 1 Alten share (with subscription for all stock warrants representing 1.53% of the share capital). The terms of the stock warrants are as follows:

- Stock warrant subscription price: €1.19
- Stock warrant exercise price: €15.85
- Exercise period: from 7 September 2013 to 7 September 2017
- The stock warrants are not admitted to trading on a regulated market and can not be sold.

Free share allocation plan

For the fiscal year, one of the two beneficiaries waived all options awarded to him, i.e. 52,800 options. As of 31/12/2009, the number of awarded and non-vested options was 15,400.

PLAN	Total
Date awarded by the Board	11/04/2008
Number of beneficiaries	2
Number of options awarded	**105,600**
including the number of shares awarded to employees	105,600
including the number of shares awarded to officers and directors	
Date of definitive award	11/04/2010
First possible exercise date	11/04/2012
Last possible exercise date	11/04/2017
Date of first possible sale	11/04/2012
Number of shares allocated of 1 January 2008	**0**
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
Number of shares awarded as of 31 December 2008	**105,600**
2008 annual charge	***€972 k***

Number of shares allocated of 1 January 2009	**105,600**
Number of vested shares as of 1 January 2009	48,400
Number of cancelled shares as of 31 December 2009	-24,200
Number of vested shares as of 31 December 2009	13,200
Fair value of the option in euros	20.08
Number of shares awarded as of 31 December 2009	**37,400**
2009 annual charge	***-€221 K***

This charge is recorded under payroll charges

2009 annual charge: negative amount of €221 K

2008 annual charge: €972 K

Information concerning taxable items and tax rates (in thousands of euros)

1. Income tax.

		12-2009	12-2008	12-2007
Net Earnings		46,579	2,546	30,254
Tax expense		-2,917	7,120	9,490
Pre-tax earnings		43,66	9,666	39,744
Tax rate payable by consolidating entity		33.33%	33.33%	33.33%
Theoretical tax		14,554	3,222	13,248
Social security contributions 3.3%		-62	366	377
Temporary and permanent differences	(1)	-17,409	3,532	-4,134
Effective tax reported		-2,917	7,120	9,490

(1) - 2009: Permanent differences: GIST premium from complete transfer of assets and liabilities - €4,333 K
tax savings from tax consolidation: -€4,986 K
depreciation of securities: €436 K
other taxes and tax credits €2,181 K
miscellaneous: €576 K

Breakdown of tax on current and non-recurring profit (in thousands of euros)

	2009	2008	2007
Current profit	384	7,158	9,498
Earnings on non-recurring activities	-3,301	-37	-8
Total tax	-2,917	7,120	9,490

NOTES ON EARNINGS

SALES

Alten SA's sales amounted to €339 million in 2009, down 9.2 % from the previous year (€373 million). 98.2% of Alten SA's turnover was realised in France and 1.8 % in Europe, in the context of assignments carried out on behalf of French customers.

Breakdown of turnover by geographic region (in millions of euros)

	2009	2008	2007
France	332.9	368.5	286.8
Abroad	6.1	5.0	5.1
Total	339.0	373.5	291.9

TRANSFER OF EXPENSES

The balance of the Transfer of Expenses account is €2.26 million. It is mainly composed of adjustments on training costs and payroll charges.

FINANCIAL EARNINGS

(in millions of euros)

Financial earnings were -€43.26 million against -€17.28 million in 2008 and €1.03 million euros in 2007.

It reflected the following:

	2009	2008	2007
- Dividends and income from subsidiaries:	13.00	0.00	3.02
- Net write-downs of loans and investments:	-3.75	-15.49	-0.26
- Merger premium	33.85	0.00	0.00
- Other financial earnings:	0.15	-1.79	-1.73
Total	43.26	-17.28	1.03

EARNINGS ON NON-RECURRING ACTIVITIES

(in millions of euros)

	2009	2008	2007
Redundancy compensation	0.00	0.00	0.00
Capital gains and losses on the disposal of assets	-0.26	-0.11	13.41
Miscellaneous (1)	-9.62	-0.09	-0.11
Total	-9.88	-0.20	13.30

(1) The amount mainly corresponds to the cost of the Idestyle Technologies Employment Protection Plan paid by ALTEN

AFFILIATES

(in millions of euros)

Balance sheet	2009	2008	2007
Receivables from fixed assets	0.99	1.19	1.18
Group trade receivables	18.74	16.80	16.53
Group trade payables	19.39	35.32	24.97
Other Group receivables (1)	89.50	55.87	16.90
Other Group liabilities	50.72	78.20	53.74

Income statement	2009	2008	2007
Group operating income	40.09	42.03	32.27
Group operating expenses	54.23	86.05	54.84
Group financial income	1.36	1.73	0.52
Group financial expenses	0.70	2.77	1.72
Group income from non-recurring activities	0.00	0	14.98

(1) Alten made a cash advance to its leading shareholder (SGTI). This advance, bearing interest at the rate of Euribor 3 months + 2%, is repayable no later than 30 June 2010. It totalled €7.4 million at 31/12/2009.

OTHER INFORMATION

Workforce.

Average workforce by category:

	31/12/2009	31/12/2008	31/12/2007
Managerial staff	3,449	3,438	2,909
Non-Managerial staff	405	288	175
Total	3,854	3,726	3,084

The number of individual training entitlements (*Droits Individuels de Formation*) represented 206,788 hours for fiscal year 2009.

Remuneration of officers and directors.

There are three directors on the Board of Directors, including the Chairman who is a founder.
During 2009, remuneration paid to officers and directors was €627 K (including €300 K related to directors' fees) compared with €257 K in 2008 and €273.60 K in 2007

In accordance with legislation in force, no advances or credits were granted to the company directors or officers.

Further note that at its meeting on 7 September 2009, the Board of Directors decided to award 487,000 stock warrants. The list of beneficiaries included officers and directors in the amount of 225,000 stock warrants.

Tax consolidation

Alten SA is the Group's entity which consolidates several subsidiaries.

Tax payable by the Group amounted to €2,332 K. Alten SA benefitted from tax savings of €4,943 K. The amount of tax related to Alten SA itself was -€155 K.

Financial commitments (in thousands of euros)

Commitments given or mutual commitments	2009	2008	2007
Bonds and guarantees provided	514	638	824
Bonds and guarantees received	3,413	3,867	3,448

Treasury shares

1. Under the Liquidity Contract:

Within the scope of the share repurchase programme adopted by the Combined General Meetings of 27 June 2008 and 23 June 2009, 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.

Shares hold at opening	554
Shares purchased	171,633
Shares sold	172,542
Shares held at closing	645

2. Shares intended for award to employees:

Alten SA did not purchase any treasury shares during the 2009 fiscal year.

Purchase of treasury shares in 2008:

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 K.

Thus, treasury shares are recognised under financial fixed assets in the amount of €7,368 K, and in the amount of €1,060 K under marketable securities for shares vested in the scope of the award of free shares.

3. Summary of transactions during the year:

	2009
Shares held at opening	450,795
Shares purchased	171,633
Shares sold	171,542
Shares held at closing	450,886

Subsidiaries and participating interests:

ALTEN SA

Closing on : 31/12/2009

	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 endorsements given by the company	Sales excluding tax for the past fiscal year	Earnings for the past fiscal year	Dividends paid to the Group by the company during the fiscal year
				Gross	Net					
1 Subsidiaries more than 50% directly controlled (in thousands of euros)										
Alten SIR	20,003	40,166	100.00	26,221	26,221			113,922	5,875	
Abilog	16	-4	99.80	68	0			0	-1	
Alten Sud-Ouest	15,061	16,271	100.00	15,939	15,939			66,066	5,029	3,000
M i-Gso	1,000	13,919	100.00	11,941	11,941			32,485	1,221	6,000
Alten Cash Management	150	3	100.00	393	393	39,997		0	3	
Alten Europe	57,120	19,877	100.00	58,072	58,072	21,989		0	4,088	
Pegase SI	100	293	76.00	476	476			4,925	35	
Cisia Ingenierie	8,072	-6,611	99.99	11,550	6,888	964		10,981	-358	
Groupe Idestyle	150	-1,324	100.00	9,921	0	3,012		176	-88	
Avenir Conseil Formation	50	1,693	99.96	1,019	1,019	6,617		10,636	984	
Anotech Energy France	100	948	100.00	103	103	1,848		25,572	586	
Alten Aerospace	37	3,713	100.00	37	37			19,506	2,015	4,000
H P T I	40	3,228	100.00	40	40	3,383		0	3,460	
Dixid	38	-36	100.00	342	342	1,098		1,897	-157	
Winwise	773	581	100.00	7,500	7,500	6		8,884	-983	
Aten Si Techno romania	1	-397	100.00	0	0	481		1,448	-203	
B2I	1,200	4,019	100.00	5,175	3,692			12,486	-1,045	
HUM ELEC LTD			100.00	1	0					
Total securities				**148,800**	**132,663**					
2 Aggregated information on other securities										
Xange				3,751	3,751					
Ausy				3,596	3,596					
Smart Trade				634	233					
Extia				8	8					
S & H				1	1					
Axen				9	9					
Axen SARL				1	1	289				
Alten Benelux				4	4	61				
Total other securities				**8,001**	**7,603**					

X - THE STATUTORY AUDITORS

A. PRESENTATION

The two regular Statutory Auditors and their substitutes are presented on pages 59 and 60 of this Annual Report.

B. 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

To the Shareholders,

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 2009.

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 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 and risk management 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 and risk management 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 and risk management procedures relating to the preparation and presentation of accounting and financial information. These procedures include:

- examining the internal control and risk management 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 and risk management 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, 27 May 2010

The Statutory Auditors

Grant Thornton **French Member of Grant Thornton International**	**Cabinet Dauge et Associés**
Laurent Bouby Partner	Christian Laplane Partner

C. STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS (FISCAL YEAR ENDED 31 DECEMBER 2009)

In our capacity as Statutory Auditors for your Company, we hereby present our report on the Company's regulated agreements.

AGREEMENTS AND UNDERTAKINGS AUTHORISED DURING THE FISCAL YEAR

Pursuant to Article L 225-40 of Commercial Code, we have been informed of the agreements and undertakings requiring prior authorisation 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 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**

  Concerned director: Mr. Simon Azoulay.
  The tax consolidated agreement entered into between your company and certain subsidiaries was extended on 13 October 2009, with retroactive effect to 1 January 2009 to Winwise and DIXID.

  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 thus obtained.
  This agreement enabled your company to generate income for Alten SA of €430 K due to losses recorded for the following companies:

–	Dixid	€123 K
–	Winwise	€307 K

- **CASH ADVANCE AGREEMENT**

  Shareholder concerned: Société Générale pour la Technologies de l'Ingénierie (SGTI) Director concerned: Mr. Simon Azoulay.
  By agreement dated 1 July 2009, authorised by your Board of Directors on 30 June 2009, Alten granted a maximum €8,000,000 cash advance to Société Générale pour les Technologies et l'Ingénierie (SGTI). This advance is repaid at the rate of EURIBOR 3 months plus 2%.
  Initially granted until 24 December 2009, expiration of this agreement was delayed until 30 June 2010 by authorisation of the Board of Directors on 14 December 2009.
  The amount of this receivable at 31 December 2009 was €7,414,000 with interest recorded in the amount of €56,354.

- **SERVICE PROVISION AGREEMENT**

  Shareholder concerned: Société Générale pour la Technologies de l'Ingénierie (SGTI) Director and shareholder concerned: Mr. Simon Azoulay.
  Under an agreement authorised by your Board of Directors on 14 December 2009, SGTI provides Alten consulting services in the fields of market analysis and research concerning possible partnerships and growth opportunities.

  During the 2009 fiscal year, SGTI invoiced a total of €480,000 excluding tax.

AGREEMENTS AND UNDERTAKINGS APPROVED DURING PREVIOUS YEARS AND EXECUTED DURING THE PAST YEAR

Furthermore, in accordance with the French Commercial Code, we have been informed that the performance of the following previously authorised agreements and undertakings continued during the past fiscal year.

- **LOAN AGREEMENT WITH ALTEN GMBH**

  The loan granted by Alten to its German subsidiary Alten GMBH totalled €1,100 K at the start of the fiscal year, and was reduced to €948 K following a payment made during the 2009 fiscal year.
  The loan is subject to a fixed interest rate equalling the 12-month EURIBOR +3%. Interest remaining due is €45.3 K at 31 December 2009.

- **TAX CONSOLIDATION AGREEMENT**

  The tax consolidation agreement signed between your company and Alten SIR, MI-GSO, Alten Sud Ouest, Alten Cash Management, Alten Europe, Alten Aerospace, Abilog, Anotech Energy France, Idestyle Technologies, Groupe Idestyle, ECAM, Cisia Ingenierie, Cisia Cetop, Avenir Conseil Formation and HPTI remained in effect during the past fiscal year. This agreement enabled your company to generate income of €5,727 K due to losses recorded for the following companies:
    - Alten Europe, for an amount of €59 K,
    - HPTI, for an amount of €46 K
    - Idestyle Group, for an amount of €216 K,
    - Idestyle Technologies, for an amount of €5,172 K,
    - Cisia Ingenierie, for an amount of €234 K

AGREEMENTS AND COMMITMENTS NOT PREVIOUSLY AUTHORISED

We also present you our report on the agreements and commitments subject to the provisions of Article L. 225-42 of the French Commercial Code.

Pursuant to Article L 823-12 of this Code, we hereby inform you that these agreements and commitments were not the subject of prior authorisation by your Board of Directors.

Based on the information provided to us, in addition to the main characteristics and terms and conditions of these agreements, it is our responsibility to inform you of the reasons that the authorisation procedure was not followed. The agreement was not previously authorised due to a simple omission.

- **SERVICE PROVISION AGREEMENT**

Shareholder concerned: Société Générale pour la Technologies de l'Ingénierie (SGTI)
Director and shareholder concerned: Mr. Simon Azoulay.
Under the agreement signed on 3 July 2009, Alten provides SGTI with administrative services.
During the 2009 fiscal year, Alten invoiced SGTI a total of €15,000 in services excluding tax.

Executed in Paris, 4 May 2010

The Statutory Auditors

Grant Thornton French Member of Grant Thornton International	Cabinet Dauge et Associés
Laurent Bouby Partner	Christian Laplane Partner

D. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (FISCAL YEAR ENDED 31 DECEMBER 2009)

To the Shareholders,

In accordance with the terms of our appointment by your Board of Directors, we hereby present our report for the year ended 31 December 2009 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.

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.

Without calling into question the opinion expressed above, we draw your attention to note 3 of the financial statements, "Accounting principles", concerning new mandatory standards effective 1 January 2009.

Justification of assessments

In the context of this uncertain market resulting from the economic conditions which already existed at the end of the previous fiscal year, pursuant to the provisions of Article L. 823-9 of the French Commercial Code, we hereby inform you of the following item:

- Goodwill is based on its going concern value according to the methods described in note H "Impairment of Property, Plant and Equipment" and in note E "Goodwill" of the financial statements. Based on the information provided to us, our audit consisted in forming an opinion on the data and assumptions on which these going concern values were based, in particular to review the discounted future cash flows expected from the cash generating units (CGU), to check the consistency of assumptions made against the budget forecasts prepared by the CGUs and to confirm that the notes to the financial statements provide 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.

Specific verification

In accordance with professional accounting standards applicable in France, 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.

Paris, 4 May 2010

The Statutory Auditors

Grant Thornton **French Member of Grant Thornton International**	**Cabinet Dauge et Associés**
Laurent Bouby Partner	Christian Laplane Partner

E. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS (FISCAL YEAR ENDED 31 DECEMBER 2009)

To the Shareholders,

In accordance with the terms of our appointment by your Board of Directors, we hereby present our report for the year ended 31 December 2009 covering:

- Our audit of Alten's financial statements, as attached to this report,
- The justification of our assessments,
- The specific audits 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.

1 Opinion on the 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 financial statements do not contain any material misstatements. An audit consists of examining, on a test basis of 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.

2 Justification of assessments

In the context of this uncertain market resulting from the economic conditions which already existed at the end of the previous fiscal year, pursuant to the provisions of Article L. 823-9 of the French Commercial Code, we hereby inform you of the following item:

- The equity interests are valued at closing by reference to the discounted principle for estimating the discounted cash flow according to the methods described in Note C "Equity interests" appearing under the heading "Accounting Principles and Methods" in the appendices. Based on the information provided to us, our audit consisted in forming an opinion on the data and assumptions on which these estimates were based, in particular to review the discounted future cash flows, to check the consistency of assumptions made against the budget forecasts and to confirm that the note to the appendix provides adequate information.

These assessments were an integral part of our audit of the financial statements, taken as a whole, and as such contributed to forming our opinion as expressed in the first part of this report.

3 Specific audits and information

In accordance with professional accounting standards applicable in France, we have also examined the specific information required by law.

We have no comments as to the fairness and consistency with the financial statements of the information given in the Board of Directors' management report and in the documents on the Company's financial position and statements sent to shareholders, it being specified that as of the date of this report, the draft resolutions of the Board of Directors have not yet been approved by the Board.

With regard to the information provided under the provisions of Article L. 225-102-1 of the French Commercial Code on remuneration and benefits paid to officers and directors and the commitments made in their favour, we have checked that this information is consistent with that contained in the financial statements and with the date used to prepare such financial statements and, if applicable, the elements gathered by your company from companies which control your company or which are controlled by it. Based on this work, we attest to the accuracy and fairness of this information.

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.

Paris, 4 May 2010

The Statutory Auditors

Grant Thornton
French Member of Grant Thornton International

Cabinet Dauge et Associés

Laurent Bouby
Partner

Christian Laplane
Partner

F. FEES PAID TO THE STATUTORY AUDITORS AND TO MEMBERS OF THEIR NETWORKS

This information appears on page 189 of this Annual Report.

XI - EMPLOYEES

A. ALTEN GROUP WORKFORCE, YEAR END

	31/12/2007	31/12/2008	31/12/2009	30/04/2010
Consultants (1)	9,200	11,000	9,900	10,000
Internal staff (2)	1,280	1,550	1,400	1,450
Total	10,480	12,550	11,300	11,450

(1) Salaried employee performing technical projects on customer premises, services billed to customers
(2) Internal operating staff, not billed to clients

B. 35 HOUR WORKING WEEK

At the end of December 1999, Alten and its French subsidiaries, which then accounted for more than 90% of the group's activities and staff, implemented a company-wide agreement.

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

C. ALTEN S.A. SOCIAL RESPONSIBILITY REPORT

Pursuant to the provisions of Article L. 2323-68 of the French Labour Code, each year Alten S.A. issues a social responsibility report that is systematically presented to the Works Committee.

D. STAFF REGULATIONS

Alten has at its disposal staff regulations which set out provisions in the fields of health and safety, working conditions, hours, discipline, prevention and other areas.

E. 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 50 employees which record a profit have implemented profit-sharing plans as required by law.

Companies	Date of agreement
Alten S.A.	27/05/92
Alten SIR	12/02/09
Alten Sud Ouest (formerly Anotech)	15/12/01
Anotech Energy (<50)	06/12/07
M I-GSO	15/11/06
Avenir Conseil Formation	20/01/09

In addition, all companies benefit from the Multipar Sécurité and Multipar Solidaire Dynamique FCPs.

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:

- Alten FCP
- Epargne Entreprise Prudence FCP
- Epargne Entreprise Equilibre FCPE
- Multipar Solidaire Dynamique FCP

All of these funds have been approved by the AMF.

Pursuant to the Labour Revenue Act of 3 December 2008 and Decrees no. 2009-350 and 2009-351 of 30 March 2009, an amendment to the profit-sharing plans was made for companies entitled to participate during 2009, to define the procedures for informing employees of their option to request either immediate payment of their share of the profits or to invest in the FCPE.

In addition, certain acquired companies already have their own employee profit-sharing plans, specifically:

Companies	Date of agreement
ECAM	14/12/02
Cisia Ingenierie	14/12/09
B2i	22/05/04
Winwise	27/03/09

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 TO EMPLOYEES UNDER EMPLOYEE PROFIT-SHARING PLANS OVER THE PAST FIVE YEARS

Alten S.A.	2005	2006	2007	2008	2009
Employee profit-sharing in €	2,377,700	2,269,486	2,695,411	2,587,163	0

F. ALTEN'S ACTIVITY RATIO

The occupation 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 days etc.).
This ratio was 90.5% during 2009, 93.8% during 2008 and 94.7% during 2007.

XII – FORESEEABLE DEVELOPMENTS AND PROSPECTS

A. FORESEEABLE DEVELOPMENTS IN FRANCE AND OVERSEAS

The ETC market remains fragmented despite the crisis and the reduction in the number of listed suppliers.

The Alten Group will continue to pursue its expansion policy in a challenging competitive environment with continued rate pressures and increasingly complex packages.

B. FUTURE OUTLOOK

Although 2010 has shown a certain growth trajectory, the outlook remains uncertain and business continues to be fragile.
In the second half, Alten will also continue its targeted external growth policy in France and abroad to accelerate its expansion.

XIII – CROSS REFERENCE TABLE

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