PRESS RELEASE

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GLOBAL GRAPHICS REPORTS FOURTH QUARTER AND FULL YEAR 2011 RESULTS

Pompey (France), 8 February 2012 - GLOBAL GRAPHICS SA (NYSE-Euronext: GLOG), experts in developing electronic document and printing software, announces consolidated financial results for the quarter and the year ended 31 December 2011.

Comparisons for the fourth quarter of 2011 with the same quarter of the previous year include:

- Sales of Euro 2.7 million this quarter (Euro 2.7 million at Q4 2010 exchange rates), compared with Euro 2.8 million in Q4 2010;
- An operating profit of Euro 0.4 million this quarter, compared with an operating profit of Euro 0.3 million in Q4 2010;
- An adjusted operating profit of Euro 0.4 million this quarter, compared with an adjusted operating profit of Euro 0.5 million in Q4 2010;
- An adjusted pre-tax profit of Euro 0.4 million this quarter (or an adjusted pre-tax profit of Euro 0.04 per share) compared with an adjusted pre-tax profit of Euro 0.6 million in Q4 2010 (or an adjusted pre-tax profit of Euro 0.05 per share);
- A net profit of Euro 0.4 million this quarter (or a net profit of Euro 0.04 per share) compared with a net profit of Euro 0.1 million in Q4 2010 (or a net profit of Euro 0.01 per share); and
- An adjusted net profit of Euro 0.4 million this quarter (or an adjusted net profit of Euro 0.04 per share) compared with an adjusted net profit of Euro 0.2 million in Q4 2010 (or an adjusted net profit of Euro 0.02 per share).

Commenting on performance, Gary Fry, Chief Executive Officer, said: “Our fourth quarter results show a healthy operating and net profit which marks a pleasing end to what has been a very busy and exciting year.

“During the quarter, we signed two important contracts with large Japanese digital printer manufacturers which expect to announce products at the drupa exhibition in May and to start shipping later this year. They have licensed our high-performance Harlequin Host Renderer RIP which is optimized to drive digital presses at full speed and supplied as a software development kit (SDK), so that customers can create competitive differentiation in their solutions.

“In the electronic document segment, we are pleased to see that the gDoc platform SDK is now being used by multiple partners who are developing end-user applications, initially targeting the legal market, with the intent to open up opportunities on mobile platforms, notably on smartphones and tablets such as the iPad.”

Fourth quarter 2011 performance
Sales for the quarter ended 31 December 2011 amounted to Euro 2.7 million compared with Euro 2.8 million in the fourth quarter 2010, or a sequential decrease of 3.9% at current exchange rates and of 6.0% at constant exchange rates.

Total operating expenses (excluding cost of sales but including other operating expenses and income, as applicable) amounted to Euro 2.2 million this quarter, compared with Euro 2.4 million in the fourth quarter of 2010, and with Euro 2.3 million, Euro 2.0 million, and Euro 2.0 million, in Q1 2011, Q2 2011, and Q3 2011, respectively.

The Company reported an operating profit of Euro 0.4 million for this quarter (or an operating profit equivalent to 15.2% of Q4 2011 sales), compared with an operating profit of Euro 0.3 million in Q4 2010 (or an operating profit equivalent to 11.0% of that quarter's sales).

The Company reported an adjusted operating profit (as defined in an accompanying table) of Euro 0.4 million for this quarter (or an adjusted operating profit equivalent to 14.5% of Q4 2011 sales), compared with an adjusted operating profit of Euro 0.5 million in Q4 2010, which was equivalent to 17.6% of that quarter's sales.

The Company reported an adjusted pre-tax profit (as defined in an accompanying table) of Euro 0.4 million for this quarter, compared with an adjusted pre-tax profit of Euro 0.6 million in Q4 2010. Accordingly adjusted pre-tax EPS was a profit of Euro 0.04 this quarter compared with an adjusted pre-tax profit of Euro 0.05 per share in Q4 2010.

The Company reported a net profit of Euro 0.4 million for this quarter (or a net profit of Euro 0.04 per share this quarter), compared with a net profit of Euro 0.1 million in Q4 2010 (or a net profit of Euro 0.01 per share in Q4 2010).

The Company reported an adjusted net profit (as defined in an accompanying table) of Euro 0.4 million for this quarter, compared with an adjusted net profit of Euro 0.2 million in Q4 2010. Accordingly, adjusted net EPS was a profit of Euro 0.04 this quarter, compared with a profit of Euro 0.02 per share in Q4 2010.

Full year 2011 performance
Sales for the year ended 31 December 2011 amounted to Euro 9.0 million, compared with Euro 9.6 million for the year ended 31 December 2010, or a sequential decrease of 6.8% at current exchange rates, and of 4.5% at constant exchange rates.

Total operating expenses amounted to Euro 8.5 million for the year ended 31 December 2011 (after effect of other operating income for Euro 0.2 million), compared with Euro 11.1 million for the year ended 31 December 2010, the latter figure including other operating expenses (net of other operating income) for Euro 0.7 million, which were notably relating to expenses incurred pursuant to the Company's reorganization which was implemented in April 2010, or a sequential decrease of 23.7%.

The Company reported a nominal operating profit for the year ended 31 December 2011 (or an operating profit equivalent to 0.5% of 2011 sales), compared with an operating loss of Euro 1.9 million for the year ended 31 December 2010 (or an operating loss equivalent to 20.2% of 2010 sales).

The Company reported an adjusted operating loss (as defined in an accompanying table) of Euro 0.3 million for the year ended 31 December 2011 (or an adjusted operating loss equivalent to 3.3% of

2011 sales), compared with an adjusted operating loss of Euro 1.2 million for the year ended 31 December 2010 (or an adjusted operating loss equivalent to 12.4% of 2010 sales).

The Company reported an adjusted pre-tax loss (as defined in an accompanying table) of Euro 0.3 million for the year ended 31 December 2011 (or an adjusted pre-tax loss of Euro 0.03 per share), compared with an adjusted pre-tax loss of Euro 1.4 million for the year ended 31 December 2010 (or an adjusted pre-tax loss of Euro 0.14 per share).

The Company reported a net profit of Euro 0.2 million for the year ended 31 December 2011 (or a net profit of Euro 0.02 per share), compared with a net loss of Euro 2.6 million for the year ended 31 December 2010 (or a net loss of Euro 0.26 per share).

The Company reported an adjusted net loss (as defined in an accompanying table) of Euro 0.1 million for the year ended 31 December 2011, compared with an adjusted net loss of Euro 1.9 million for the year ended 31 December 2010. Accordingly, adjusted net EPS was a loss of Euro 0.01 per share for the year ended 31 December 2011, compared with a loss of Euro 0.19 per share for the year ended 31 December 2010.

Net cash position and cash flows from the Company's operations

The Company had no outstanding debt and a cash position of Euro 2.3 million as at 31 December 2011, compared with Euro 1.4 million as at 30 June 2011 and with Euro 1.9 million as at 1 January 2011.

Cash flows provided by the Company's operations amounted to Euro 1.8 million in the year ended 31 December 2011, allowing for the financing of its capital expenditures for Euro 1.4 million (of which Euro 1.3 million arising from the capitalization of eligible development costs), compared with an amount of Euro 0.4 million used by the Company's operations in the year ended 31 December 2010.

Commentary on 2012

Gary Fry continued: "during the year ended 31 December 2011, we signed five strategically important contracts. They demonstrate a significant improvement in the Company's position and set us up well for the current year as our customers start shipping products built on our technology.

"2012 being a drupa year, and given the level of interest that continues in our Harlequin Host Renderer for high-speed digital printing applications, we expect to close further significant contracts during the year. We will also be exploring new market opportunities for the Jaws RIP as we will launch version 3.0 of this product during 2012.

"Within the electronic document segment we expect to see multiple end-user deployments through our partners who are building conceptually new applications that link document management systems to user mobility.

"With the contracts that we signed in 2011 and the new business we expect to see in 2012, we are seeing a real turnaround of the Company's long-term prospects."

Fourth quarter and full year 2011 conference call details

Global Graphics will hold a conference call today at 10.00 CET about its results for the quarter and the year ended 31 December 2011. Callers should dial +44 (0)20 7162 0025 and mention conference ID "911624 Global Graphics quarterly results" to the operator. The call will be available for replay for 7 working days by dialing number +44 (0)20 7031 4064 (freephone number UK only: 0800 358 1860), access code 911624.

Auditors' reports on the 2011 statutory and consolidated accounts
The attached condensed consolidated financial statements and selected explanatory notes, which were drafted by the Company's Board of Directors on 7 February 2012, have been reviewed by the Company's auditors, and are therefore final.

The Company's auditors still have additional audit procedures to perform, notably on the Company's statutory financial statements, the full version of the notes attached to the Company's consolidated financial statements, as well as on the reports relating to the year ended 31 December 2011 which have to be drafted by the Company's Board of Directors as required by applicable legal and regulatory provisions.
As in previous years, the auditors' audit reports on the 2011 statutory and consolidated financial statements will be included in the Company's annual financial report for that financial year.

First quarter 2012 results announcement
Global Graphics expects to announce its consolidated financial results for the first quarter of the year ending 31 December 2012 on Friday 27 April 2012 before market opening.

Annual meeting of the Company's shareholders
Global Graphics expects to hold its annual meeting in Brussels (Belgium) on Friday 27 April 2012. The precise timing, final agenda, proposed resolutions and voting procedures will be announced a minimum of 35 days in advance of meeting date in accordance with applicable legal and regulatory provisions.

About Global Graphics
Global Graphics (http://www.globalgraphics.com) is a leading developer of e-document and printing software. It provides high-performance solutions to the graphic arts/commercial print and digital print markets and for knowledge worker and professional software applications. The Company's customers include Original Equipment Manufacturers (OEMs), system integrators, software developers and resellers and number the world's leading brands of digital pre-press systems, large-format color printers, color proofing systems, digital copiers and printers for the corporate and SOHO (Small Office / Home Office) markets, as well as a wide variety of market leading software applications.

Forward-looking statements
This press release contains, in addition to historical information, forward-looking statements that involve risks and uncertainties. These include statements regarding the Company's growth, funding, expansion plans and expected results for future periods. Such statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Although management believes that their expectations reflected in the forward-looking statements are reasonable based on information currently available to them, they cannot assure any reader that the expectations will prove to have been correct. Accordingly, any reader should not place undue reliance on these forward-looking statements. In any event, these statements speak only as of the date of this release. The Company undertakes no obligation to neither revise nor update any of them, neither to reflect events or circumstances after the date of this release, nor to reflect new information or the occurrence of unanticipated events.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF INCOME (LOSS)

In thousands of euros Except per share data in euro	Quarter ended 31 Dec. 2011 Unaudited, unreviewed figures	Quarter ended 31 Dec. 2010 Unaudited, unreviewed figures	Year ended 31 December 2011 Unaudited figures	Year ended 31 December 2010
Sales	2,717	2,828	8,951	9,608
Cost of sales	(107)	(103)	(422)	(431)
GROSS PROFIT	2,610	2,725	8,529	9,177
Selling, general & admin. expenses	(999)	(1,074)	(4,019)	(5,350)
Research and development expenses	(1,197)	(1,085)	(4,672)	(5,107)
Other operating expenses (note 5a)	0	(324)	0	(804)
Other operating income (note 5b)	0	68	205	143
OPERATING PROFIT (LOSS)	414	310	43	(1,941)
Interest income (note 6)	1	28	4	38
Interest expenses (note 6)	0	0	(26)	0
Net foreign exchange gains (losses)	32	50	26	(203)
PROFIT (LOSS) BEFORE INCOME TAX	447	388	47	(2,106)
Income tax benefit (expense) (note 7)	(26)	(307)	106	(491)
NET PROFIT (LOSS)	421	81	153	(2,597)
NET PROFIT (LOSS) PER SHARE (note 8)				
Basic net profit (loss) per share	0.04	0.01	0.02	(0.26)
Diluted net profit (loss) per share	0.04	0.01	0.01	(0.26)

The accompanying selected explanatory notes are an integral part of the Company's condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011.
Figures for the year ended 31 December 2010 have been extracted from the audited, full consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

In thousands of euros	Quarter ended 31 Dec. 2011 Unaudited, unreviewed figures	Quarter ended 31 Dec. 2010 Unaudited, unreviewed figures	Year ended 31 December 2011 Unaudited figures	Year ended 31 December 2010
Net profit (loss) for the period	421	81	153	(2,597)
Foreign currency translation differences from foreign operations	497	101	408	893
Other comprehensive income (loss) for the period, net of income tax	497	101	408	893
Total comprehensive income (loss) for the period	918	182	561	(1,704)

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Figures for the year ended 31 December 2010 have been extracted from the audited, full consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros	31 December 2011 Unaudited figures	31 December 2010
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	441	504
Other intangible assets (note 9)	5,330	5,005
Goodwill (note 10)	6,822	6,673
Financial assets	108	107
Deferred tax assets, net	53	51
TOTAL NON-CURRENT ASSETS	12,754	12,340
CURRENT ASSETS		
Inventories	23	38
Trade receivables (note 11)	1,752	1,906
Current income tax receivables	11	37
Other current receivables	62	59
Prepaid expenses	481	471
Cash	2,315	1,869
TOTAL CURRENT ASSETS	4,644	4,380
TOTAL ASSETS	17,398	16,720
LIABILITIES AND SHAREHOLDERS’EQUITY		
SHAREHOLDERS’EQUITY		
Share capital (note 12a)	4,116	4,116
Share premium (note 12b)	28,747	28,776
Reserve for share-based compensation expenses	3,124	2,982
Reserve for own shares (note 13a)	(1,191)	(1,204)
Accumulated deficit	(8,486)	(8,639)
Foreign currency translation reserve	(10,843)	(11,251)
TOTAL SHAREHOLDERS’EQUITY	15,467	14,780
LIABILITIES		
NON-CURRENT LIABILITIES		
Provisions (note 5a)	0	34
Other non-current liabilities	2	2
TOTAL NON-CURRENT LIABILITIES	2	36
CURRENT LIABILITIES		
Provisions (note 5a)	0	150
Trade payables	265	292
Current income tax payables	61	0
Other payables	857	892
Customer advances and deferred revenue	746	570
TOTAL CURRENT LIABILITIES	1,929	1,904
TOTAL LIABILITIES	1,931	1,940
TOTAL LIABILITIES AND SHAREHOLDERS’EQUITY	17,398	16,720

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Figures for the year ended 31 December 2010 have been extracted from the audited, full consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of euros	Year ended 31 December 2011 Unaudited figures	Year ended 31 December 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	47	(2,106)
Adjustments for items without effect on cash:		
- Depreciation of property, plant and equipment	190	228
- Amortisation of other intangible assets	1,096	948
- Share-based compensation expenses (note 4d)	142	129
- Change in the amount of provisions (notes 5a and 5b)	(205)	213
- Net profit on disposal of non-current assets (note 5b)	0	(75)
- Net interest (income) expenses (note 6)	22	(38)
- Net exchange (gains) losses (note 6)	(26)	203
- Expenses offset against the share premium (note 12b)	(16)	(11)
Exchange rate differences	39	(93)
Other items	(105)	13
Change in value of operating assets and liabilities:		
- Inventories	15	7
- Trade receivables (note 11)	154	336
- Current income tax receivables	26	(11)
- Other current receivables	(3)	55
- Prepaid expenses	(10)	108
- Trade payables	(27)	(45)
- Current income tax payables	61	(14)
- Other payables	(35)	213
- Customer advances and deferred revenue	176	(784)
Cash received in the period for interest income	4	13
Cash paid in the period for interest expenses	0	0
Cash received (paid) in the period for income taxes	234	332
NET CASH FLOW PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,779	(379)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures on property, plant and equipment	(112)	(229)
Capital expenditures on other intangible assets	0	(58)
Capitalization of development expenses (note 4b)	(1,283)	(905)
Proceeds from the disposal of intangible assets (note 5b)	17	55
NET CASH FLOW USED IN INVESTING ACTIVITIES	(1,378)	(1,137)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of own shares (note 13a)	0	0
NET CASH FLOW USED IN FINANCING ACTIVITIES	0	0
NET INCREASE (DECREASE) OF CASH IN THE YEAR	401	(1,516)
CASH AT 1 JANUARY	1,869	3,144
EFFECT OF EXCHANGE RATE CHANGES ON CASH AT 1 JANUARY	45	241
CASH AT 31 DECEMBER	2,315	1,869

The accompanying selected explanatory notes are an integral part of the Company’s condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011.
Figures for the year ended 31 December 2010 have been extracted from the audited, full consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euros	Year ended 31 December 2011 Unaudited figures	Year ended 31 December 2010
Shareholders’ equity at 1 January	14,780	16,366
Total comprehensive profit (loss)	561	(1,704)
Effect of share-based compensation plans:		
- Value of services rendered by employees (note 4d)	142	129
- Operating expenses incurred with respect of share-based compensation plans (note 12b)	(29)	(53)
Total effect of share-based compensation plans	113	76
Changes in the amount of the reserve for own shares:		
- Repurchase of own shares (note 13a)	0	0
- Grant of own shares at no cost (note 13b)	13	42
Total change in the amount of the reserve for own shares	13	42
Shareholders’ equity at 31 December	15,467	14,780

The accompanying selected explanatory notes are an integral part of the Company’s condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011.
Figures for the year ended 31 December 2010 have been extracted from the audited, full consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE QUARTER AND THE YEAR ENDED 31 DECEMBER 2011

NOTE 1: REPORTING ENTITY

These condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011 comprise Global Graphics SA, a French-based company (the Parent), and its subsidiaries (together referred to as the Company).
These condensed consolidated financial statements were authorized for issue by the Parent's Board of Directors on 7 February 2012.

NOTE 2: BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011 have been prepared in accordance with IAS 34, Interim Financial Reporting ('IAS 34'), and more generally with International Financial Reporting Standards ('IFRSs') and related interpretations issued by the International Accounting Standards Board ('IASB'), as adopted by the European Union.
For the purposes of their inclusion in the Company's quarterly earnings release, these condensed consolidated financial statements do not include all of the information required for full annual consolidated financial statements and should therefore be read in conjunction with the Company's consolidated financial statements as at and for the year ended 31 December 2010.

(b) Basis of measurement

These condensed consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of derivative instruments at fair value through the income statement.
Non-current assets are stated at the lower of amortized cost and fair value less disposal costs, when applicable.
The methods used to measure fair value in these condensed consolidated financial statements are identical to those used for the preparation of the Company's consolidated financial statements as at and for the year ended 31 December 2010, which are set out in note 4 to the Company's consolidated financial statements for that year.

(c) Functional and presentation currency

These condensed consolidated financial statements are presented in euros, which is the Parent's functional and presentation currency, rounded to the nearest thousand, unless otherwise specified.

(d) Going concern

The Company had no outstanding financial debt and a cash position of 2,315 as at 31 December 2011 (1,396 as at 30 June 2011 and 1,869 as at 31 December 2010).
On the date these condensed consolidated financial statements were drafted, based on their review of updated cash flow projections prepared by management for the period of 24 months ending 31 December 2013, the members of the Parent's Board of Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern.

NOTE 3: ACCOUNTING POLICIES AND METHODS

The accounting policies and methods used for the preparation of these condensed consolidated financial statements are the same as those used for the preparation of the Company's consolidated financial statements as at and for the year ended 31 December 2010, which are set out in note 3 to the Company's consolidated financial statements for that year.

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates.

It also requires management to exercise judgement in the process of applying the Company's accounting policies, and to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on historical experience and various other relevant factors that are believed to be reasonable under the circumstances, the results of which form the basis of making management's judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period and future periods if the revision affects both current and future periods.

Judgements made by the Company's management in the application of IFRSs that have a significant effect on the Company's condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011, and assumptions or estimates with a significant risk of material adjustment in the coming twelve months, are discussed hereafter.

(a) Impairment of goodwill and other intangible assets

(i) Goodwill and other intangible assets with indefinite useful lives

The Company is required to test annually whether goodwill and other intangible assets with indefinite useful lives have suffered any impairment during the year in accordance with the policy set out in note 3f to the Company's consolidated financial statements for the year ended 31 December 2010.

Goodwill was allocated to the Print segment for the purpose of impairment testing, as the Print and eDoc segments were identified as the lowest level for which there were separately identifiable cash flows (cash-generating unit).

The recoverable amount of the Print cash-generating unit has been determined using an estimate of its fair value. Such calculation employed cash flow projections based on financial forecasts approved by management covering a four-year period ending 31 December 2015. Cash flows for the following three years were extrapolated using a compound average growth rate of 5.1% for sales to account for sales arising from expected new business over that three-year period, and of 2.8% for operating expenses over that three-year period. A rate of 11.1% was used for discounting the projected cash flows, based on a risk-free rate of 2.1% and an equity risk premium of 9.0%, which management believes to reflect the specific risks relating to the Print segment of the Company's business (compared with a rate of 11.7% as at 31 December 2010). The terminal value used in the cash flow projection was estimated using the perpetuity growth method, using a perpetuity growth rate of 1.0%, and represented approximately 60.3% of the total value of the projected cash flows.

Based on the results of this review, the Company concluded that no impairment was required for goodwill and other intangible assets with indefinite useful lives as at and for the year ended 31 December 2011 (see also note 10b below).

(ii) Intangible assets that are subject to amortization

Intangible assets that are subject to amortization (notably those arising from the capitalization of development costs in accordance with criteria set in IAS 38, Intangible Assets) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

- Intangible assets reported under the Print segment of the Company's business

Intangible assets which are reported as part of the Print segment of the Company's business (see note 14e below) relate to two development projects (namely the Harlequin and Jaws RIP software) which management believes to meet the recognition criteria set out in paragraphs 57 to 62 of IAS 38.

Considering the absence of material changes during the quarter and the year ended 31 December 2011 in the assumptions used at 31 December 2010 for identifying any requirement to impair the intangible assets reported under the Print segment of the Company's business, which resulted in management to consider that no impairment was required at the latter date for these intangible assets, management concluded that no impairment for the intangible assets reported under the Print segment of the Company's business was required as at and during the quarter and the year ended 31 December 2011 (see note 9b below).

- Intangible assets reported under the eDoc segment of the Company's business

Intangible assets which are reported as part of the eDoc segment of the Company's business (see note 14e below) relate to three development projects (namely EDL, gDoc applications and other document conversion technologies) which management believes to meet the recognition criteria referred to above.

Considering the absence of material changes during the quarter and the year ended 31 December 2011 in the assumptions used at 31 December 2010 for identifying any requirement to impair the intangible assets reported under the eDoc segment of the Company's business, which resulted in management to consider that no impairment was required at the latter date for these intangible assets, management concluded that no impairment for the intangible assets reported under the eDoc segment of the Company's business was required as at and during the quarter and the year ended 31 December 2011 (see note 9b below).

(b) Capitalization and amortization of computer software development costs

(i) Development cost capitalization and amortization methods used by the Company

As stated in note 3e to the Company's consolidated financial statements for the year ended 31 December 2010, costs associated with maintaining existing computer software technology and programmes are recognised as an expense when incurred.

Are recognized as intangible assets costs that are directly associated with the production of identifiable and unique software products over which the Company has proprietary rights, that can be measured reliably, and where it is probable that future economic benefits attributable to such software products will flow to the Company. Such costs only include software development employee costs.

Development costs recognized as intangible assets are amortised from the point the asset is ready for use on a straight-line basis over its estimated useful life, which do not exceed ten years. Such amortization charge is included in Research and development expenses in the consolidated statement of income.

(ii) Capitalization of computer software development costs

The following tables provide information on the aggregate amounts of computer software development costs which were capitalized as at 31 December 2011 and 2010, respectively, as well as on the amounts which were capitalized during the quarters and the years then ended for those projects the Company considered it could demonstrate that it met all of the abovementioned recognition criteria:

- Quarter and year ended 31 December 2011

In thousands of euros Unaudited and unreviewed figures	Total capitalised amount as at 31 Dec. 2011	Amount capitalised in the fourth quarter of 2011	Amount capitalised in the year ended 31 Dec. 2011
Harlequin RIP	5,406	198	622
Jaws RIP	334	49	187
Total Print segment	5,740	247	809
Electronic Document Libraries (EDL)	1,565	15	36
gDoc applications	1,426	82	287
Other document conversion technologies	157	20	151
Total eDoc segment	3,148	117	474
Total	8,888	364	1,283

- Quarter and year ended 31 December 2010

In thousands of euros Unaudited and unreviewed figures	Total capitalised amount as at 31 Dec. 2010	Amount capitalised in the fourth quarter of 2010	Amount capitalised in the year ended 31 Dec. 2010
Harlequin RIP	4,658	180	383
Jaws RIP	137	49	138
Total Print segment	4,795	229	521
Electronic Document Libraries (EDL)	1,494	9	65
gDoc applications	1,104	58	319
Total eDoc segment	2,598	67	384
Total	7,393	296	905

(iii) Amortization of capitalized computer software development costs
The following tables provide information on accumulated amortization as at 31 December 2011 and 2010, respectively, as well as on the amortization expenses which were recognized in the quarters and the years then ended for those projects the Company considered it could demonstrate that it met all of the abovementioned recognition criteria:

- Quarter and year ended 31 December 2011

In thousands of euros Unaudited and unreviewed figures	Accumulated amortisation as at 31 Dec. 2011	Amortisation expense for the fourth quarter of 2011	Amortisation expense for the year ended 31 Dec. 2011
Harlequin RIP	2,261	177	515
Jaws RIP	0	0	0
Total Print segment	2,261	177	515
Electronic Document Libraries (EDL)	676	44	164
gDoc applications	678	96	325
Other document conversion technologies	0	0	0
Total eDoc segment	1,354	140	489
Total	3,615	317	1,004

- Quarter and year ended 31 December 2010

In thousands of euros Unaudited and unreviewed figures	Accumulated amortisation as at 31 Dec. 2010	Amortisation expense for the fourth quarter of 2010	Amortisation expense for the year ended 31 Dec. 2010
Harlequin RIP	1,689	111	461
Jaws RIP	0	0	0
Total Print segment	1,689	111	461
Electronic Document Libraries (EDL)	496	40	165
gDoc applications	334	48	237
Total eDoc segment	830	88	402
Total	2,519	199	863

(c) Income tax

(i) Current income tax
The Company is subject to income tax in France and in all jurisdictions where it has subsidiaries (notably in the UK and the US).
Significant judgement is required in determining the provision for income taxes, as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

(ii) Deferred income tax

- Policy used by the Company for recognizing deferred tax assets
The Company recognises deferred tax assets as stated in note 3p to the Company’s consolidated financial statements for the year ended 31 December 2010.
In evaluating whether it is probable or not that a deferred tax asset recognised in a specific jurisdiction may be utilised against future taxable profits to be recognised in that jurisdiction, the Company uses estimates of future taxable profits over an appropriate period of time from the balance sheet date (currently being four years), based on sales growth and profit assumptions considered to be appropriate by management over that four-year period.
Should these growth assumptions be revised downwards in future periods, the Company may be required to record a significant deferred tax charge during the period in which the downward revision of these assumptions would be effected, resulting in an unfavorable impact on the Company’s results of operations.

- Recognized deferred tax assets and liabilities

Deferred tax asset attributable to capital allowances
Deferred tax assets are predominantly attributable to capital allowances available to the UK subsidiaries as the result of the acquisitions made by the Company in the years ended 31 December 1999 and 2000. Although such allowances may be used without any deadline, they can only be used in a given year up to 20% of the outstanding balance at the beginning of that year.
The recognition of a deferred tax asset corresponding to the amount of capital allowances the Company projected to use over the four-year period ending 31 December 2015 to offset projected taxable profit to be made by its UK subsidiary over such period was made using the tax rate that was expected to apply to the period when the deferred tax asset would be expected to be realized, i.e. 26.0% until 31 March 2012 and 25.0% from 1 April 2012, as set out in note 7d below.

It resulted in the recognition of a deferred tax asset of 1,318 as at 31 December 2011, a deferred tax benefit of 16 in the quarter ended 31 December 2011, and of a deferred tax benefit of 25 in the year ended 31 December 2011 (see note 7b below).

Deferred tax liability arising from the capitalization of developments costs
The recognition of a deferred tax liability corresponding to the amount of development costs capitalized in accordance with applicable provisions of IAS 38, net of applicable amortization, was made using the tax rate that is expected to apply to the period when the deferred tax liability is expected to be settled realized, i.e. 26.0% until 31 March 2012 and 25.0% from 1 April 2012.
It resulted in the recognition of a deferred tax liability of 1,318 as at 31 December 2011, a deferred tax expense of 12 in the quarter ended 31 December 2011, and a deferred tax expense of 73 in the year ended 31 December 2011 (see note 7b below).

- Unrecognized deferred tax assets
The amount of capital allowances which were available to the Company's UK subsidiaries as at 31 December 2011, but were not projected to be used in the four-year period ending 31 December 2015, and therefore did not result in the recognition of a deferred tax asset at 31 December 2011, amounted to 12,767 at such date.
Had a deferred tax asset been recognized with regards to such portion of available capital allowances at 31 December 2011, since these allowances would only be used after 1 January 2016, the applicable tax rate at the time these allowances would be used to offset taxable profit was assumed to be the UK statutory rate which would be applicable from 1 April 2012, as this is the only change in the UK corporation tax rate which was substantially enacted before 31 December 2011: the corresponding, additional deferred tax asset would amount to 3,192 at that date.

(d) Share-based compensation expense

(i) Share options

- Outstanding and exercisable share options as at 31 December 2011
The following table summarises information about the Company's outstanding and exercisable share options as at 31 December 2011, which will all expire on 6 August 2016:

Grant dates of share options	Outstanding options at 31 Dec 2011	Exercise price per share in euro	Exercisable options at 31 Dec 2011	Exercise price per share in euro
6 August 2008	200,000	2.08	0	2.08
18 September 2008	20,000	1.94	0	1.94
17 December 2008	75,000	2.08	0	2.08
24 February 2010	12,500	1.64	0	1.64
28 July 2010	10,000	1.65	0	1.65
2 November 2011	287,500	1.06	0	1.06
Total	605,000	1.57	0	

- Main terms and conditions of abovementioned share option grants

Share option grants made in the years ended 31 December 2008 to 2010
Two conditions are attached to the exercise of share options which were granted in the years ended 31 December 2008 to 2010:

- firstly, the recipient of the share option grant must have been an employee and/or a director of the Company at all times between the date when the options were granted to him/her and the date(s) when he/she exercises all of part of these options; and
- secondly, the exercise of options may be done by the recipient of such share option grant but only from the date when the average of the closing prices reported for the Company’s share over the last 120 trading days is at least equal to Euro 4.00 for the first quarter of the number of options granted to the recipient of the share option grant, to Euro 8.00 for the second quarter of the number of options granted to the recipient of the share option grant, to Euro 12.00 for the third quarter of the number of options granted to the recipient of the share option grant, and to Euro 16.00 for the last quarter of the number of options granted to the recipient of the share option grant.

An accelerated vesting of these options, regardless of whether or not the abovementioned minimum share price conditions were met, would occur should one or several shareholders acting in concert (as defined by article L.233-3 of French Commercial Law) come to hold more than 30.0% of the total number of shares forming the Company’s share capital or of the voting rights attached to such shares, or more than the number of shares and/or voting rights attached to such shares held by Stichting Andlinger & Co. Euro-Foundation, which held approximately 28.0% of the Company’s shares and voting rights as at 31 December 2011.

Share option grant made on 2 November 2011

Two conditions are attached to the exercise of the 287,500 share options which were granted on 2 November 2011:
- firstly, the recipient of the share option grant must have been an employee and/or a director of the Company at all times between the date when the options were granted to him/her and the date(s) when he/she exercises all of part of these options; and
- secondly, the exercise of options may be done by the recipient of such share option grant but only from the date when the closing price reported for the Company’s share will be at least equal to Euro 2.00 during a minimum of 20 trading days over any period of 60 trading days during which trades occurred in the Company’s share for the first half of the number of these options, and at least to Euro 3.00 (computed as mentioned above) for the remaining half.

An accelerated vesting of these options, regardless of whether or not the abovementioned minimum share price conditions were met, would occur should one or several shareholders acting in concert (as defined by article L.233-3 of French Commercial Law) come to hold more than 30.0% of the total number of shares forming the Company’s share capital or of the voting rights attached to such shares.

(ii) Share grants

- Grant of shares at no cost to the recipient of such share grant (‘free shares’)

Grant of free shares made on 29 July 2009

The Parent’s Board of Directors made a provisional grant of 24,750 free shares to certain employees of some of the Company’s foreign subsidiaries on 29 July 2009.

As at 31 December 2011, after effect of the final grant of shares made to certain employees of the Company when they left the Company’s employment since share grant date, a total of 21,750 shares may still be granted at the end of the four-year period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during that four-year period.

Recipients of such share grant will not be subject to any holding period after final grant date.

Grant of free shares made on 10 March 2011

The Parent's Board of Directors made a provisional grant of 96,000 free shares to certain employees of some of the Company's subsidiaries on 10 March 2011, of which 36,000 shares to Mr. Gary Fry and 4,000 shares to Mr. Alain Pronost in their respective capacities of Chief Executive Officer and Chief Financial Officer of the Company.

As at 31 December 2011, after effect of the forfeiture of 8,000 shares granted to two employees of the Company who have left its employment since share grant date, a total of 88,000 shares may still be granted at the end of the vesting period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during such period, which will last four years for all recipients who are employed by foreign subsidiaries of the Company and two years for those who are employed by the Parent.

Recipients of such share grant will not be subject to any holding period after final grant date, with exception of those employed by the Parent who will be required to hold their shares until the fourth anniversary date of the share grant.

Grant of free shares made on 2 November 2011

The Parent's Board of Directors made a provisional grant of 24,000 free shares to certain employees of some of the Company's foreign subsidiaries on 2 November 2011.

As at 31 December 2011, all of these 24,000 shares may still be granted at the end of the four-year period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during that four-year period.

Recipients of such share grant will not be subject to any holding period after final grant date.

- Share Incentive Plan

Pursuant to the authorization granted by the Company's shareholders on 29 April 2009, a Share Incentive Plan (SIP) was implemented for the benefit of the Company's employees, notably those of the UK subsidiary of the Company, who may be granted ordinary shares of the Company (Matching Shares) in proportion of the purchase of ordinary shares of the Company (Partnership Shares) made through a deduction on their net pay, being noted that such grant of Matching Shares will become final at the end of a three-year period starting on the date of each purchase of Partnership Shares.

At as 31 December 2011, a total of 38,840 shares were granted to employees of the UK subsidiary of the Company, of which 21,764 in the year ended 31 December 2011.

(iii) Share-based compensation expense analysis

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Attributable to option grants	11	25	87	98
Attributable to share grants	16	4	55	31
Total share-based compensation expense	27	29	142	129

NOTE 5: OTHER OPERATING EXPENSES AND INCOME

In accordance with provisions of paragraph 28 of the IASB Framework and paragraphs 97 & 98 of IAS 1 (revised), Presentation of Financial Statements, when material, the nature and amount of unusual, abnormal and infrequent items of income and expense have to be separately disclosed to enhance the predictive value of the consolidated statement of income (loss).

(a) Other operating expenses

No other operating expenses were incurred in the quarter or in the year ended 31 December 2011. An amount of 804 was incurred in the year ended 31 December 2010 (of which 324 in the quarter then ended) with respect of other operating expenses, which comprised the elements mentioned below.

(i) Legal fees incurred with respect of the implementation of an EBT

An amount of 16 was expensed in the year ended 31 December 2010 (of which none in the quarter then ended) for legal fees incurred with respect of the implementation in February 2010 of an Employee Benefit Trust (EBT) for the benefit of certain employees of the Company's UK-based subsidiary, which is managed by Global Graphics EBT Limited, a UK-based company (see note 16 below).

(ii) April 2010 reorganisation plan

In April 2010, the Company's management decided to implement a reorganisation plan in an attempt to align the Company's organisation and cost base with projected requirements projected for the next few years.
This resulted in a number of the Company's employees being made redundant, some office space becoming vacant, and the process of closing the Company's Indian subsidiary being initiated, as set out below.

- Effect of the redundancy programme initiated in April 2010

As part of the Company's reorganisation plan which was initiated in April 2010, a total of 30 employees (of which 15 in the UK, 7 in the US and 7 in India) were made redundant for a total expense of 406 in the year ended 31 December 2010 (of which none in the quarter then ended).

- Provision for vacant office space as at 31 December 2010

As part of the Company's reorganisation plan which was initiated in April 2010, management decided to stop using some of the office space which is currently under lease in Cambourne, in the UK, and appointed an agent in late October 2010 to find a third party which would sublet all, of part, of such vacant office space.
As at 31 December 2010, a provision amounting to 213 was recorded to account for management's best estimate of the undiscounted value of the differential between estimated future rent expenses less any future sublet income over the remaining duration of the ten-year lease agreement entered into by the Company's UK subsidiary in July 2006, resulting in an expense of 213 in the quarter ended 31 December 2010.
In accordance with applicable provisions of IAS 17, Leases, the amount of the provision which was recognised as at 31 December 2010 was 184, being the discounted value of such estimate, which was computed using the same discount rate than used for goodwill and other intangible asset impairment testing: this resulted in the recognition of an interest income of 26 in the quarter and in the year ended 31 December 2010 (see note 6 below).

- Estimated effect of the closure of the Company's subsidiary in India

As part of the Company's reorganisation plan which was initiated in April 2010, management decided to transfer all Indian employees which were not made redundant to an outsourcing partner (i.e. a total of 23 employees), and to close the Indian subsidiary.

A provision amounting to 111 was recorded in the quarter and in the year ended 31 December 2010 with respect of the corresponding closure costs.

(iii) Legal fees incurred with respect of an alleged patent infringement
An amount of 58 was expensed in the year ended 31 December 2010 (of which none in the quarter then ended) for legal fees incurred with respect of an alleged patent infringement brought against the Company in late June 2010.
The Company disclaimed any liability and undertook action to demonstrate that the Harlequin RIP did not infringe any valid claim of any of the patents held by the plaintiff: as a result, the latter filed a notice of voluntary dismissal of all claims against the Company on 21 July 2010.

(b) Other operating income

(i) Write-back of the provision for vacant office space
An amount of 205 was recognised in the year ended 31 December 2011 (of which none in the quarter then ended) pursuant to the write-back of the balance of the provision for vacant office space which was recorded as at 31 December 2010 to account for unused office space in the UK (see note 5a above), pursuant to management's decision to re-use all of that office space from 1 July 2011.
Accordingly, the Company also recognised an interest expense corresponding to the unwinding of the discount of that provision, which amounted to 26 in the year ended 31 December 2011 (none in the quarter then ended, as set out in note 6 below.

(ii) Profit made on the disposal of a domain name
In late September 2010, the Company disposed of a domain name for total disposal proceeds of 75. As set out in the corresponding sale and purchase agreement, an amount of 55 was paid to the Company on disposal date; the balance of the selling price was received by the Company in late March 2011 for 17.

(iii) Income resulting from a court decision
The Parent recorded a profit of 68 in the quarter and in the year ended 31 December 2010 pursuant to a court decision providing for the repayment to the Parent of certain cash amounts which had been misappropriated by an employee of Global Graphics Management SA, a former wholly-owned subsidiary of the Parent, which was liquidated in March 2005.

NOTE 6: NET FINANCING GAINS (LOSSES)

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Interest income	1	28	4	38
Interest expenses (note 5b)	0	0	(26)	0
Net interest income (expenses)	1	28	(22)	38
Gains (losses) on transactions and balance sheet caption revaluations	32	52	26	(93)
Gains (losses) on exchange option contracts	0	(2)	0	(110)
Net exchange gains (losses)	32	50	26	(203)
Net financing gains (losses)	33	78	4	(165)

NOTE 7: INCOME TAX EXPENSE (BENEFIT)

(a) Current income tax expense (benefit)

(i) Quarter ended 31 December 2011
The Company recorded a current income tax expense amounting to 76 in the quarter ended 31 December 2011, compared with a current income tax benefit amounting to 309 in the quarter ended 31 December 2010.
The current income tax benefit which was recorded in the quarter ended 31 December 2010 predominantly resulted from the refund to Global Graphics Software Limited of the research and development tax credit for the year ended 31 December 2009 amounting to 298, which was received by that subsidiary in November 2010 (see note 7c below).

(ii) Year ended 31 December 2011
The Company recorded a current income tax benefit amounting to 155 in the year ended 31 December 2011, compared with a current income tax benefit amounting to 326 in the year ended 31 December 2010
The benefit which was recorded in the year ended 31 December 2011 predominantly resulted from the refund to Global Graphics Software Limited of the research and development tax credit for the year ended 31 December 2010, which was received by that subsidiary in early April 2011 for 253.
The benefit which was recorded in the year ended 31 December 2010 predominantly resulted from the following items:
- the refund to Global Graphics Software Limited of the research and development tax credit for the year ended 31 December 2007, which was received by that subsidiary in February 2010 for 120;
- the refund to Global Graphics Software Limited of the research and development tax credit for the year ended 31 December 2009 amounting to 298, which was received by that subsidiary in November 2010; and
- the loss of certain tax breaks granted to the Indian subsidiary of the Company, for a total amount of 63, pursuant to the implementation of the Company's reorganization plan in April 2010, and the subsequent decision to put that subsidiary into liquidation (see note 16 below).

(b) Deferred tax expense (benefit)
The following table provides an analysis of the deferred tax expenses (benefits) which were recorded in the quarters and the years ended 31 December 2011 and 2010, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Arising from the capitalisation of development expenses (note 4b)	95	82	339	253
Arising from the amortisation of development expenses (note 4b)	(83)	(56)	(266)	(242)
Arising from the (de-)recognition of capital allowances (note 4c)	(16)	550	(25)	859
Arising from the de-(recognition) of the vacant lease provision	(47)	(50)	0	(50)
Other items	1	90	1	(3)
Deferred tax expense (benefit)	(50)	616	49	817

(c) Reconciliation of the effective income tax expense (benefit)

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Profit (loss) before income tax	447	388	47	(2,106)
Income tax expense (benefit) using the rate of 33.33%	149	130	16	(702)
Expense (benefit) attributable to:				
- Effect of differences of tax rates in foreign jurisdictions	(35)	(32)	(13)	90
- Effect of the recognition or utilisation of available capital allowances (note 4c)	(16)	550	(25)	859
- Effect of share-based plans (note 4d)	9	9	47	43
- Repayment of R&D tax credits (note 7a)	0	(298)	(253)	(418)
- Loss of tax breaks in India (note 7a)	0	0	0	63
- Unrecognized tax losses	(83)	(59)	104	560
- Other items	2	7	19	(4)
Income tax expense (benefit)	26	307	(105)	491

(d) Recent and future decreases in the UK corporation tax rate

(i) Applicable accounting rules

In accordance with applicable provisions of IAS 12, Income taxes (IAS 12), any change in corporation tax rates cannot be reflected in a company’s consolidated accounts prepared in accordance with IFRSs unless the corporation tax rate changes have been either enacted or substantively enacted on or before the relevant balance sheet date.

In the UK, substantive enactment occurs when the relevant Finance Act has passed through the House of Commons and is awaiting only passage through the House of Lords and Royal Assent, or when a resolution having statutory effect has been passed under the Provisional Collection of Taxes Act 1968.

(ii) Recent decreases of the UK corporation tax rate

- With effect from 1 April 2011

On 23 March 2011, the Chancellor of the Exchequer announced the decrease in the main rate of UK corporation tax to 26.0% with effect from 1 April 2011, which was an additional 1.0% in addition to the 1.0% reduction in the June 2010 Budget.

Given the late notice in such rate reduction applying from 1 April 2011, it has been legislatively necessary for the reduction to be included in a resolution which was given effect under the Provisional Collection of Taxes Act 1968. Accordingly, the reduction in the UK corporation tax rate to 26.0% was substantively enacted following the passing of the resolution on 29 March 2011.

The rate of 26.0% has been that applicable for the computation of the tax expense (benefit) arising from the taxable profit (loss) made by the UK subsidiaries of the Company in the year ending 1 April 2012, as well as measuring deferred tax assets and liabilities which are expected to be realized or settled on or before 31 March 2012.

- With effect from 1 April 2012
In his Budget on 23 March 2011, the Chancellor of the Exchequer also proposed a further 1.0% reduction of the UK corporate tax rate to 25.0% from 1 April 2012.
This amendment was included in the Finance (No. 3) Bill 2010-11 that received its third reading in the House of Commons on 5 July 2011.
Accordingly, the decrease in the UK corporate tax rate from 26.0% to 25.0% was substantively enacted for the purposes of IAS 12 on 5 July 2011.
The rate of 25.0% is that applicable to measure deferred tax assets and liabilities being realized or settled on or after 1 April 2012.

(iii) Projected further reductions in the UK corporation tax rate
In his Budget on 23 March 2011, the Chancellor of the Exchequer also proposed changes to further decrease the main rate of UK corporation tax by 1.0% per annum to 23.0% by 1 April 2014.
Such changes were not substantively enacted as at 31 December 2011 and were not considered when computing the deferred tax assets and liabilities of the UK subsidiaries of the Company at that date.
The effect on the Company's tax position of these additional reductions of the UK corporation tax rate will be reflected in the Company's consolidated accounts in future years, as appropriate, once the corresponding reductions have been enacted.

NOTE 8: EARNINGS PER SHARE

(a) Basic earnings per share
Basic earnings per share (EPS) are calculated by dividing the profit attributable to shareholders for a period by the weighted average number of ordinary shares outstanding during that period, after taking into account any free shares the grant of which has become final in the period or any newly issued shares resulting from the exercise of share options, as applicable.

The following table provides for the computation of the weighted average number of ordinary shares to be used for basic EPS computation in the quarters and the years ended 31 December 2011 and 2010, respectively:

(i) Computation for the quarters ended 31 December

Unaudited and unreviewed figures	2011	2010
Ordinary shares outstanding at 1 October (note 12a)	10,289,781	10,289,781
Own shares held by the Company at 1 October (note 13a)	(168,081)	(168,081)
Number of ordinary shares outstanding at 1 October to be used for basic EPS computation	10,121,700	10,121,700
Effect of the final grant of own shares during the quarters ended 31 December (note 13b)	611	0
Effect of the exercise of share options during the quarters ended 31 December (note 12a)	0	0
Weighted average number of ordinary shares to be used for basic EPS computation in the quarters ended 31 December	10,122,311	10,121,700

(ii) Computation for the years ended 31 December

Unaudited and unreviewed figures	2011	2010
Ordinary shares outstanding at 1 January (note 12a)	10,289,781	10,289,781
Own shares held by the Company at 1 January (note 13a)	(168,081)	(173,968)
Number of ordinary shares outstanding at 1 January to be used for basic EPS computation	10,121,700	10,115,813
Effect of the final grant of own shares during the years ended 31 December (note 13b)	154	2,896
Effect of the exercise of options during the years ended 31 December (note 12a)	0	0
Weighted average number of ordinary shares to be used for basic EPS computation in the years ended 31 December	10,121,854	10,118,709

(b) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has only two categories of dilutive potential ordinary shares: share options, and shares granted for no consideration.

- Quarter and year ended 31 December 2011

Free shares which were granted on 29 July 2009, 10 March 2011 and 2 November 2011, as well as Matching Shares which were granted to participants to the Company's Share Incentive Plan (see note 4d above), are included in the calculation of diluted earnings per share though the conditions for the grant of these shares to become final were not satisfied as at and during the year ended 31 December 2011 since the final grant of these shares depends only of a service condition over the vesting period of such share grants.

All share options which were outstanding as at 31 December 2011 were assumed not to have a dilutive effect for diluted EPS computation during the quarter and the year then ended since the aggregate of the exercise price of these options and their fair value was higher than the average price of the Company's share during those periods.

- Quarter and year ended 31 December 2010

None of the free shares granted on 29 July 2009, of the Matching Shares or of the share options which were outstanding as at and during the year ended 31 December 2010 were included in the calculation of diluted earnings per share since it was estimated that these financial instruments would not have a dilutive effect because of the net loss reported for the year ended 31 December 2010.

The following table provides for the computation of the weighted average number of ordinary shares to be used for diluted EPS computation in the quarters and the years ended 31 December 2011 and 2010, respectively:

(i) Computation for the quarters ended 31 December

Unaudited and unreviewed figures	2011	2010
Weighted average number of ordinary shares outstanding in the quarters ended 31 December	10,122,311	10,121,700
Adjustment for dilutive share options	163,021	0
Weighted average number of ordinary shares to be used for diluted EPS computation in the quarters ended 31 December	10,285,332	10,121,700

(ii) Computation for the years ended 31 December

Unaudited and unreviewed figures	2011	2010
Weighted average number of ordinary shares outstanding in the years ended 31 December	10,121,854	10,118,709
Adjustment for dilutive share options	130,579	0
Weighted average number of ordinary shares to be used for diluted EPS computation	10,252,433	10,118,709

NOTE 9: OTHER INTANGIBLE ASSETS

(a) Gross value

In thousands of euros Unaudited and unreviewed figures	Year ended 31 December 2011	Year ended 31 December 2010
Gross value as at 1 January	43,768	40,743
Additions of intangible assets during the year (note 4b)	1,283	963
Disposals of intangible assets during the year	0	0
Effect of changes in exchange rates during the year	1,046	2,062
Gross value as at 31 December	46,097	43,768

(b) Amortisation and impairment

In thousands of euros Unaudited and unreviewed figures	Year ended 31 December 2011	Year ended 31 December 2010
Accumulated amortisation as at 1 January	38,763	35,989
Depreciation charge recognised during the year	1,095	948
Impairment charge recognised during the year (note 4a)	0	0
Effect of change in exchange rates during the year	909	1,826
Accumulated amortisation as at 31 December	40,767	38,763

NOTE 10: GOODWILL

(a) Gross value

In thousands of euros Unaudited and unreviewed figures	Year ended 31 December 2011	Year ended 31 December 2010
Gross value as at 1 January	12,595	11,988
Effect of changes in exchange rates during the year	297	607
Gross value as at 31 December	12,892	12,595

(b) Amortisation and impairment

In thousands of euros Unaudited and unreviewed figures	Year ended 31 December 2011	Year ended 31 December 2010
Accumulated amortisation as at 1 January	5,922	5,637
Impairment charge recognised during the year (note 4a)	0	0
Effect of changes in exchange rates during the year	148	285
Accumulated amortisation as at 31 December	6,070	5,922

NOTE 11: TRADE RECEIVABLES

(a) Gross and net amounts

In thousands of euros Unaudited and unreviewed figures	31 December 2011	31 December 2010
Gross value (note 11b)	1,892	2,044
Allowance for doubtful accounts (note 11b)	(140)	(138)
Net amount	1,752	1,906

(b) Aging of trade receivables

In thousands of euros	31 December 2011		31 December 2010	
Unaudited and unreviewed figures	Gross value	Allowance	Gross Value	Allowance
Items which are not past due	1,253	2	1,716	0
Items which are past due:				
- 0 to 30 days	272	2	146	101
- 30 to 60 days	89	0	81	0
- 60 to 90 days	36	0	48	0
- more than 90 days	242	136	53	37
Total	1,892	140	2,044	138

NOTE 12: SHARE CAPITAL AND SHARE PREMIUM

(a) Share capital
The number of outstanding, fully paid, ordinary shares of the Company, each of par value of Euro 0.40, was 10,289,781 as at both 31 December 2010 and 2011, resulting in a share capital amounting to 4,116 at both these dates.

(b) Share premium

(i) Expenses relating to the Company’s share-based remuneration plans
An amount of 16 was incurred in relation with the Company’s share-based remuneration plans in the year ended 31 December 2011, and was offset against the share premium during that period (compared with an amount of 11 in the year ended 31 December 2010).

(ii) Expenses relating to grants of own shares

Year ended 31 December 2011
1,814 own shares held by the Company as treasury shares were granted to one employee who was made redundant in the last quarter of the year ended 31 December 2011 (see note 13b below).
The difference between the repurchase value of these shares (amounting to 13) and their value at grant date to these employees (being nil) was offset against the share premium in the year ended 31 December 2011.

Year ended 31 December 2010
5,887 own shares held by the Company as treasury shares were granted to employees who were made redundant as part of the April 2010 reorganization plan in the year ended 31 December 2010 (see note 13b below).

The difference between the repurchase value of these shares (amounting to 42) and their value at grant date to these employees (being nil) was offset against the share premium in the year ended 31 December 2010.

NOTE 13: OWN SHARES

(a) Repurchase of own shares
None of its own shares were repurchased by the Company in either of the quarters or the years ended 31 December 2011 or 2010.

(b) Grants of own shares
1,814 of its own shares were granted to one employee who was made redundant in the quarter and the year ended 31 December 2011, compared with a grant of 5,887 own shares to employees made redundant as part of the reorganization plan which was implemented in April 2010, in the year ended 31 December 2010, as set out in note 12b above.
As a result, the total number of own shares held as treasury shares by the Company was 166,267 as at 31 December 2011, compared with 168,081 shares as at 31 December 2010, for respective repurchase values of 1,191 and 1,204.

NOTE 14: SEGMENT REPORTING

(a) Identification of operating and reportable segments

(i) Applicable rules
Management has identified operating segments give rise to reporting pursuant its review of those segments giving rise to reporting to the Company's CEO, who decides upon the best allocation of resources and monitors the operating and financial performance of each operating segment.
Two segments were identified, the Print segment for the printing software segment of the Company's business, and the eDoc segment for the electronic document software segment of the Company's business.
The performance of each of these segments is monitored by the Company's CEO based on their respective gross margin contribution.

(ii) Allocation of assets and liabilities to operating segments
Assets and liabilities, whether current or non-current, are allocated based on the operations of the reportable segments.
Goodwill existing at 1 January 2009 has been fully allocated to the Print segment as it relates to acquisitions of assets made in the area of printing software in the years ended 31 December 1999 and 2000.
Items such as deferred tax assets, current assets other than trade receivables, as well as current liabilities other than customer advances and deferred revenue, are not allocated to any of the Company's reportable segments.

(b) Analysis of the Company's sales

(i) Breakdown of sales by nature of products sold and services rendered
Both segments derive their revenue from the development and sale of software applications and/or solutions, and of related services such as customization, implementation, training, as well as support and maintenance.

The following table provides a breakdown of the Company's sales by nature of products sold and services rendered for those sales made in the quarters and the years ended 31 December 2011 and 2010, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
License royalties	2,473	2,462	7,760	7,934
Maintenance and support services	247	304	1,042	1,582
Engineering services	28	0	122	30
Other	(31)	62	27	62
Total sales	2,717	2,828	8,951	9,608

(ii) Breakdown of sales based on the geographical location of customers

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
France	1	1	4	13
Cont. Europe (excluding France)	99	164	839	571
United Kingdom	56	91	133	126
North America (USA and Canada)	1,508	1,725	5,603	6,637
Asia (including Japan)	1,039	831	2,294	2,224
Rest of the world	14	16	78	37
Total sales	2,717	2,828	8,951	9,608

(c) Sales and gross profit by business segment

(i) Quarter ended 31 December 2011

In thousands of euros Unaudited and unreviewed figures	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	1,926	791	0	2,717
Inter-segment sales	0	0	0	0
Sales from external customers	1,926	791	0	2,717
Cost of sales	(54)	(40)	(13)	(107)
Gross profit	1,872	751	(13)	2,610

(ii) Quarter ended 31 December 2010

In thousands of euros Unaudited and unreviewed figures	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	2,042	786	0	2,828
Inter-segment sales	0	0	0	0
Sales from external customers	2,042	786	0	2,828
Cost of sales	(48)	(40)	(15)	(103)
Gross profit	1,994	746	(15)	2,725

(iii) Year ended 31 December 2011

In thousands of euros Unaudited figures	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	6,657	2,294	0	8,951
Inter-segment sales	0	0	0	0
Sales from external customers	6,657	2,294	0	8,951
Cost of sales	(232)	(140)	(50)	(422)
Gross profit	6,425	2,154	(50)	8,529

(iv) Year ended 31 December 2010

In thousands of euros	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	7,910	1,698	0	9,608
Inter-segment sales	0	0	0	0
Sales from external customers	7,910	1,698	0	9,608
Cost of sales	(246)	(141)	(44)	(431)
Gross profit	7,664	1,557	(44)	9,177

(d) Reconciliation of gross profit to profit (loss) before income tax

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Gross profit for reportable segments (note 14c)	2,610	2,725	8,529	9,177
Selling, gen. & admin. expenses	(999)	(1,074)	(4,019)	(5,350)
Research & development expenses	(1,197)	(1,085)	(4,672)	(5,107)
Net other operating income (expenses)	0	(256)	205	(661)
Net financing gains (losses) (note 6)	33	78	4	(165)
Profit (loss) before income tax	447	388	47	(2,106)

(e) Reconciliation of assets and liabilities

(i) As at 31 December 2011

In thousands of euros Unaudited figures	Print segment	eDoc segment	Unallocated items	Total
Non-current assets	10,302	1,850	602	12,754
Current assets	1,238	514	2,892	4,644
Total assets	11,540	2,364	3,494	17,398
Non-current liabilities	0	0	2	2
Current liabilities	674	72	1,183	1,929
Total liabilities	674	72	1,185	1,931

(ii) As at 31 December 2010

In thousands of euros	Print segment	eDoc segment	Unallocated items	Total
Non-current assets	9,779	1,899	662	12,340
Current assets	1,303	579	2,498	4,380
Total assets	11,082	2,478	3,160	16,720
Non-current liabilities	0	0	36	36
Current liabilities	147	423	1,334	1,904
Total liabilities	147	423	1,370	1,940

(f) Allocation of non-current assets based on their geographical location

In thousands of euros Unaudited figures	31 December 2011	31 December 2010
France	9	11
Foreign subsidiaries		
- UK	9,413	9,068
- US	3,321	3,251
- Japan	11	10
- India	0	0
Total foreign subsidiaries	12,745	12,329
Total non-current assets	12,754	12,340

NOTE 15: RELATED PARTY TRANSACTIONS

The Company has a related party relationship with its subsidiaries (see note 16 below) as well as with its directors and executive officers, as set out below.

(a) With the Company's directors

The amount of board fees to be allocated among the Company's directors which was recognized in each of the quarters ended 31 December 2010 and 2011 and in each of the years ended 31 December 2010 and 2011, were 15 and 60, respectively.

(b) With the Company's executive officers

(i) Salaries and other short-term benefits

The executive directors received the following salaries and other short-term benefits (notably bonuses and pension scheme contributions) in the quarters and the years ended 31 December 2011 and 2010, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Salaries	77	69	287	273
Other short-term benefits	26	20	110	80
Total salaries and other short-term benefits	103	89	397	353

(ii) Share-based compensation plans

Executive officers are entitled to participate in the Company's share option and share grant schemes.

Please see note 4d for further information on share grants and share option grants made to Messrs. Fry and Pronost in the year ended 31 December 2011.

The portions of the share-based compensation expenses which were attributable to the Company's executive officers and were recorded in the quarters and the years ended 31 December 2011 and 2010, respectively, were as follows:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Relating to share option grants	13	18	67	72
Relating to share grants	4	0	13	0
Total	17	18	80	72

(c) With a company which is managed by one of the Company's directors
In its meeting on 16 December 2009, approval was given by the Company's Board of Directors to two agreements with Andlinger & Co. CVBA, a Belgium-based company which is managed by Mr. Johan Volckaerts.
The purpose of these agreements was to provide that the Company would be:
- entitled to use a meeting room and related services in Brussels, against the payment of a fee amounting to Euro 1,500 each quarter; and
- provided with advice regarding its strategy, against the payment of a fee amounting to Euro 6,000 per month, which was increased to Euro 6,500 per month from 1 February 2011 as voted by the Board on 8 February 2011, and decreased to Euro 4,500 per month from 1 October 2011 as voted by the Board on 2 November 2011.
The corresponding amounts which were expensed by the Company were 15 and 19 in the quarters ended 31 December 2011 and 2010, respectively, and 78 in each of the years ended 31 December 2011 and 2010, respectively.

NOTE 16: SUBSIDIARIES
These condensed consolidated financial statements for the quarters and the years ended 31 December 2011 and 2010, respectively, include the accounts of the following companies:

	Country of incorporation	% of ownership 2011	% of ownership 2010
Global Graphics (UK) Limited	United Kingdom	100	100
Global Graphics Software Limited	United Kingdom	100	100
Jaws Systems Limited	United Kingdom	100	100
Global Graphics Software Incorporated	United States	100	100
Global Graphics Kabushiki Kaisha	Japan	100	100
Global Graphics Software (India) Private Limited	India	100	100
Global Graphics EBT Limited	United Kingdom	100	100

Global Graphics Software (India) Private Limited has been dormant since April 2010 and is currently under liquidation, the completion of which is expected shortly.
The results for Global Graphics EBT Limited have been included in the Company's condensed consolidated financial statements for the year ended 31 December 2010 from 3 February 2010, which was the inception of that subsidiary.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
ADJUSTED FINANCIAL INFORMATION PREPARED BY MANAGEMENT

NOTE 1: BASIS OF PREPARATION OF ADJUSTED FINANCIAL INFORMATION

The Company’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU).

However, management of the Company it believes that evaluating the Company’s ongoing results may not be as useful if an investor is limited to reviewing only IFRS financial measures, notably because management of the Company uses adjusted financial information to evaluate its ongoing operations as well as for internal planning and forecasting purposes.

To prepare adjusted financial information, management of the Company complies with the principles set in the Recommendation on Alternative Performance Measures which was issued by the Committee of European Securities Regulators (now the European Securities and Markets Authority) in October 2005.

The Company’s management does not itself, nor does it suggest that investors should, consider such adjusted financial measures in isolation from, or as a substitute for, financial information prepared in accordance with IFRSs.

The Company presents adjusted financial measures in reporting its financial results to provide investors with an additional tool to evaluate the Company’s results in a manner that focuses on what the Company believes to be its ongoing business operations.

The Company’s management believes that the inclusion of adjusted financial measures provides consistency and comparability with past reports of financial information and has historically provided comparability to similar companies in the Company’s industry, many of which present the same or similar adjusted financial measures to investors.

As a result, investors are encouraged to review the related IFRS financial measures and the reconciliation of these adjusted financial measures to the most directly comparable IFRS financial measures as detailed above.

NOTE 2: INFORMATION ON ADJUSTMENTS MADE TO REPORTED NUMBERS

The purpose of the following adjustments, which are made to reported numbers with respect of the Company’s operating, pre-tax, and net profit (loss), is to provide additional information to measure the Company’s performance.

(a) Share-based remuneration expense

In accordance with applicable provisions of IFRS 2, Share-based payments, an expense is recognized in the Company’s consolidated financial statements with respect of share-based remuneration plans, regardless of any change in the number of outstanding shares of the Company pursuant to the exercise of share options, or before the grant of shares to employees of the Company becomes final.

As a result, management of the Company believes it is appropriate to adjust the Company’s operating profit (loss) reported under IFRSs of such expense to provide a relevant measure of the Company’s operating performance.

(b) Capitalization and amortization of eligible software development expenses

Costs relating to development projects (consisting of employee costs) which meet all of the criteria set out under paragraphs 57 to 62 of IAS 38, Intangible Assets, are capitalized, and are subsequently amortized over the estimated useful life of the corresponding development project.

Considering the level of judgment required to assess whether a given development project may be eligible to such capitalization, and also to set the duration of the useful life of such project, management of the Company believes it is appropriate to adjust the Company's operating profit (loss) reported under IFRSs of such amounts to provide a relevant measure of the Company's operating performance.

(c) Unusual, abnormal and infrequent items of income and expense
In accordance with provisions of Paragraph 97 of IAS 1 (revised), Presentation of Financial Statements, unusual, abnormal and infrequent items of income and expense have to be disclosed in a separate note, in an attempt to improve the predictive value of the consolidated statement of income (loss).
Management of the Company believes that the most appropriate way of achieving this is, in addition to separate disclosure on the face of the consolidated statement of income under the captions Other operating expenses and Other operating income, and the detailed analysis of corresponding amounts in a separate note, to adjust the Company's operating profit (loss) reported under IFRSs of such items to provide the user of the Company's financial information with a consistent base of comparison, excluding the effect of such items.

NOTE 3: ADJUSTED FINANCIAL INFORMATION COMPUTATION

(a) Adjusted operating profit (loss) computation

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Reported operating profit (loss)	414	310	43	(1,941)
Add back (deduct):				
- Effect of the capitalization of development expenses (note 4b)	(364)	(296)	(1,283)	(905)
- Amort. of capitalized development expenses (note 4b)	317	199	1,004	863
- Share-based remuneration expenses (note 4d)	27	29	142	129
- Other operating expenses (note 5a)	0	324	0	804
- Other operating income (note 5b)	0	(68)	(205)	(143)
Total adjustments to reported operating profit (loss)	(20)	188	(342)	748
Adjusted operating profit (loss)	394	498	(299)	(1,193)
In % of the period's sales	14.5%	17.6%	-3.3%	-12.4%

(b) Adjusted pre-tax profit (loss) computation

In thousands of euros Unaudited and unreviewed figures except per share data in euro	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Reported pre-tax profit (loss)	447	388	47	(2,106)
Add back (deduct):				
- Effect of the capitalization of development expenses (note 4b)	(364)	(296)	(1,283)	(905)
- Amort. of capitalized development expenses (note 4b)	317	199	1,004	863
- Share-based remuneration expenses (note 4d)	27	29	142	129
- Other operating expenses (note 5a)	0	324	0	804
- Other operating income (note 5b)	0	(68)	(205)	(143)
- Accretion expense (income) arising from the discounting of the vacant lease provision	0	(26)	26	(26)
Total adjustments to reported pre-tax profit (loss)	(20)	162	(316)	722
Adjusted pre-tax profit (loss)	427	550	(269)	(1,384)
Adjusted pre-tax EPS (i)	0.04	0.05	(0.03)	(0.14)

Adjusted pre-tax EPS is computed by dividing the adjusted pre-tax profit (loss) for a given reporting period by the weighted average number of ordinary shares which were outstanding during that period, i.e. 10,122,311 and 10,121,700 shares for the quarters ended 31 December 2011 and 2010, respectively, and 10,121,854 and 10,118,709 shares for the years ended 31 December 2011 and 2010, respectively.

(c) Adjusted net profit (loss) computation

In thousands of euros Unaudited and unreviewed figures except per share data in euro	Quarter ended 31 Dec. 2011	Quarter ended 31 Dec. 2010	Year ended 31 December 2011	Year ended 31 December 2010
Reported net profit (loss)	421	81	153	(2,597)
Add back (deduct):				
- Net effect of the capitalization of development expenses (note 4b)	(47)	(97)	(279)	(42)
- Share-based remuneration expenses (note 4d)	27	29	142	129
- Net effect of other operating (income) expenses (note 5)	0	256	(205)	661
- Accretion expense (income) arising from the discounting of the vacant lease provision	0	(26)	26	(26)
- Tax effect of abovementioned adjustments	(35)	(23)	73	(38)
Total adjustments to reported net profit (loss)	(55)	139	(243)	684
Adjusted net profit (loss)	366	220	(90)	(1,913)
Adjusted net EPS	0.04	0.02	(0.01)	(0.19)

Adjusted net EPS is computed by dividing the adjusted net profit (loss) for a given reporting period by the weighted average number of ordinary shares which were outstanding during that period, i.e. 10,122,311 and 10,121,700 shares for the quarters ended 31 December 2011 and 2010, respectively, and 10,121,854 and 10,118,709 shares for the years ended 31 December 2011 and 2010, respectively.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED MANAGEMENT REPORT OF THE COMPANY’S BOARD OF DIRECTORS
FOR THE QUARTER AND THE YEAR ENDED 31 DECEMBER 2011
Translation of the French language original

Pursuant to the transposition under article L.451-1-2 of the French Monetary and Financial Code of the EU Directive 2004/109/CE of the European Parliament and of the Council of 15 December 2004 (the ‘Transparency Directive’), we present to you the condensed management report of the Parent’s Board of Directors for the quarter and the year ended 31 December 2011.
This condensed management report was authorized for issue by the Parent’s Board of Directors on 7 February 2012.

NOTE 1: ORGANIZATION OF THE GLOBAL GRAPHICS GROUP OF COMPANIES (THE ‘COMPANY’)

(a) Structure of the Company as at 31 December 2011
No change has occurred in the Company’s structure during the year ended 31 December 2011; Global Graphics Software (India) Private Limited has been dormant since late April 2010 and under liquidation since early May 2010
Please also refer to note 16 to the Company’s condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011.

(b) Changes in the Company’s structure since 1 January 2012
No change has occurred in the Company’s structure since 1 January 2012.

NOTE 2: MANAGEMENT DISCUSSION OF CONSOLIDATED FINANCIAL RESULTS
The Company prepares its condensed consolidated financial statements in accordance with IAS 34, Interim Financial Reporting, and more generally with International Financial Reporting Standards (IFRSs) as well as related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU).
Amounts indicated hereafter are presented in euros (which is the reporting currency of the Company), rounded to the nearest thousand, unless otherwise specified.

(a) Quarter ended 31 December 2011

(i) Sales analysis
Sales were 2,717 in the quarter ended 31 December 2011, compared with 2,828 in the fourth quarter of the year ended 31 December 2010, or a sequential decrease of 3.9% at current exchange rates.
Approximately 61.8% of the Company’s sales made in the quarter ended 31 December 2011 were denominated in US dollars, which sequentially increased versus the euro, since the average euro/US dollar rate was 1.341 in the quarter ended 31 December 2011, while it was 1.351 in the fourth quarter of the year ended 31 December 2010, or a sequential increase of 0.7%.
At constant exchange rates, sales made in the quarter ended 31 December 2011 would have amounted to approximately 2,658, showing a decrease of 6.0% over the figure reported for sales in the fourth quarter of the year ended 31 December 2010.
Sales made in the Print segment of the Company’s business were 1,926 in the quarter ended 31 December 2011, and showed a decrease of 5.7% at current exchange rates and of 7.3% at constant exchange rates, over the 2,042 figure reported for sales made in the same segment of the Company’s business in the fourth quarter of the year ended 31 December 2010.

Sales made in the graphic arts market were 859 in the quarter ended 31 December 2011 and showed an increase of 4.5% at current exchange rates and of 3.8% at constant exchange rates over the 822 figure reported for sales made in that market in the fourth quarter of the year ended 31 December 2010.
Sales made in the digital printing market were 1,067 in the quarter ended 31 December 2011 and decreased 12.5% at current exchange rates and 14.8% at constant exchange rates over the 1,220 figure reported for sales made in that market in the fourth quarter of the year ended 31 December 2010.
Sales made in the eDoc segment of the Company's business were 791 in the quarter ended 31 December 2011, and showed an increase of 0.6% at current exchange rates but a decrease of 2.5% at constant exchange rates over the 786 figure reported for sales made in the same segment of the Company's business in the fourth quarter of the year ended 31 December 2010.

(ii) Performance analysis

Operating profit
The Company reported an operating profit of 414 in the quarter ended 31 December 2011 (or 15.2% of the quarter's sales), compared with an operating profit of 310 in the fourth quarter of the year ended 31 December 2010 (or 11.0% of that quarter's sales), or a favorable, sequential variance of 104, which can be analyzed as follows:
- sales decreased by 111, as set out in note 2a (i) above;
- cost of sales was 107 in the quarter ended 31 December 2011 (3.9% of the quarter's sales), compared with 103 in the fourth quarter of the year ended 31 December 2010 (3.6% of that quarter's sales), or an unfavorable variance of 4;
- selling, general and administrative expenses totaled 999 in the quarter ended 31 December 2011 (36.8% of the quarter's sales), showing a sequential decrease of 75 (i.e. of 7.0%) over the 1,074 figure reported for such expenses in the fourth quarter of the year ended 31 December 2010 (38.0% of that quarter's sales);
- research & development expenses totaled 1,197 in the quarter ended 31 December 2011 (44.1% of the quarter's sales) showing a sequential increase of 112 (i.e. of 10.3%) over the 1,085 figure reported for such expenses in the fourth quarter of the year ended 31 December 2010 (38.4% of that quarter's sales): such expenses included a benefit of 47 with respect of the effect, after amortization, of the capitalization of eligible development expenses relating to the development projects for which all criteria for such capitalization were met, compared with an benefit of 97 in the fourth quarter of the year ended 31 December 2010 (please refer to note 4b to the Company's condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011 for further details on this);
- there were no other operating expenses in the quarter ended 31 December 2011, compared with other operating expenses amounting to 324 in the fourth quarter of the year ended 31 December 2010, or a favorable, sequential variance of 324;
- there were no other operating income in the quarter ended 31 December 2011, compared with other operating income amounting to 68 in the fourth quarter of the year ended 31 December 2010, or an unfavorable, sequential variance of 68.

Profit before income tax
The Company reported a profit before income tax of 447 in the quarter ended 31 December 2011 (or 16.4% of the quarter's sales), compared with a profit before income tax of 388 in the fourth quarter of the year ended 31 December 2010 (or 13.7% of that quarter's sales), or a favorable variance of 59 which resulted from the combination of:
- the sequential increase of the operating profit from 310 in the fourth quarter of the year ended 31 December 2010 to 414 in the quarter ended 31 December 2011, or a favorable variance of 104;

- the decrease in interest income of 27 over the 28 figure reported for interest income in the fourth quarter of the year ended 31 December 2010 (the latter figure including interest income of 26 with respect of the discounting effect of the vacant lease provision recorded by the Company as at 31 December 2010) to 1 in the quarter ended 31 December 2011, or an unfavorable variance of 27; and
- the unfavorable effect of foreign currency exchange differences, which were gains of 32 in the quarter ended 31 December 2011, compared with gains of 50 in the fourth quarter of the year ended 31 December 2010, or an unfavorable variance of 18.

Net profit
The Company reported a net profit of 421 in the quarter ended 31 December 2011 (or a net profit of Euro 0.04 per share) after giving effect to an income tax expense of 26 (including a current income tax expense of 76 and a deferred tax benefit of 50), compared with a net profit of 81 in the fourth quarter of the year ended 31 December 2010 (or a net profit of Euro 0.01 per share).

(b) Year ended 31 December 2011

(i) Sales analysis
Sales were 8,951 in the year ended 31 December 2011, compared with 9,608 in the year ended 31 December 2010, or a sequential decrease of 6.8% at current exchange rates.
Approximately 73.0% of the Company’s sales made in the year ended 31 December 2011 were denominated in US dollars, which sequentially decreased versus the euro, since the average euro/US dollar rate was 1.382 in the year ended 31 December 2011, while it was 1.320 in the year ended 31 December 2010, or a sequential decrease of 4.5%.
At constant exchange rates, sales made in the year ended 31 December 2011 would have amounted to approximately 9,187, showing a decrease of 4.4% over the figure reported for sales in the year ended 31 December 2010.
Sales made in the Print segment of the Company’s business were 6,657 in the year ended 31 December 2011, and showed a decrease of 15.8% at current exchange rates and of 12.8% at constant exchange rates, over the 7,910 figure reported for sales made in the same segment of the Company’s business in the year ended 31 December 2010.
Sales made in the graphic arts market were 2,931 in the year ended 31 December 2011 and showed a decrease of 3.8% at current exchange rates but an increase of 0.1% at constant exchange rates over the 3,047 figure reported for sales made in that market in the year ended 31 December 2010.
Sales made in the digital printing market were 3,726 in the year ended 31 December 2011 and decreased 23.4% at current exchange rates and 20.9% at constant exchange rates over the 4,863 figure reported for sales made in that market in the year ended 31 December 2010.
Sales made in the eDoc segment of the Company’s business were 2,294 in the year ended 31 December 2011, and showed an increase of 35.1% at current exchange rates and of 34.9% at constant exchange rates over the 1,698 figure reported for sales made in the same segment of the Company’s business in the year ended 31 December 2010.

(ii) Performance analysis

Operating profit
The Company reported an operating profit of 43 in the year ended 31 December 2011 (or 0.5% of 2011 sales), compared with an operating loss of 1,941 in the year ended 31 December 2010 (or 20.2% of 2010 sales), or a favorable, sequential variance of 1,984, which can be analyzed as follows:

- sales decreased by 657, as set out in note 2b (i) above;
- cost of sales was 422 in the year ended 31 December 2011 (4.7% of 2011 sales), compared with 431 in the year ended 31 December 2010 (4.5% of 2010 sales), or a favorable variance of 9;
- selling, general and administrative expenses totaled 4,019 in the year ended 31 December 2011 (44.9% of 2011 sales), showing a decrease of 1,331 (i.e. of 24.9%) over the 5,350 figure reported for such expenses in the year ended 31 December 2010 (55.7% of 2010 sales);
- research & development expenses totaled 4,672 in the year ended 31 December 2011 (52.2% of 2011 sales) showing a sequential decrease of 435 (i.e. of 8.5%) over the 5,107 figure reported for such expenses in the year ended 31 December 2010 (53.2% of 2010 sales): such expenses included a benefit of 279 with respect of the effect, after amortization, of the capitalization of eligible development expenses relating to the development projects for which all criteria for such capitalization were met, compared with a benefit of 42 in the year ended 31 December 2010 (please refer to note 4b to the Company's condensed consolidated financial statements as at and for the quarter and the year ended 31 December 2011 for further details on this);
- there were no other operating expenses in the year ended 31 December 2011, compared with other operating expenses amounting to 804 in the year ended 31 December 2010, or a favorable, sequential variance of 804;
- other operating income amounted to 205 in the year ended 31 December 2011, and resulted from the write-back of the provision which was recorded at 31 December 2010 with respect of the portion of the building leased by the Company in Cambourne which was not used during the first six months of 2011, compared with other operating income amounting to 143 in the year ended 31 December 2010, or a favorable, sequential variance of 62.

Profit before income tax

The Company reported a profit before income tax of 47 in the year ended 31 December 2011 (or 0.5% of 2011 sales), compared with a loss before income tax of 2,106 in the year ended 31 December 2010 (or 21.9% of 2010 sales), or a favorable, sequential variance of 2,153 which resulted from the combination of:
- the sequential increase of the operating result for 1,984, as discussed above;
- the decrease in interest income of 34 over the 38 figure reported for interest income in the year ended 31 December 2010 (of which 26 with respect of the discounting effect of the vacant lease provision recorded by the Company as at 31 December 2010) to 4 in the year ended 31 December 2011, or an unfavorable, sequential variance of 34;
- the cost of unwinding the discount of the provision for vacant lease as discussed above, resulting in an estimated interest charge of 26 in the year ended 31 December 2011, compared with none in the year ended 31 December 2010, or an unfavorable, sequential variance of 26; and
- the favorable effect of foreign currency exchange differences, which were gains of 26 in the year ended 31 December 2011, compared with losses of 203 in the year ended 31 December 2010, or a favorable, sequential variance of 229.

Net profit

The Company reported a net profit of 153 in the year ended 31 December 2011 (or a net profit of Euro 0.02 per share) after giving effect to an income tax benefit of 106 (including a current income tax benefit of 155 and a deferred tax expense of 49), compared with a net loss of 2,597 in the year ended 31 December 2010 (or a net loss of Euro 0.26 per share).

NOTE 3: MANAGEMENT’S COMMENTS ON THE COMPANY’S PERFORMANCE

(a) Salient features by the Company’s Chief Executive Officer (CEO)

(i) Operational highlights

Gary Fry, Global Graphics’ Chief Executive Officer, said: “Our fourth quarter results show a healthy operating and net profit which marks a pleasing end to what has been a very busy and exciting year.

“During the quarter, we signed two important contracts with large Japanese digital printer manufacturers which expect to announce products at the drupa exhibition in May and to start shipping later this year. They have licensed our high-performance Harlequin Host Renderer RIP which is optimized to drive digital presses at full speed and supplied as a software development kit (SDK), so that customers can create competitive differentiation in their solutions.

“In the electronic document segment, we are pleased to see that the gDoc platform SDK is now being used by multiple partners who are developing end-user applications, initially targeting the legal market, with the intent to open up opportunities on mobile platforms, notably on smartphones and tablets such as the iPad.”

(ii) Financial highlights for the year ended 31 December 2011

Financial performance

Sales amounted to 8,951 in the year ended 31 December 2011, showing a 6.8% decrease at current exchange rates and of 4.4% at constant exchange rates with the 9,608 figure reported for sales in the year ended 31 December 2010.

Sales made in the Print segment of the Company’s business continued to be slow, particularly those made in the digital printing market, resulting in a decrease of 12.8% at constant exchange rates over sales made in the same segment of the Company’s business in the year ended 31 December 2010.

Sales made in the eDoc segment of the Company’s business increased 34.9% at constant exchange rates over sales made in the same segment of the Company’s business in the year ended 31 December 2010.

Operating expenses (excluding cost of sales but including other operating income and expenses, as applicable) were 8,486 in the year ended 31 December 2011, compared with 11,118 in the year ended 31 December 2010, or a sequential decrease of 23.7% at current exchange rates. Such decrease predominantly resulted from an ongoing, lower operating expense base pursuant to the reorganization plan which was undertaken by the Company in April 2010.

The Company reported an adjusted operating loss of 299 in the year ended 31 December 2011 (or an adjusted operating loss equal to 3.3% of 2011 sales), compared with an adjusted operating loss of 1,193 in the year ended 31 December 2010 (or an adjusted operating loss equivalent to 12.4% of 2010 sales).

The Company reported an adjusted pre-tax loss of 269 (or an adjusted pre-tax loss of Euro 0.03 per share) in the year ended 31 December 2011, compared with an adjusted pre-tax loss of 1,384 (or an adjusted pre-tax loss of Euro 0.14 per share) in the year ended 31 December 2010.

The Company reported an adjusted net loss of 90 (or an adjusted net loss of Euro 0.01 per share) in the year ended 31 December 2011, compared with an adjusted net loss of 1,913 (or an adjusted net loss of Euro 0.19 per share) in the year ended 31 December 2010.

Cash flows for the year ended 31 December 2011

Net cash flows provided by the Company's operations amounted to 1,779 in the year ended 31 December 2011 (or 19.9% of 2011 sales), compared with net cash flows used by the Company's operations amounting to 379 in the year ended 31 December 2010 (or 3.9% of 2010 sales).

Cash balances available at 1 January 2011 (which amounted to 1,869) allowed the Company to fund these operating requirements as well as its capital expenditures incurred in the year ended 31 December 2011, either on property, plant and equipment for 112, or those resulting from the capitalization of development expenses (see note 2b above) which totaled 1,283 in the year ended 31 December 2011, and to close the period with a net cash position of 2,315.

(b) Commentary on the current financial year by the Company's CEO

"During the year ended 31 December 2011, we signed five strategically important contracts. They demonstrate a significant improvement in the Company's position and set us up well for the current year as our customers start shipping products built on our technology.

"2012 being a drupa year, and given the level of interest that continues in our Harlequin Host Renderer for high-speed digital printing applications, we expect to close further significant contracts during the year. We will also be exploring new market opportunities for the Jaws RIP as we will launch version 3.0 of this product during 2012.

"Within the electronic document segment we expect to see multiple end-user deployments through our partners who are building conceptually new applications that link document management systems to user mobility.

"With the contracts that we signed in 2011 and the new business we expect to see in 2012, we are seeing a real turnaround of the Company's long-term prospects."

NOTE 4: SIGNIFICANT OPERATIONAL AND FINANCIAL RISK FACTORS

(a) Significant operational risk factors

Please refer to note 2d to the report on the Company's operations for the year ended 31 December 2010 which was drafted by the Parent's Board of Directors and is included in the Company's annual financial report for that year, for a discussion on these risk factors.

(b) Significant financial risk factors

The Company's activities expose it to a variety of financial risks, notably foreign exchange risk, credit risk, liquidity risk and cash flow interest-rate risk.

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the British pound. Foreign exchange risk arises from future commercial transactions, recognized assets (notably cash and trade receivables) and liabilities, as well as net investments in foreign operations.

- Risk arising from future commercial transactions and balance sheet items

To manage their foreign exchange risk arising from future commercial transactions, recognized assets and liabilities (i.e. which are denominated in a currency that is not the entity's functional currency), certain entities in the Company use foreign currency forward or option contracts transacted with high-credit-quality financial institutions after review and approval by the Company's Chief Financial Officer.

No such contracts were outstanding at either 31 December 2010 or 2011: as a result, the Company did not record any exchange gain or loss with respect of such contracts in the year ended 31 December 2011, compared with a loss of 110 in the year ended 31 December 2010.

- Risk arising from net investments in foreign subsidiaries

In addition, the Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Company’s foreign operations in the UK and in the US is managed primarily through borrowings denominated in the relevant foreign currencies, where appropriate.

Please refer to note 6 to the Company’s condensed consolidated financial statements for the quarter and the year ended 31 December 2011 for further details on foreign currency exchange differences for those periods.

(ii) Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables.

As it markets and sells its products and services to a broad base of customers including OEM partners, distributors, and system integrators, the Company has no significant concentration of credit risk though relatively few customers accounted for a substantial portion of the Company’s sales within the last few years as a result of the dominance of a limited number of significant players in the Company’s markets.

The ten major customers represented approximately 57.8% of the Company’s sales in the year ended 31 December 2011 (compared with 64.1% for the year ended 31 December 2010); approximately 42.7% of sales were made with the five largest customers of the Company in the year ended 31 December 2011 (compared with 45.1% for the year ended 31 December 2010), and approximately 13.2% with the major customer alone in the year ended 31 December 2011 (compared with 16.8% for the year ended 31 December 2010).

(iii) Liquidity risk

Due to the dynamic nature of its business, the Company aims to maintain flexibility for financing its activities by keeping committed credit lines available.

However, considering the Company’s cash position of 2,315 as at 31 December 2011, and the absence of any financial debt at such date, the Company did not apply for any lines of credit in the quarter and the year ended 31 December 2011.

(iv) Cash-flow interest-rate risk

As the Company had no significant interest-bearing assets and liabilities at either 31 December 2010 or 2011, the Company’s income and operating cash flows for the quarter and the year ended 31 December 2011 were substantially independent of changes in market interest rates.

Please refer to note 6 to the Company’s condensed consolidated financial statements for the quarter and the year ended 31 December 2011 for further details on interest income and expenses for those periods.

(v) Sovereign debt risk

The Company did not have any exposure to sovereign debt risk as at and during the year ended 31 December 2011 as it did hold any financial assets of that nature during that year.

(c) Other significant risk factors

(i) Use of accounting estimates and of forecasts

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates and forecasts. It also requires management to exercise judgement in the process of applying the Company's accounting policies, and to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on historical experience and various other relevant factors (including projected future sales and related cash inflows either from established software products such as RIP software in the Print segment of the Company's business, or from recently launched software applications such as gDoc Fusion, the adoption of which is expected by the Company's management to sequentially grow at a significant pace over time) that are believed to be reasonable under the circumstances, the results of which form the basis of making management's judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period and future periods if the revision affects both current and future periods.

Please refer to notes 4a (ii) and 4c (ii) to the Company's condensed consolidated financial statements for the quarter and the year ended 31 December 2011 for further information on critical accounting estimates and the use of sales and cash flow forecasts, as well as the risks attached to them, the downward revisions of which may principally affect the carrying value of goodwill and other intangible assets (including those resulting from the capitalization of development costs) as well as of deferred tax assets.

(ii) Future changes in, or interpretations of, accounting principles

As noted in note 2a to the Company's condensed consolidated financial statements for the quarter and the year ended 31 December 2011, the Company prepares its consolidated financial statements in accordance with IFRSs, as amended from time to time, and related interpretations issued by the IASB, as adopted by the EU.

Accordingly, changes to these standards by the IASB or delays in the adoption of newly adopted standards by the EU, may have a significant effect on the Company's reported results and may even retroactively affect previously reported transactions or periods.

Accounting principles used by the Company that may be affected by recently issued exposure drafts notably include the following:

- the exposure draft on income tax, which was published for public comments by the IASB on 31 March 2009, outlined proposed changes to the method of accounting for income tax. The project started as a convergence project with US Generally Accepted Accounting Principles (US GAAP); however, in the light of responses to that exposure draft, the IASB's Board has narrowed the scope of the project, which resulted in certain amendments to the existing standard, IAS 12, Income Taxes in December 2010. The IASB hinted that it may consider a fundamental review of the accounting for income taxes as part of its agenda consultation process during 2012.
- the exposure draft, Revenue from Contracts with Customers, which was published for public comment by the IASB and the Financial Accounting Standard Board (FASB) on 24 June 2010, outlined the IASB's intent to publish a final standard on revenue recognition no later than June 2011 to supersede the existing two standards on revenue recognition: IAS 11, Construction Contracts, and IAS 18, Revenue, as well as related interpretations.

On 15 June 2011, the IASB and the FASB issued a joint press release confirming that a new exposure draft would be issued for comments during the third quarter of 2011, the objective being to issue a new standard in the course of the year ending 31 December 2012.
On 14 November 2011, the IASB and the FASB issued for public comment a second exposure draft to improve and converge the financial reporting requirements of IFRSs and US GAAP for revenue (and some related costs) from contracts with customers; both standards-setters now expect to issue a final standard on revenue recognition in the second half of 2012, with an effective date no earlier than 1 January 2015.

NOTE 5: RELATED PARTY TRANSACTIONS

Please refer to note 15 to the Company's condensed consolidated financial statements for the quarter and the year ended 31 December 2011 for details on such transactions.

NOTE 6: INFORMATION ON THE COMPANY'S PERSONEL

(a) Breakdown by geographical area of employment

	31 December 2011	31 December 2010
United Kingdom	63	53
United States of America	8	9
Japan	2	2
Continental Europe	2	2
Total	75	66

(b) Breakdown by nature of employment

	31 December 2011	31 December 2010
Research and development	48	35
Sales and support	16	20
General & administrative	11	11
Total	75	66

In addition, as at 31 December 2011, the Company also employed a total of 3 contractors, of which 2 were software developers.

NOTE 7: VOTING RIGHTS AND SIGNIFICANT SHAREHOLDERS

(a) Voting rights attached to shares outstanding as at 31 December 2011

(i) Theoretical number of voting rights

Number of shares to which a single voting right is attached	10,282,061
Number of shares to which a double voting right is attached	7,720
Theoretical number of voting rights attached to the Company's ordinary shares which were outstanding at 31 December 2011	10,297,501

(ii) Number of voting rights to be used for annual meeting quorum computation

Theoretical number of voting rights computed as indicated above	10,297,501
Number of voting rights attached to own shares held by the Company	(166,267)
Total number of voting rights to be used for shareholders' meeting quorum computation as at 31 December 2011	10,131,234

(b) Significant shareholders

(i) Stichting Andlinger & Co. Euro-Foundation
At 31 December 2011, Stichting Andlinger & Co. Euro-Foundation held 2,883,001 shares of the Company, or approximately 28.02% of the total number of shares of the Company which were outstanding at such date.
Attached to these 2,883,001 shares were a total of 2,883,021 voting rights, representing approximately 28.00% of the total number of voting rights attached to the Company's ordinary shares which were outstanding at 31 December 2011.

(ii) Other significant shareholders
At 31 December 2011, no other shareholder was known to the Company to hold in excess of either 5.0% of the total number of shares forming the share capital of the Company, or 5.0% of the theoretical number of voting rights attached to such shares as computed in note 7a above.

NOTE 8: INFORMATION REGARDING GLOBAL GRAPHICS SA
Because Global Graphics SA has only one employee and all of its revenue results from the recharge of corporate management fees to the Company's operating entities which are based in the UK and in the US, its statutory results for the quarter and the year ended 31 December 2011 are not provided since they were not considered as meaningful in the context of the reporting of the Company's condensed consolidated results as at and for the quarter and the year ended 31 December 2011.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
STATEMENT MADE BY THE PERSON TAKING RESPONSIBILITY FOR THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2011
Translation of the French language original

I hereby confirm that, to the best of my knowledge, the condensed consolidated accounts included in the Company's financial report for the year ended 31 December 2011 have been prepared in accordance with IAS 34, Interim Financial Reporting, and more generally with International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board, as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position, and profit or loss of Global Graphics SA and its subsidiaries as at and for the year ended 31 December 2011.

I also hereby confirm that the attached condensed management report includes a fair review of the state of affairs, results and financial position of Global Graphics SA and its subsidiaries as at and for the year ended 31 December 2011, as well as of the main risks and uncertainties faced by the Company during that financial year, and the main transactions with related parties which occurred during that financial year.

Made in Cambourne (United Kingdom) on 7 February 2012,

Gary Fry
Chief Executive Officer