EVERY MORNING,
YOU WANT TO CONQUER THE WORLD.
SO DO WE.

EVERY MORNING
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THE WORLD.
SO DO WE.

2011
Registration Document

“Give our customers lasting reason to trust us!”

The digital economy is a major source of growth and corporate competitiveness. More than ever, it is a compelling response to the recession and especially to global competition, which is constantly requiring improvement in corporate productivity.

Faced with these challenges, Cegid's strategy is to support all types of companies, in France and internationally, by providing them with practical solutions that address these issues, oriented along the following four avenues:

- conversion of data into relevant, function- and industry-specific information,
- multiple media (tablets, smartphones, etc.) to respond to the mobility and roaming needs of users,
- interoperability of applications and services, including within a corporate group,
- increasing use of information systems in SaaS mode to allow for changes in scale in a secure manner, without upheaval.

To meet these challenges, Cegid took major strategic initiatives in 2011, giving each sectoral business unit both the resources to develop functionally and technologically innovative applications and the responsibility for them. In early 2012, Cegid partnered with IBM to create the first private cloud in France, opening the door to innovative applications in most of our areas of industry expertise and offering our large international customers the opportunity to use the same functional components.


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Naturally, this strategy has been conducted with respect, ongoing dialogue and as a result, with reciprocal trust between us and our customers. Their satisfaction, as well as their belief in our ability to anticipate and respond, constitute the foundation on which all the initiatives we have carried out these past few years are based. The customer relationship is a daily quest and a source of progress and long-term success for all of our customers and for Cegid.

Jean-Michel Aulas
Chairman

"Good prospects for Cegid"

Patrick Bertrand, Chief Executive Officer

Cegid's strategy was vindicated again in 2011 with positive results, confirming that the path we have taken in recent years is the right one. This performance enables Cegid to maintain a high level of investment – a decisive factor for the future – and to continue taking initiatives and innovating in its markets.

The market has validated our positioning

Our strategic fundamentals are on target and in phase with market expectations

The growth of the last few years has prompted Cegid to put even more emphasis on the strategic principles that have governed its activities:

- Specialize in targeted areas of expertise so as to respond to industry- or function-specific user needs,
- Focus development efforts on scalable, flexible solutions that make our customers' investments long-lasting,
- Anticipate technological progress so as to support the change in usage modes and in market trends. Cegid embraced the internet a decade ago, creating collaborative online filing portals, integrating new mobile usage and developing business intelligence solutions. All of these initiatives contributed to improving our customers' everyday operations.

Cegid now helps more than 400,000 users do their job at 95,000 customer sites every day.

SaaS is an engine of growth riding on a technology of the future

From strategic vision to market reality

On-demand software solutions, made possible by the development of internet technologies, are now available to all users. In the coming years, this trend will intensify. A technological boost to competitiveness, SaaS offers numerous advantages: simpler financing, anywhere-anytime availability, flexibility and data security.

Following our 2004 acquisition of CCMX, which had developed strong expertise in this area in the early part of the last decade, we have stepped up our growth in this market and pursued our investment efforts. In 2011 we once again achieved strong growth in SaaS-mode sales to public and private companies, up 25% from the previous year to a total of €20 million.

From SaaS to the cloud: Cegid and IBM team up to create the Cegid Cloud made in France

The on-demand cloud model has the infrastructure features that a technologically-open world requires. When allied with specialized software solutions, the cloud is now the answer to market expectations in terms of competitiveness and business-line performance on the one hand, and availability and data security on the other.

The Cegid-IBM strategic agreement constitutes a major, unprecedented technological innovation in the French software market.

Through this alliance of complementary industry skills, Cegid will be able to place its software solutions in a private cloud whose infrastructure, located in France, will be managed by internal teams. This strategic initiative and the resulting innovation will enable Cegid to support its customers as they grow, while guaranteeing them the scalability and future-proofing they need in a highly secure environment.

Gaining market share internationally

Cegid has stepped up its support of retail sector customers as they expand internationally. To do this, we have created new subsidiaries, built a network of partners and developed product ranges specifically for this sector, translated into 25 languages and distributed in more than 70 countries.

In 2011, Cegid continued to expand internationally, launching new solutions for the manufacturing market and for the public sector. 2012 will see this trend magnified, as we create new subsidiaries and further strengthen our network of partners so as to open the markets of Eastern Europe, the Middle East and South America.

Forging enduring customer relationships

Customer relationships are a state of mind

Customer satisfaction is central to the dialogue between Cegid and its customers. A specific program, "CegidLife", will strengthen the customer relationship with new, shared initiatives.

Service quality is a must

Cegid is pursuing its efforts to improve service quality and provide the best possible support to its customers. New services such as e-learning, simplified deployment packages and extended application support demonstrate our desire to make it easier to use our solutions and to enable our users to take changes in the business in stride, in particular those connected with regulations. In 2011 for example, more than 6,500 users adopted the new "N4DS" employee data transmission standards painlessly and with personalized support.

Share satisfaction with our customers

Cegid systematically carries out customer satisfaction surveys. In 2011, more than 27,000 questionnaires were sent out. The objective is to publish the results of these surveys periodically and to launch initiatives aimed at improving the quality of the relationship.

Listen to customers and "co-develop"

Keen to give its customers a prominent role in the development of its solutions, Cegid has always wanted its user clubs to participate in improvements, in line with their industry specificities. Users form an integral part of the Cegid ecosystem, participating actively in the constant improvement in our technological and functional solutions depending on the challenges or business needs they face. We work closely with them.

Real resources are always human resources

Tools for constructive dialogue

Cegid's internal resources have always contributed to its growth through constant dialogue and employee participation in both improving work quality and determining operational orientation. More direct and with more commitment behind it, this dialogue has led to numerous agreements: equality between men and women, collective performance bonuses, planning of future skills and staffing requirements, disabilities in the workplace and prevention of psychosocial risks.

Apart from employees' significant contribution on workplace improvements, work groups are formed to propose very diverse initiatives within Cegid. It was in this context that the "Great place to work" ("KTB") program was launched. It includes workspaces redesigned by and for employees to give them the work environment and the opportunities for contact and dialogue that they require.

Cegid and community involvement

Similarly, Cegid is involved in partnerships and patronage through its employees' volunteer commitments. "Sport dans la ville" and "Entrepreneurs dans la ville" are among these initiatives. They aim, with the help of a sponsor, to enable young people to enter the workforce. The programs "Accessibilité", "Le Petit Monde" and the partnership with the Léon Bérard Center target initiatives that combat disabilities or seek to help people suffering from long-term illnesses.

Successful interaction between all these programs, based as they are on a clear strategy, will enable Cegid to pursue its development. We are confident, ambitious and attentive to our customers and our markets. We are innovating and investing more both in France and internationally. Quality and employee involvement are paramount. Thanks to these strengths, Cegid is entering a new period of growth and business development with enthusiasm.

“Yourcegid, enterprise solutions as unique as you are”

Using unobtrusive technologies delivering relevant information wherever you go, Cegid makes the needs of customers central to its strategy and offers them industry-specific solutions devoted to the development of their company.

Whether you are an entrepreneur or an executive of a large corporate group, **you want a partner** who can not only respond to your day-to-day needs but also support you and advise you as you grow.

Every company is unique and its needs specific to its business and environment. For this reason, **Cegid has created Yourcegid*, the integrated enterprise solution that has made your challenges central to its design.**

[You]

Chief executive
Entrepreneur
CFO
Tax manager
Human resources director
Manufacturer
Retailer
Hotel owner
Restaurant owner
CPA
Company executive in trading or services
Elected official or civil servant

Yourcegid
Software for Business

[Us]

Finance
Taxation
Human Resources
Performance Management
Retail
Industry
Hospitality
CPAs
Services
Trading
Associations
Public sector

* Yourcegid is the brand name for Cegid solutions.

“It all comes to life with CegidLife”

Every day, your company must rise to new challenges, and your IT system must support your business without a hiccup, constantly adapting to the needs of your enterprise. This is what Cegid's commitment is all about.

Customer satisfaction is the overriding priority

To help companies fully exploit Yourcegid solutions, Cegid offers **CegidLife, Cegid's brand of customer relationship.**

Customer satisfaction is the beacon that guides us and can be split into three components:

- the quality of our products,
- the quality of our services
- the quality of our everyday customer relationship.

At every link in the value chain, from product design to development, **from the customer relationship to deployment and support,** Cegid's staff think and act with the customer in mind. They provide expertise and coordination to support each company every day and at every step in the growth of the company.

The web and the new modes of consumption that go with it have enabled us to add a new, enhanced dimension to that customer relationship, one that facilitates dialogue, responsiveness and interaction. Including access to new, interactive tools, regular customer satisfaction surveys at all times, user clubs and more, **CegidLife offers an enriched customer relationship, reinvented every day by all of Cegid's employees.**

"CUSTOMER POWER", OR CEGID'S NEW CUSTOMER RELATIONSHIP

Launched in early 2011, "Customer power" is an internal awareness program designed to make employees active participants in the customer relationship.

It aims to encourage Cegid employees, who support our customers every day in the use of their Yourcegid solutions, to establish a new, closer, more direct customer relationship.

A magazine, a blog, conferences, events, ambassadors and "Live my life" experiences are all part of the dynamics that combine professional commitment with enjoyment for the benefit of the customer relationship.

Following a shared journey during which all of Cegid’s 2,000 men and women changed the way they look at the company and its customers, Cegid can now offer its Yourcegid users a new, multi-channel relationship and bring it all to life with CegidLife.

“Solutions that evolve as your company grows”

Companies are constantly changing. As a start-up, it must have a light and agile solution. Later on, it will need the most appropriate and powerful solutions to grow and perform.

Cegid's diverse customer base has led the Group to build solutions that correspond to their needs. **Our solutions take account of each company's size and budget,** offering products and services that respond to their specific needs. In this way, Cegid and its scalable solutions support customers on their path to growth, with the same commitment whether the customer is an independent contractor or a large corporate group.

WHO ARE CEGID'S CUSTOMERS?

66,000 "VERY SMALL" COMPANIES

Individual entrepreneurs, craftsmen, merchants, owner-executives ...

Their objectives are productivity and responsiveness.

Cegid offers these business people light, simple solutions that provide the basic functions of every company.

These solutions for the enterprise (accounting, invoicing, inventory, payroll, etc.) or the industry (point of sale, etc.) are available in SaaS mode.

For very small companies with very big ambitions.

25,000 SMEs

Two challenges: day-to-day operations and growth

SMEs want solutions that are not only productive immediately, but also scalable and capable of supporting them as they grow.

Looking beyond the functions of accounting, CRM and payroll, Cegid gives these companies more sophisticated functionality and analysis capability, enabling them to both manage and anticipate.

4,000 LARGE COMPANIES AND CORPORATE GROUPS

These customers expect an expert partner

Corporate executives, CFOs and human resources directors all want solutions with proven expertise, backed by a provider that can support them in the deployment of larger, more complex projects. The functional applications are thorough and the business intelligence applications are state-of-the-art.

Modular, agile and integrated, these solutions can be implemented rapidly and ensure a tangible return on investment in less time than the market's standard products.

© Jean-Luc Mège

"A solution for every functional department in the enterprise"

Finance, Taxation, Human Resources: the flexibility of Cegid's integrated, modular approach gives corporate executives functional solutions that communicate or that can be used on a standalone basis.

Yourcegid Finance

Yourcegid Finance covers the entire financial chain: the central accounting functions (accounting, fixed assets), the CFO's vertical applications (cash management, tax returns, customer credit and consolidation) and departmental applications, such as expense reports, purchasing management, budget preparation or management reporting.

With Cegid's comprehensive, modular and user-oriented information system, you can optimize processes and anticipate decision-making, regardless of the size of your company.

Yourcegid Finance includes the operating dimension and top-level coordination, all in the same enterprise software approach, for better cash management and quicker financial communication.

Financial performance management solutions round out the product suite to respond to the need for analysis and coordination on the part of corporate groups.

Yourcegid Taxation

Yourcegid Taxation, a standard in the market for many years now, offers a complete, robust solution, tailored to the legal requirements companies must fulfill: tax returns and financial publications, tax consolidation, other tax statements, online EDI filings and payment, and the (Etafi.fr) submission portal.

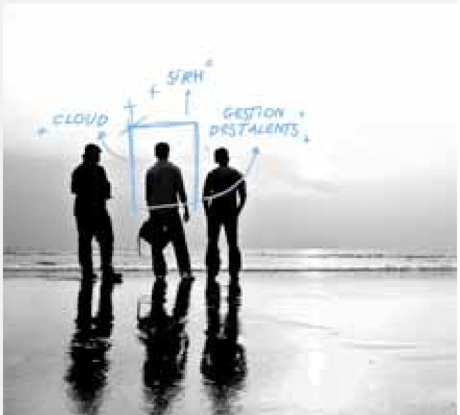
Traditional or 100% web, Yourcegid Etafi is still the champion in its category

Owing to its integrated and modular design, Yourcegid Taxation responds to the needs of both SMEs and large groups.

Advanced dashboard, workflow and reporting functions facilitate collaboration and supervision.

Yourcegid Human Resources

Payroll, personnel administration, planning, management of time and business activity, HR internal auditing, HR reporting and employee-related BI. Managing talent: skills, interviews, training.



The future depends on human resources. Depend on Yourcegid HR.

Yourcegid Human Resources, the market's benchmark solution, combines technological, functional and industry-specific expertise with a Web 2.0 interface and mobile capabilities (smartphones, tablets) to provide SaaS-mode solutions that enable HR directors to focus on increasing the value of their company's human capital.

“Cegid's vertical solutions: one for every professional”

Every industry has its special characteristics and expectations. Cegid offers industry-specific solutions integrating the customer's industry dimension into the very core of its products.

We **have long-standing expertise** in vertical market solutions, owing to the substantial accomplishments of our research and development teams and to the numerous times over the years that we have integrated vertical solution providers into the Group through targeted acquisitions. **Cegid has an in-depth knowledge of the peculiarities of each business sector, offers tailored solutions and services and maintains fully-dedicated sales, technical and support teams.** Cegid leverages these advantages to offer solutions that match the needs of business professionals.

Yourcegid Public Sector

With the creation of Cegid Public, we have expanded our product range and demonstrated that we are determined to strengthen our aggressive position in management solutions for the public sector. Specialized in local authorities and public services, Yourcegid Public Sector delivers management software in three functional areas: finance, human resources and citizen services. These solutions, also available in SaaS mode and in different versions for each user community, respond to the needs of organizations of all sizes.

Yourcegid Retail

Creating the product line, procurement budget and forecasts, sourcing, supply chain, omni-channel merchandising, inventory optimization, check-out, store management, CRM and loyalty, business intelligence, etc.

With more than 1,000 retailers and 20,000 points of sale using Yourcegid Retail solutions in the world, Cegid is strengthening its position as leader in software for specialist retailing and is expanding its international footprint. Through our expertise in performance management, cross-channel sales and mobility, we anticipate changes in this market and support customers in these new challenges.

Yourcegid Retail helps store chains of all sizes to optimize their industry processes, coordinate their activities and improve the customer experience at the point of sale. Solutions are available in more than 25 languages and localized for more than 70 countries.

Yourcegid Industry

Production management, sales management, CRM, planning, sales forecasting, sourcing, EDM, PLM, workflow, etc. Yourcegid Industry responds to the operational and decisional needs of industrial companies, be they manufacturers, sub-contractors or wholesalers, and whatever size their operation may be.

With an increasing number of subsidiaries of large manufacturing groups choosing Cegid's flexible, scalable, enterprise solution, appropriate for the size of their operation, Cegid has become a compelling alternative to the market's very large ERP systems. More than 2,300 professionals in the life sciences, high-tech, automotive, aerospace and consumer packaged goods sectors have chosen Yourcegid Industry solutions in France and more than 30 other countries.

Yourcegid Services

Yourcegid Services gives companies that need to track their business on a **per-contract, per-project or per-assignment basis** a comprehensive view of each contract and enables them to focus on their core business. Recently enriched with the Axeteam range, Yourcegid Services brings together estimates, resources, agendas, procurement and *à la carte* invoicing (time & materials, flat fee, subscription, contract) in a single solution, as well as tools for data analysis and monitoring.

Yourcegid Hospitality

Multi-location management, calendar, online reservations and management of distribution channels, allotments, CRM and loyalty, payment, mobile order-taking, supply optimization, inventory management, centralized management, consolidated statistics, autonomous mode, budgeting.

This array of modules responds to the demands of hospitality industry professionals with functionality suited to the size of their company, from independent hotels to large hotel groups and from traditional restaurants to the major chains.

Yourcegid Associations

This complete range of applications in SaaS mode is for not-for-profit entities that want to improve their administration, accounting and financial management while communicating with their members and with the public entities that finance them. It is particularly well adapted to users (volunteer managers) who need software that does not require prior training. Similarly, **Yourcegid Trade Unions** offers accounting solutions to trade unions that must now comply with financial transparency criteria into order to be considered representative.

Yourcegid Entrepreneurs

Cegid offers each of these small companies – independent professionals and artisans, merchants, trading companies – complete enterprise solutions in SaaS mode. No more upgrades, no more back-ups. Freedom, mobility, accessibility and security are among the advantages offered by Yourcegid Entrepreneurs.

This solution is also part of the set of collaborative, online services enabling CPAs to connect and share accounting information with their small company clients, at any time and remotely.

Yourcegid Accounting Profession

Our expertise in enterprise software for CPAs and their clients **derives from our long-standing relationship with all members of the accounting profession** (CPAs, auditors, accounting oversight agencies).

Combining Cegid Expert, Quadra Expert and Ccmx Expert, Yourcegid Accounting Profession addresses all the needs of the accounting profession: handling of accounting, tax, legal and employee data, management of the accounting firm, and the accountant's desktop environment. Yourcegid Accounting Profession also offers advisory tools and collaborative portal solutions that facilitate the relationship between the accounting entity and its corporate customers and optimize oversight of their accounting and financial management.

Through value-added partnerships, Yourcegid Accounting Profession has added connected, complementary solutions (advisory tools, legal content, personal tax information, automatic invoice integration, reminders and dashboards).

The Yourcegid Accounting Profession Cegid Expert and Quadra Expert solutions are available in SaaS mode using pooled resources and a systematic approach.

“The best technologies and the highest level of security”

Decision-makers now want their IT system to deliver relevant information, accessible from anywhere, in an open but secure environment. Technology must therefore meet its objectives but run in the background while the usage mode and user benefits take center stage.

MOBILITY, BUSINESS INTELLIGENCE, SAAS: USAGE MODES ARE CHANGING DRAMATICALLY

Technologies are rapidly changing, influenced by new, market-driven usage modes and customer demand: access for all to web applications, and mobility at all times via tablets and smartphones are but a few examples of major trends that are here to stay.

More specialized, "Bigdata" oriented innovations proposing integrated business intelligence and dashboard functionality add to the array of applications and services available online or onboard.

Software, until recently installed on the enterprise's own servers, can now be accessed from afar in SaaS (Software as a Service) mode and grouped in clouds of application resources or service packages that make the solutions interoperable.

All of these innovations have changed the end-user's rapport with the technology, which must now be more intuitive and more user-friendly, and delivered via more a natural interface.

These changes, which have been naturally integrated into Cegid solutions, must also respond to the increasing sophistication of today's users, who bring more know-how to the enterprise while generating more demands for resources available in the professional environment..

THE TECHNOLOGY ENSURES CHANGE AND SECURITY

To put the enterprise and its decision-makers at ease, security and its multi-dimensional context has always been a top priority for Cegid, ranging from data, network and software security to legal compliance.

With its high level of R&D investment and its strategic partnerships with the world's leading companies or with specialized market participants, Cegid offers all of its customers personalized solutions in each of their lines of business leading to natural change without upheaval.

To ensure that its solutions have the ability to evolve, Cegid works with the best technological standards, using a non-exclusive, agnostic approach, so that its customers can make secure, lasting and well-informed decisions.

"Yourcegid On Demand makes the enterprise's information system more agile"

Leader in cloud computing for the accounting profession and human resources, Cegid is one of the fastest-growing companies in the SaaS (Software as a Service) and cloud computing markets.

This is because we have been investing for several years now so as to have the human and technical resources necessary to operate SaaS-mode solutions. Owing to this strategy, we can now offer our customers high-quality, readily-available and efficient online solutions.

Discover the ease of SaaS

A SIMPLE, OPEN, UNFETTERED USAGE MODE

Yourcegid On Demand solutions are comprehensive service offerings, including hosting and use of the Cegid software and are guaranteed by our commitment to quality. With Yourcegid On Demand, enterprises increase the security and performance of their information system, free themselves from both hardware and software constraints, and plan and control their budget through an all-inclusive subscription. While maintaining complete visibility on their information system, they can now concentrate on the strategic side of their business.

Yourcegid On Demand solutions are used by enterprises of all sizes, in all sectors of the economy, for all functions.

CEGID CLOUD MADE IN FRANCE: CEGID AND IBM TEAM UP TO CREATE A PRIVATE CLOUD

The recently-signed Infrastructure as a Service contract will enable Cegid to operate its SaaS solutions from an IBM personalized, private cloud in France. We will accelerate our growth in the cloud computing market, offering a more advanced response to the performance and security challenges of French companies, the public sector, not-for-profit entities / associations and the academic world.

Jean-Michel Aulas – Chairman of Cegid
Alain Bénichou – President of IBM France

KEY FIGURES

- 24,000 "very small" companies online
- More than 650 mid-sized and large-account customers in retailing, the accounting profession, manufacturing, and services:
  - 50,000 users,
  - 4,500 CPA firm employees,
  - 225,000 employees managed in "On Demand" (SaaS) mode,
  - Retail sector customers log in more than 150,000 times per month.
- 350 local authorities and other public entities
- Heavy traffic on the portals:
  - 275,000 online declarations via the Etafi.fr submission portal,
  - 175,000 comptanoo.com members.

* see PAC SIRE France study, 2011

"Cegid, a local presence throughout the world"

Through sales offices, subsidiaries and an international network of Cegid partners, Cegid solutions are deployed and localized in more than 70 countries. Cegid is now a global partner capable of supporting international companies as they develop on every continent.

Cegid's head office in Lyon

IN FRANCE

Cegid has built **an extensive sales network, both direct and indirect,** for the distribution of its solutions. It has **adopted a personalized approach based on strong expertise in advisory, support and other services.**

40 LOCAL SALES OFFICES

Spread over all of France, Cegid's sales offices **maintain a local relationship with their customers. Our nearly 430-strong salesforce possesses in-depth knowledge of the industries in which our customers are active. Attentive to their concerns, these salespeople often have a dual skillset: technical expertise, along with knowledge of the customer's business. This makes their recommendations and suggestions particularly valuable.**

THE OFFICE-BASED SALES STAFF IS ALWAYS AVAILABLE

85 office-based salespeople field calls from 95,000 Cegid customers and are in direct, daily contact with them.

CEGID STORE: AN INNOVATIVE CUSTOMER RELATIONSHIP

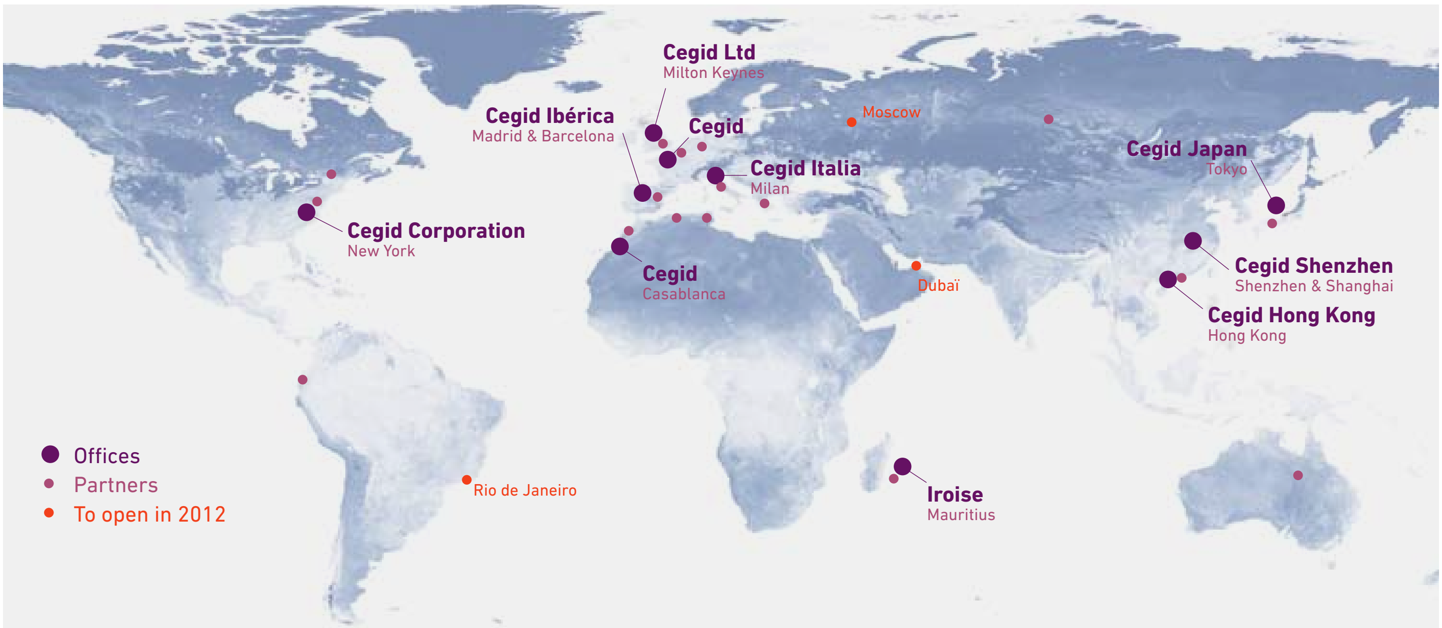
CegidStore™

Simple, intuitive and available 24/7, the "Cegid Store" makes it easy for all Cegid customers, prospects and accredited resellers to find the appropriate service or solution in the online boutiques devoted to each of the industries and functional areas Cegid covers. Launched in 2010, Cegid Store has already attracted several thousand customers.

www.cegidstore.com

A NETWORK OF 200 PARTNERS

A network of 200 carefully-selected, trained and certified partners strengthens Cegid's presence throughout France and is complementary to Cegid's salesforce.



Follow-the-sun, 24/7 customer service.

IN THE WORLD

With a direct presence in the United States, China and the principal European countries, Cegid's international presence is growing, principally in the retail industry and now in manufacturing as well. **By combining our existing locations with newly-acquired ones and signing new strategic partnerships,** we have given our international growth a boost and now have numerous customers on all continents. Cegid can now provide its services and improve the productivity of both local and multinational companies.

SUBSIDIARIES CLOSE TO THEIR CUSTOMERS

To cultivate the same type of local relationship abroad that has been so successful for Cegid in France, Cegid has a direct presence in **New York, Barcelona, Madrid, Milan, London, Casablanca, Shenzhen, Shanghai, Hong Kong, Tokyo and Mauritius.**

Cegid is located on Madison Avenue, in the heart of Midtown Manhattan (near Grand Central Station)

25 INTERNATIONAL RESELLER-PARTNERS

To step up worldwide development, Cegid also relies on a network of resellers and partners. They are spread around North & South America, Europe, Asia and North Africa, contributing their skills and adding value to Cegid's existing distribution network. These carefully-selected companies, prominent in their local markets, **have full knowledge of the specific sectoral, legal, employment, tax and accounting parameters** of the countries in which they are located. Able to both advise the customer and implement information systems, they ensure localization, sale, deployment and first-level support of Cegid products.

KEY FIGURES

Solutions deployed in more than 70 countries

Offered in more than 25 languages

20,000 points of sale use Cegid solutions

“An ecosystem that adds expertise and brings us closer to customers”

Today's environment demands openness, alliances and partnerships. To handle today's increasingly complex projects, we must be able to create an ecosystem encompassing technology leaders, complementary software providers, integrators and a network of resellers so as to bring out the most value in our products and services.

Allied with Cegid's own sales efforts, this multi-channel approach responds to the expertise and local presence that customers demand and supports Cegid's growth.

CEGID EDUCATION, MORE THAN 1,000 PARTNERS AND MORE THAN 50,000 STUDENTS TRAINED EVERY YEAR

Launched in 2004 to help young people hone their employment skills, the Cegid Education program enables high schools, universities, business schools and vocational training centers to put management solutions tailored to the needs of business in the hands of tomorrow's professional users.

With its ERP officially recognized by the French Government since 2005 as an important teaching tool, Cegid Education has already attracted more than 900 secondary schools, business schools and professional training centers (public & private), as well as around 100 universities and prestigious French business schools, and trains more than 50,000 students per year.

Expanded partnerships have been signed with universities. In addition to training students, they aim to create specific courses of study, research programs or to endow a corporate-academic chair.

HISTORICAL PARTNERSHIP WITH PUBLIC ACCOUNTING FIRMS (CPAS)

CPA firms are open to the world. And especially to their clients.

More than 7,000 accounting firms use Cegid solutions and advise their corporate customers in the choice and use of an enterprise software solution. Cegid offers its **small corporate customers** a range of packaged or On Demand solutions compatible with their needs and in synch with the system used by their CPA. Communicative tools, similar ergonomics, facilitated data interchange, reliable transmission: each of these features brings immediate productivity gains.

Cemagid, a joint venture between Cegid and Groupama–Gan Assurances to develop innovative products and services for CPAs and their customers with portals that include advice, content and training:

- Wexperandyou.com for the accounting profession,
- Comptanoo.com for small and mid-sized companies,
- Monassociation.com for not-for-profit entities and associations,
- Macollectivite.com for the public sector,

and numerous decision-support tools that are part of an advisory and economic intelligence (reminders) approach.

200 RESELLERS IN FRANCE, 25 INTERNATIONALLY

In addition to its business-specific solutions and direct presence in France, the 200 Cegid Partners, certified by Cegid as experts in one or more business lines, strengthen Cegid's presence among SMEs in France, including the very small companies for which they propose dedicated SaaS-based solutions. Selected for their expertise and specialist know-how in enterprise software solutions, Cegid Partners assess their customers' business and organizational needs in order to help them choose and roll out the most appropriate Cegid solution.

For international deployment, in particular in the retail and manufacturing industries, a network of 25 international partners, prominent in enterprise software in their geographical region, participate actively in Cegid's international business development strategy.

A certification program validates the expertise in the domestic and international partner networks with "Gold" and "Silver" ratings representing the most advanced level of qualification.

PARTNERSHIPS THAT ENRICH THE PRODUCT RANGE

Customers now expect an all-inclusive service encompassing applications that cover not only the whole of their field of expertise, but also industry-specific content that directly addresses their needs. Partnerships with specialized software or content providers enable Cegid to offer enriched vertical solutions. Isotools, Carlabella, Sidetrade, Novapost, Kyriba and Octime are just some of the partners enabling Cegid to offer full-fledged service packages to its customers.

SELECTED INTEGRATORS TO HANDLE SIGNIFICANT, INTERNATIONAL PROJECTS

Certain application projects require strong commitment or comprehensive project support (integration, TPAM, support). To respond to these challenges and in line with its strategy to refocus on its software provider business, Cegid has joined forces with partner-integrators specialized in the industries and functions it addresses (Finance, Retail, Manufacturing, HR/payroll, etc.). This group of companies, which includes IBM, Logica, Homsys-Viseo, Cleversys and Umanis, are specialized and certified by area of expertise and help Cegid put its solutions into production at customer sites.

To ensure they build upon their skills, Cegid offers broad-based support. This might take the form of university training leading to certification, or Cegid might make functional and technical expertise available on a project or provide the required national or international support.

"An open and dynamic HR policy"

For a company that is a leader in its market, power is meaningless if it is not shared. As part of our effort to make a lasting impact on our environment, we are constantly investing in new initiatives and empowering our employees, all with the same objective: bring the company and the people who work to develop it closer together.

For a company to grow and develop, **every employee must be motivated.** For this reason, Cegid has been built from the outset on **a dynamic HR environment, linking corporate performance to the individual's development and sense of fulfillment.**

SUPPORT THE DEVELOPMENT OF EACH EMPLOYEE

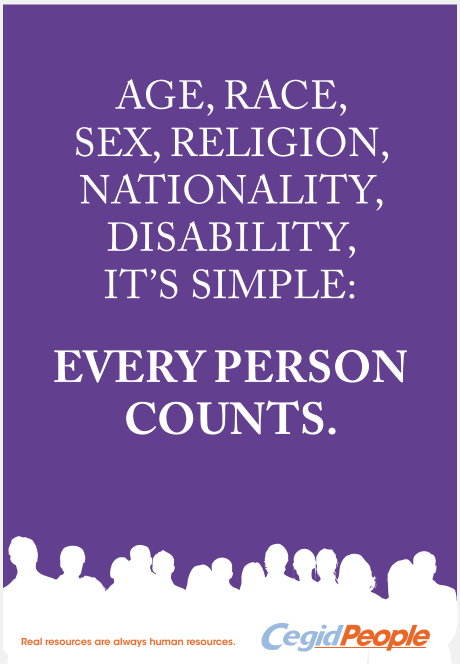
By putting emphasis **on dialogue, internal mobility and training,** Cegid's HR policy combines advanced skills management with professional and personal development. This leads to a high-performance working environment, which benefits both the employees and Cegid's customers.

A compensation system combining individual and collective performance motivates employees and encourages them to identify with a corporate strategy shared by all.

CORPORATE SOCIAL RESPONSIBILITY: SPECIFIC COMMITMENTS

Cegid has always opposed discrimination and in particular that based on sex, race, religion, national origin, political opinion, sexual orientation, economic status, age or disability.

These commitments have been formalized in **company-wide agreements,** reflecting the ongoing dialogue between management and personnel representatives. These agreements cover areas such as equality between men and women, collective performance bonuses, planning of future skills and staffing requirements, senior employees, disabilities and psychosocial risks.



"GREAT PLACE TO WORK" ("KTB")

An employee-led business initiative in 2011

Taking into account employee expectations and in an effort to foster dialogue and teamwork, meeting rooms, coffee break areas and open office spaces have been redesigned.

The new, colorful workspaces put priority on sharing, listening and understanding, for the well-being of employees and for that of our customers.

"Social responsibility cultivating sustainable investment"

Cegid is involved in social integration, healthcare and education in local communities, not only through partnerships and patronage, but also through volunteer commitments on the part of its employees.

SOCIAL INTEGRATION THROUGH SPORTS

Accordingly, Cegid employees are involved in several programs to help young people integrate the workforce, including the programs of **Sport dans la Ville,** an association supported by OL Fondation. Sport dans la Ville (Sports in the City) supports young people in difficulty, by using sports to guide them towards training and landing their first job.

Every year, more and more "CegidPeople" agree to sponsor a young person. Being a sponsor is a simple, concrete way of getting involved. Sponsors enable young people to better understand the professional world by helping them through the academic or professional integration process. Meanwhile, Cegid's top-level managers give help and advice to young entrepreneurs through Entrepreneurs dans la Ville.

PRIORITY ON HEALTH

Cegid provides financial support for cancer research by participating in the Léon Bérard Center's fund-raising drive. In addition, Cegid mobilizes its customers by donating €3 to the program for every order placed on its e-commerce website. This project is part of Cegid's **pursuit of its commitment to health and to the well-being of patients and their families.** Already actively involved in health-related initiatives via the OL Fondation, Cegid also supports Petit Monde, a charity for sick children at the Women and Children's clinic in Bron.

OUTDISTANCING DISABILITY

2011 – EMPLOYEE INVOLVEMENT

The company-wide agreement promoting a socially responsible employment policy with regard to people with disabilities, signed in 2009, raised awareness among employees about disability in the workplace. Cegid employees also participate as volunteers in the Accessibility project, whose objective is to improve access for people with reduced mobility, and in the race organized by the Special Olympics.

Seventeen people with disabilities have joined Cegid since 2009.

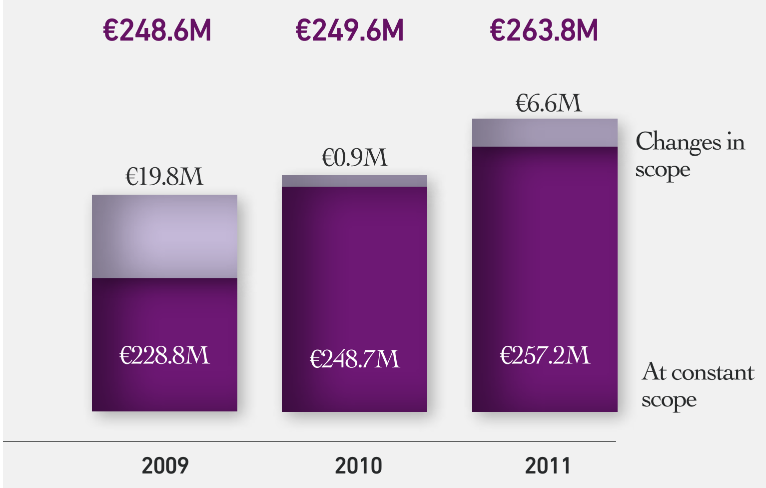
SUPPORTING INNOVATION, ENTREPRENEURSHIP AND EMPLOYABILITY

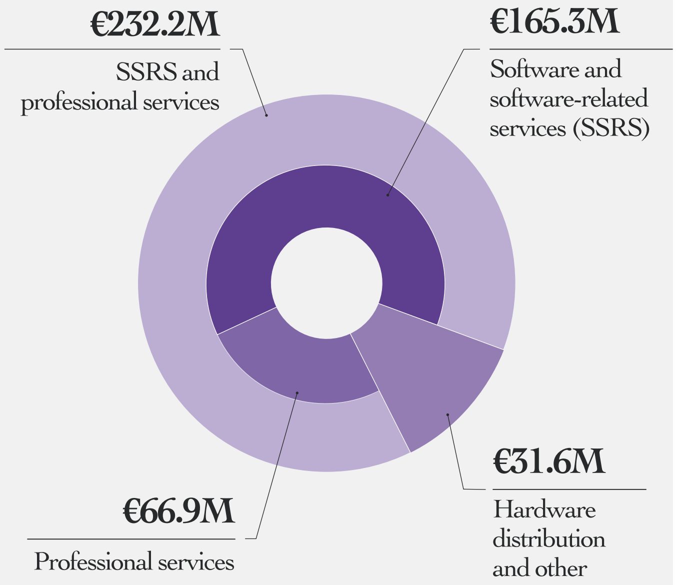
Through **Cegid Education,** we express our strong commitment to help train young people in the digital technologies used in the business world, a necessary condition for employment in today's job market. Numerous partnerships with secondary schools, universities and professional training schools bring the academic and professional worlds closer together.

In particular, Cegid has worked with **EM Lyon Business School** to advance research into ICTs (information and communications technologies) and the innovation process in the software industry. Cegid and EM Lyon Business School entered into this relationship through a foundation called EM Lyon Entrepreneurs pour le Monde (EM Lyon Entrepreneurs for the World), created under the auspices of the Fondation de France.

SALES

2011 SALES: UP 5.7%





GROWTH IN STRATEGIC BUSINESSES

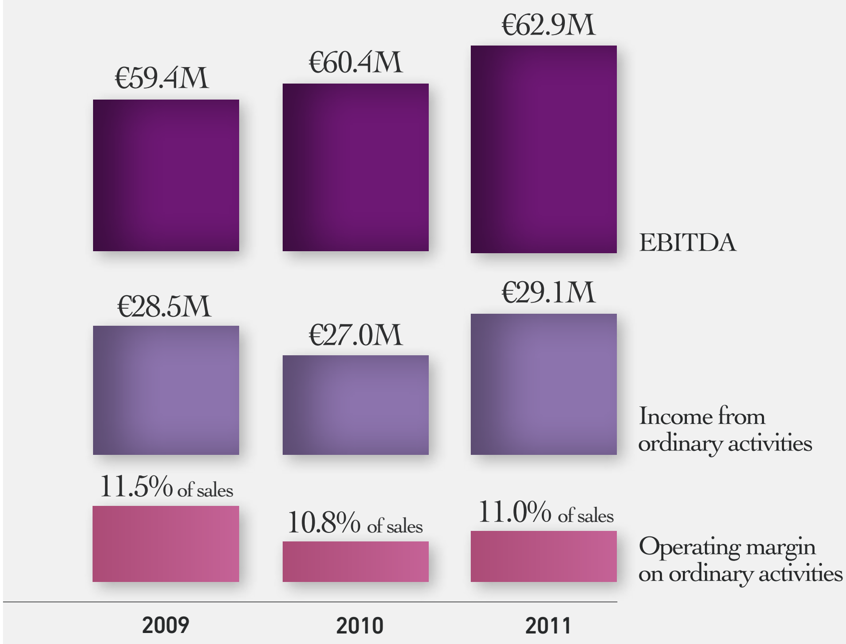
SaaS sales up 25%

Active SaaS contracts up 53% €32M

Recurrent sales: €131.6M

EARNINGS

2011 INCOME ORD. ACTIVITIES: UP 7.6%

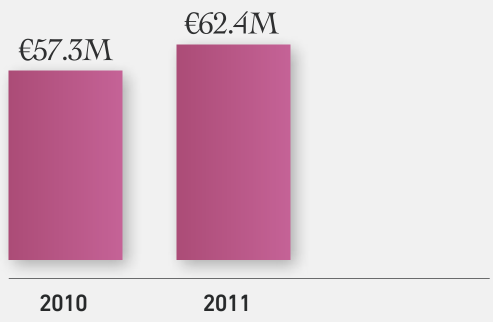


FINANCIAL STRUCTURE

2011 CASH FLOW: UP 9.0%

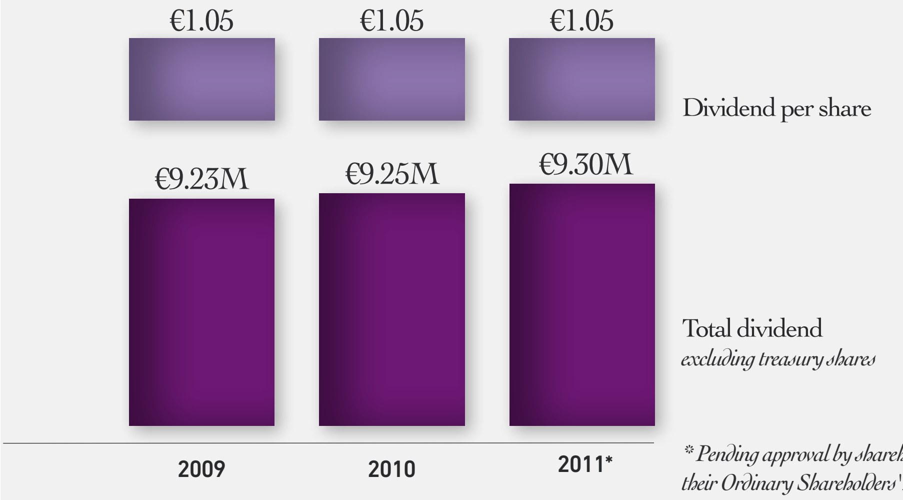
CASH FLOW GENERATED BY THE BUSINESS

before interest and tax paid



GEARING: 35%

DIVIDENDS



* *Pending approval by shareholders at their Ordinary Shareholders' Meeting*

CEGID GROUP

NYSE EURONEXT: CGD

Stock market: Eurolist by Euronext Paris Compartment C

ISIN FR: FR0000124703

Reuters: CEGI.PA

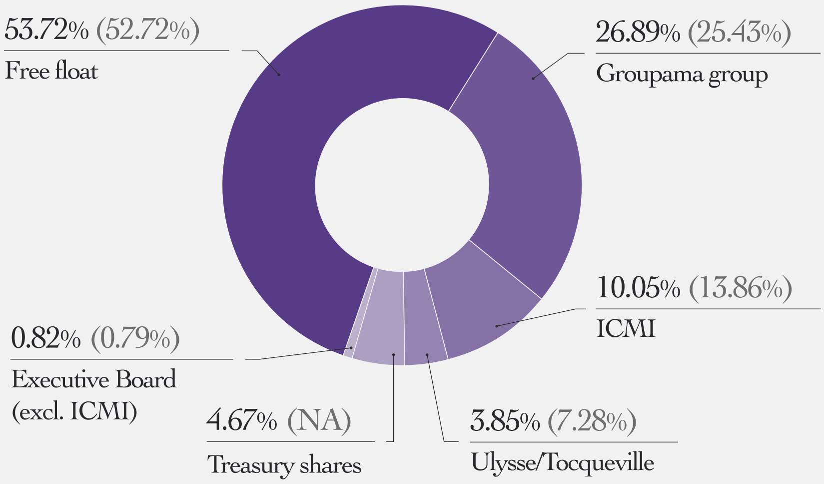
Bloomberg: CGD FP

NextEconomy FTSE segment: 9537 Software

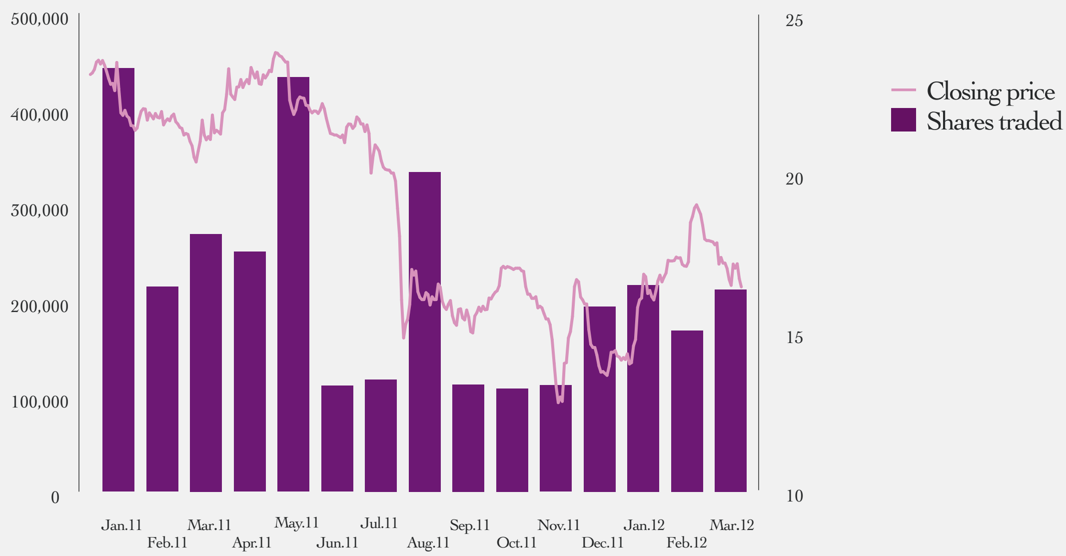
Indices: Small 90, Mid and Small, ITCAC and All-Tradable

CEGID GROUP
DISTRIBUTION OF SHARE CAPITAL AS OF MARCH 31, 2012

% of shares (% of voting rights)



CEGID GROUP SHARE



KEY FIGURES

€263.8M in sales
More than 2,000 employees
40 sales offices in France
More than 200 resellers
including **25** international reseller-partners
1,000 Cegid Education partners
Presence in more than 70 countries
95,000 customers
400,000 users
Solutions in more than **25** languages
A hotline for every country

CEGID GROUP BOARD OF DIRECTORS

Jean-Michel Aulas, Chairman,
ICMI, represented by Patrick Bertrand, CEO,
Valérie Bernis,
Franklin Devaux,
Lucien Deveaux,
Jean-Luc Lenart,
Jacques Matagrin,
Astrid Panosyan,
François Peythieu,
Michel Reybier.

At their May 10, 2012 Annual Meeting, shareholders will be asked to appoint Quitterie Lenoir and Florence Poivey as new Board members.

THE CEGID MANAGEMENT TEAM

| *Pierre Dianteill, Christian Loyrion, Pascal Guillemin, Sylvain Jauze*
| *Nicolas Michel Vernet, Jean-François Marcel, Jean-Louis Decosse, Jean-Michel Monin, Sylvain Moussé, Thierry Luthi*
| *Antoine Wattinne, Patrick Bertrand, Hélène Barrios, Nathalie Echinard*

SATISFIED CEGID CUSTOMERS

Yourcegid
Software for Business

| Académie de Grenoble - CARMI Tertiaire | Aelia | Alain Figaret | André | Anne Fontaine | Asics | Atlantes | Autogyre | Aubert | Ballatore & Chabert | Blanco | Bonpoint | Borelly | BPO Conseils | Brunello Cucinelli | Buffalo Grill | Caroll | Carré Blanc | Cité Internationale Universitaire de Paris | Club Med | Cornilleau | Darjeeling | DECIP | Devanlay Lacoste | Dubbing Brothers | Du Pareil Au Même | École des Mines d'Alès | EMLyon Business School | Emmaüs | EMSI Grenoble | Encuentro Moda | ESDES | Façonnable | Fahrner | France Loisirs | Gant France | Gérard Darel | Gestform | GGF | Grenoble École de Management | Greta Tertiaire de Lyon | Griesser France | Groupe CESI | Groupe IGS | Groupe Réalités | Groupe Royer | Groupe Soufflet | Groupe Zannier | Groupement A13 | Hobie Cat | IAE de Bretagne Occidentale | IAE d'Orléans | IAE Lyon - École Universitaire de Management | IDRAC | IGR IAE Rennes | Institut Paul Bocuse | IUFM des Maîtres (Toulouse) | IUT de Bourges | IUT de Clermont-Ferrand | IUT de Lorient | IUT de Nantes | IUT GLT de Quimper | JM Weston | Kusmi Tea | Laboratoire Body Nature | Lafuma | L'atelier des chefs | Le Joint Technique | Léa Nature | Le Tanneur | Lido | Linvosges | Lise Charmel | L'Occitane | Lollipops | Longchamp | Louis Pion Médicis | Minelli | Naf Naf | Narbonne Accessoires | Norauto | Ollandini | Orchestra | Patry | Photo Service | Pluricosmética | Quiksilver | Quinta | Renault Tech | Réserve Naturelle | Résinence | Rip Curl | Rossignol Pierre SA | Salsa | San Marina | SECPA | SGEL | Sony | Tally Weijl | Ted Baker | The Kooples | Thiriet | UMR | Uneal | Université de la mode | Vatel |Yves Rocher | Zadig et Voltaire |

EVERY MORNING,
YOU WANT TO CONQUER THE WORLD.
SO DO WE.

EVERY MORNING
YOU WANT
TO CONQUER
THE WORLD.
SO DO WE.

Fiscal year 2011

Management report
Financial statements
Legal information

This document is an English-language translation of the French Reference Document ("Document de Référence") filed with the Autorité des Marchés Financiers (AMF) on April 18, 2012, in compliance with Article 212-13 of the AMF's General Regulation. Only the original French version can be used to support a financial transaction, provided it is accompanied by a prospectus (note d'opération) duly certified by the Autorité des Marchés Financiers. The document was produced by the issuer, and the signatories to it are responsible for its contents.

Pursuant to Article 28 of EU Regulation 809/2004 of April 29, 2004, the reader is directed to the previous Reference Documents for certain information:

- The 2010 management report of the Board of Directors, consolidated financial statements, parent company financial statements, and Statutory Auditors' reports on the consolidated and parent company financial statements can be found in the Reference Document filed with the AMF on April 27, 2011 under number D11-368.
- The 2009 management report of the Board of Directors, consolidated financial statements, parent company financial statements, and Statutory Auditors' reports on the consolidated and parent company financial statements can be found in the Reference Document filed with the AMF on April 23, 2010 under number D.10-308.

The other items contained in the two Reference Documents referred to above have been replaced or updated, as necessary, by information furnished in the present Reference Document and are not incorporated herein by reference.

Copies of this document may be obtained at the head office of Cegid Group (52 quai Paul Sédallian 69009 Lyon), from its website (www.cegid.com/societe_investisseur.asp) or from the website of the Autorité des Marchés Financiers (www.amf-france.org).

"Contents"

2011 Financial Statements

General information about the Company

Name: Cegid Group

Head office: 52, quai Paul Sédallian, 69009 Lyon, France.

Legal form

SA Cegid is a French société anonyme with a Board of Directors governed by its bylaws and the laws and regulations in force and in particular the new articles of the French Commercial Code.

Applicable law

French law.

Date of incorporation
Term

The company was created on August 26, 1983 for a term of ninety-nine years from the date of its registration in the Companies Register, unless extended or dissolved before term.

Corporate Purpose (Article 2 of the bylaws)

The purpose of the Company both in France and abroad is to:

- sell and provide information technology services,
- design, develop and sell computer software,
- provide training and assistance of any kind to users of computer hardware and software,
- conduct any kind of information technology activity for the accounting profession or for other businesses,
- conduct any kind of industrial, commercial or research activity related to electronic and information technology products and equipment, including in particular the manufacture, purchase, sale, wholesaling and maintenance of said products and equipment and, more generally, provide any service in the fields of electronics and information technology,
- purchase, sell and operate any kind of information system, both hardware and software,
- purchase and resell any kind of information technology equipment and any equipment related to the information technology business,
- purchase and resell information technology programs,
- purchase and resell office supplies and accessories.

To these ends, the Company may:

- create, acquire, sell, exchange, lease, as a lessee or lessor, with or without a commitment to sell, manage and operate directly or indirectly, any industrial and commercial establishments or other premises, production or construction sites, as well as moveable property and equipment,
- obtain or acquire any production patents, licenses, processes and brands; use, sell or contribute them or grant any operating licenses in any country,
- and generally conduct any type of commercial, industrial, financial transaction or transaction on moveable or immovable property directly or indirectly related to or that might further the company's purpose or facilitate the fulfillment thereof.

Companies register
Codes

327 888 111 RCS LYON
NAF code: 7740Z
ISIN code: FR0000124703
NYSE EURONEXT: CGD

Location where Company documents may be consulted

The bylaws, financial statements, reports and minutes of Shareholders' Meetings can be consulted at the head office: 52 quai Paul Sédallian, 69009 Lyon, France.

Fiscal year

The fiscal year commences January 1 and ends on December 31 of each year.

Distribution of earnings according to the bylaws (Article 30)

"The net income or loss for the year is equal to revenues less overheads and all other corporate expenses, including depreciation, amortization and provisions.

Before any distribution may be made, the amount that must by law be transferred to 'legal reserves' is first deducted from the fiscal year's net income, less prior losses, if any. This amount is equal to five percent (5%) of net income less prior losses until legal reserves reach one-tenth of the share capital. If, for any reason, legal reserves should subsequently fall below this percentage, the deduction becomes mandatory once again. Distributable earnings consist of the net income for the year less prior losses and the amounts transferred to legal reserves, plus retained earnings.

On the recommendation of the Board of Directors, shareholders may decide, in their Annual Meeting, to distribute all or part of net earnings as dividends, allocate them to reserve or capital amortization accounts or carry them forward as retained earnings. At the Annual Meeting during which the financial statements for the fiscal year are examined, shareholders may decide to grant themselves the option of receiving all or part of the dividend in cash or in shares.

At the Ordinary Shareholders' Meeting, the shareholders may also decide to pay the dividend in kind.

Shareholders may also use available reserves to pay dividends. In this case, the decision indicates specifically from which accounts the deductions are made.

Nevertheless, except in the case of a reduction in capital, no distribution shall be made to shareholders when shareholders' equity is, or would become following such distribution, less than the amount of share capital plus reserves that the law or the bylaws prohibit from being distributed."

Court of jurisdiction

The Commercial Court of Lyon.

Shareholders' Meetings (Articles 20-29 of the bylaws)

Article 20: Invitation to Shareholders' Meetings

"A notice of meeting is published in the BALO (Bulletin of Mandatory Legal Announcements) at least 35 days before the Meeting date and an invitation to the meeting is published in a journal of legal announcements in the *département* where the head office is located and in the BALO at least 15 days before the Meeting date. However, when the meeting is called pursuant to Article L.233-32 of the French Commercial Code, the timeframe within which the publication of a notice of a meeting in the BALO must take place is reduced to 15 days and the timeframe within which the publication of an invitation to the meeting in a journal of legal announcements in the *département* where the head office is located and in the BALO must take place is reduced to six days."

Access to Meetings - Powers (Article 22)

"All shareholders have the right to participate in Shareholders' Meetings and to take part in deliberations personally or through a proxy, regardless of the number of shares they own, on proof of their identity, by recording the shares in their name or in the name of the intermediary registered as acting on their behalf, in application of the seventh paragraph of Article L.228-1 of the French Commercial Code, at midnight, Paris time on the third business day preceding the meeting, either in a registered shares account held by the Company or in a bearer shares account held by the accredited intermediary."

Exercising voting rights

Thresholds specified in the bylaws

Article 11 of the bylaws stipulates that "any shareholder acquiring at least 2% of the share capital or any multiple thereof must inform the Company within 15 days by sending a registered letter (with return receipt) to the head office. If they are not so declared, the shares exceeding the fraction that should have been declared shall be deprived of their voting right, as provided by law, provided that one or more shareholders holding at least 5% of the share capital make such a request during the Shareholders' Meeting."

Voting rights

At the Special Shareholders' Meeting of May 12, 1986, shareholders implemented a double voting right for shares registered in the name of the same shareholder for at least two years. At the Special Shareholders' Meeting of June 23, 1989, shareholders increased the minimum registered timeframe to benefit from a double voting right from two years to four years (Article 24 of the bylaws).

Article 24 of the bylaws stipulates that "the voting right attached to shares shall be proportional to the share of capital they represent. Each share carries the right to one vote. Nonetheless, a double voting right is granted, in accordance with applicable law, on shares that have been registered for at least four years in the name of the same shareholder."

The double voting right ceases for any share that is converted to a bearer share or transferred, except for transfers resulting from inheritance or gifting, provided the shares remain in registered form. In the event of a grant of bonus shares, they benefit from a double voting right four years after they are registered in the name of the shareholder.

Double voting rights may be canceled via a decision of shareholders in a Special Shareholders' Meeting after ratification of beneficiaries in a Special Meeting of beneficiaries.

Changing share capital according to the bylaws (Article 7 of the bylaws)

The share capital may be increased by any method or manner authorized by law.

Amount of share capital subscribed, number and classes of existing shares

Share capital totals €8,771,404.15, divided into 9,233,057 shares with a par value of €0.95 each and fully paid up.

Unissued authorized capital

At their May 19, 2011 Special Meeting, shareholders authorized the Board of Directors to:

- reduce the share capital by the cancellation of shares held in treasury, limited to a maximum of 10% of the share capital per 24-month period, for shares acquired in line with the authorizations granted in resolution six of the Shareholders' Meeting of May 19, 2011,
- issue shares and/or securities that give immediate and/or future access to the capital of the Company reserved for members of an employee savings plan pursuant to the French Commercial Code and Articles L.3332-18 et seq. of the French Labor Code,
- grant subscription-type and/or purchase-type stock options for the benefit of employees and/or executive officers of the companies in the Group,
- allocate existing shares or shares to be issued as bonus shares.

At their May 6, 2010 Special Meeting, shareholders authorized the Board of Directors to:

- issue marketable securities while maintaining shareholders' preferential subscription rights pursuant to Articles L.225-129, L.225-129-2, L.228-91 and L.228-92 of the French Commercial Code, limited to a maximum par value ceiling of €30 million. These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value),
- increase share capital through capitalization of reserves, earnings or share premium, limited to a maximum par value ceiling of €30 million,
- issue marketable securities with waiver of preferential subscription rights, pursuant to Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-91, L.228-92 and L.228-93 of the French Commercial Code, limited to a maximum par value ceiling of €30 million. These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value).
- increase the amount of securities issued in the event of surplus demand,
- issue shares and other securities and freely set their issue price,
- increase the capital by up to 10% in consideration for contributions-in-kind,
- issue bonus share warrants to Company shareholders,
- use its authorization to increase or reduce share capital when the shares of the Company are subject to a public takeover offer,
- use the powers granted under resolutions four, five, and six of the May 6, 2010 Special Shareholders' Meeting to carry out, pursuant to Article L.225-136 of the French Commercial Code, one or more issues of equity securities with waiver of preferential subscription rights via private placement, as allowed under Article L.411-2, II of the Monetary and Financial Code.

Securities not representing capital

None.

Pledges of "pure" registered Cegid Group shares

As of December 31, 2011, to the best of our knowledge, 592,001 Cegid Group shares were pledged.

Assets pledged as security

As of December 31, 2011, no Cegid Group assets were pledged.

Securities giving access to share capital

On September 3, 2010, the Board of Directors of Cegid Group decided to use the authorization granted to it by shareholders in the first resolution of their December 22, 2009 Special Meeting and to issue redeemable share warrants (BAARs) to certain employees of Cegid and ICMI.

These warrants were described in a prospectus approved by the AMF on September 3, 2010 under number 10-302.

All 400,000 warrants offered were subscribed, giving those employees a financial stake in Cegid's future through potential access to the capital of Cegid Group.

These 400,000 warrants do not confer the right to subscribe to new shares, but exclusively to acquire existing shares. As such, the issue will not cause any dilution for existing shareholders.

As of December 31, 2011, there were no other securities giving access to the capital of Cegid Group.

Table of changes in share capital

Date	Transaction	Par value	Share premium	Capitalization of reserves or premiums	Par value per share	Number of shares	Total number of shares	Amount
1983	Creation	F250,000			F100	2,500	2,500	F250,000
	Issuance	F1,250,000			F100	12,500	15,000	F1,500,000
1986	IBCC/Cegid merger	F200	F12,800		F100	2	15,002	F1,500,200
	Conversion of bonds	F319,000	F14,674,000		F100	3,190	18,192	F1,819,200
	Partial capitalization of share premium			F14,553,600	F100	145,536	163,728	F16,372,800
	4-for-1 share split				F25		654,912	F16,372,800
	Employee subscription (stock option plan)	F248,750	F3,825,775		F25	9,950	664,862	F16,621,550
1987	Issuance	F831,075	F55,682,025		F25	33,243	698,105	F17,452,625
	Issuance	F8,726,300			F25	349,052	1,047,157	F26,178,925
1988	CCMC exchange offer	F2,335,775	F32,233,695		F25	93,431	1,140,588	F28,514,700
	Exercise of A and B warrants	F150	F10,850		F25	6	1,140,594	F28,514,850
1994	Subscription-type stock options	F335,275	F3,097,941		F25	13,411	1,154,005	F28,850,125
1997	Merger with Cegid Informatique	F4,058,350			F25	162,334	1,316,339	F32,908,475
	Merger with Cegid Environnement Maintenance	F1,873,825			F25	74,953	1,391,292	F34,782,300
1997-1998	Conversion of bonds	F464,900	F11,994,420		F25	18,596	1,409,888	F35,247,200
1999	Servant Soft exchange offer	F702,825	F22,912,095		F25	28,113	1,438,001	F35,950,025
	Conversion of bonds	F1,785,775	F46,072,995		F25	71,431	1,509,432	F37,735,800
	Subscription-type stock options	F1,750	F57,750		F25	70	1,509,502	F37,737,550
2000	Conversion of bonds	F1,579,300	F40,745,940		F25	63,172	1,572,674	F39,316,850
	Conversion into euros, capital reduction		€-17,653.94	€-17,653.94	€3.80		1,572,674	€5,976,161.20
	Subscription-type stock options	€4,560	€150,938		€3.80	1,200	1,573,874	€5,980,721.20
2002	Cancellation of treasury shares – capital reduction	€-327,655	€-7,651,704		€3.80	-86,225	1,487,649	€5,653,066.20
2003	4-for-1 share split				€0.95		5,950,596	€5,653,066.20
2004	Share capital increase / contribution of Ccmx Holding shares	€2,365,467.70	€53,608,967.98		€0.95	2,489,966	8,440,562	€8,018,533.90
	Subscription-type stock options	€6,612	€77,952		€0.95	6,960	8,447,522	€8,025,145.90
	Exercise of BSARs	€60.80	€1,759.36		€0.95	64	8,447,586	€8,025,206.70
2005	Subscription-type stock options	€132,769.15	€1,960,254.80		€0.95	139,757	8,587,343	€8,157,975.85
	Exercise of BSARs	€11.40	€329.88		€0.95	12	8,587,355	€8,157,987.25
2006	Subscription-type stock options	€53,808.00	€672,536.00		€0.95	56,640	8,643,995	€8,211,795.25
	Exercise of BSARs	€27,547.15	€797,119.84		€0.95	28,997	8,672,992	€8,239,342.40
2007	Subscription-type stock options	€15,120.20	€261,022.40		€0.95	15,916	8,688,908	€8,254,462.60
	Exercise of BSARs	€454,183.60	€12,510,617.62		€0.95	478,088	9,166,996	€8,708,646.20
	HCS/Cegid Group merger	€62,396.00	€1,695,917.15		€0.95	65,680	9,232,676	€8,771,042.20
2008	Exercise of BSARs	€2.85	€79.54		€0.95	3	9,232,679	€8,771,045.05
2009	Exercise of BSARs	€359.10	€9,879.36		€0.95	378	9,233,057	€8,771,404.15
2011	None						9,233,057	€8,771,404.15

Current shareholders and their voting rights

Shareholders as of March 31, 2012

Shareholder	Number of shares	% of capital	Number of votes	% of voting rights
Groupama group [1]	2,482,531	26.89	2,482,531	25.43
Board members, of which:	1,003,451	10.87	1,429,962	14.57
- ICMI [2]	*927,604*	*10.05*	*1,352,742*	*13.86*
- Executive Board [3]	*75,847*	*0.82*	*77,220*	*0.79*
Ulysse/Tocqueville Dividende/Odyssée [4]	355,409	3.85	710,818	7.28
Treasury shares [5]	430,776	4.67	NA,	NA,
Free float	4,960,890	53.72	5,138,502	52.72
TOTAL	**9,233,057**	**100.00**	**9,761,813**	**100.00**

[1] Groupama group corresponds to the following entities: Groupama SA, Gan Assurance Vie Compagnie Française d'Assurances Vie Mixte, Gan Eurocourtage Vie.
[2] ICMI is Cegid's lead holding company. Jean-Michel Aulas holds 99.95% of the shares, representing 99.96% of the voting rights.
[3] The Chairman, Chief Executive Officer and Board members are considered members of the Executive Board. Nevertheless, the percentage ownership of ICMI, a member of the Board of Directors, is listed separately in the table.
[4] Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP SLC, FCP Sphynx Finance).
[5] Shares held by Cegid Group in connection with the liquidity contract and the share buyback program.

As of March 31, 2012, there were a total of 9,761,813 exercisable voting rights.

The Company requested a study of identifiable shareholders, which was carried out on January 31, 2012. The results of the study showed that 7,552 shareholders held their shares in bearer form and 873 in registered form.

No significant variation has occurred between the date the table was prepared and the date the Reference Document was filed.

Shareholding changes over the past three years

Shareholder	% of shares as of 12/31/2009	% in voting rights	% of shares as of 12/31/2010	% in voting rights	% of shares as of 12/31/2011	% in voting rights
Groupama group [1]	26.89	22.98	26.89	25.97	26.89	25.97
Apax (private equity fund)	10.78	19.03	4.21	4.69	-	-
Ulysse/Tocqueville Dividende/Odyssée [2]	6.97	7.49	6.21	7.47	5.09	6.38
Eurazeo	-	-	-	-	-	-
ICMI [3]	4.60	8.13	10.05	14.15	10.05	14.17
Executive Board [4]	0.69	0.62	0.81	0.80	0.82	0.81
Treasury shares [5]	4.74	NA	4.63	NA	4.62	NA
CPAs	0.79	0.94	0.79	0.80	0.79	0.80
Free float	44.54	40.81	46.41	46.12	51.98	52.11
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

[1] Groupama group corresponds to the following entities: Groupama SA, Gan Assurance Vie Compagnie Française d'Assurances Vie Mixte, Gan Eurocourtage Vie.
[2] Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP SLC, FCP Sphynx Finance).
[3] As of 12/31/2011, Jean-Michel Aulas held 99.95% of the shares of ICMI, representing 99.96% of the voting rights.
[4] The Chairman, Chief Executive Officer and Board members are considered members of the Executive Board. Nevertheless, the percentage ownership of ICMI, a member of the Board of Directors, is listed separately in the table.
[5] Shares held by Cegid Group in connection with the liquidity contract and the share buyback program.

At March 31, 2012, to the best of the Company's knowledge, the Company's governing bodies held 11.54% of the share capital, representing 15.24% of the voting rights.

Individuals and legal entities that can exercise direct or indirect control over the Company as of March 31, 2012

To the best of the Company's knowledge, and in view of the current shareholders and their voting rights, as detailed on page 33 of this document, no individual or legal entity controls Cegid Group, either directly or indirectly, as defined in Article L.233-3 of the French Commercial Code.

Ownership threshold disclosures

- In a letter received on January 13, 2011, CM-CIC Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of January 6, 2011, CM-CIC Asset Management held 247,000 shares and voting rights, distributed among four mutual funds.
- In a letter received on February 14, 2011, CM-CIC Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of February 10, 2011, CM-CIC Asset Management held 262,875 shares and voting rights, distributed among five mutual funds.
- In a letter received on February 14, 2011, Sycomore Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of January 20, 2011, Sycomore Asset Management held 300,000 shares and voting rights.
- In a letter dated December 15, 2011, fund manager Tocqueville Finance informed Cegid Group that its ownership interest had declined below the 5% legal threshold and that as of that date it held 460,264 shares in the context of its mutual fund management business, representing 4.98% of the share capital.
- On December 15, 2011, the Autorité des Marchés Financiers published Tocqueville Finance's disclosure on declining below the threshold of 5% of the Cegid Group's share capital.
- In a letter dated December 19, 2011, fund manager Tocqueville Finance declared that its voting rights had fallen below the threshold of 6% as specified in the bylaws and that it held 457,975 Cegid Group shares representing 5.99% of voting rights.
- In a letter dated January 23, 2012, fund manager Tocqueville Finance declared that its voting rights had risen above the threshold of 8% following the attribution of double voting rights.
- In a letter dated March 12, 2012, fund manager Tocqueville Finance declared that its voting rights had fallen below the 8% voting rights threshold.
- In a letter dated March 16, 2012, fund manager Tocqueville Finance informed Cegid Group that its voting rights had declined below the threshold of 4% as specified in the bylaws and that as of that date it held 368,492 Cegid Group shares, representing 3.99% of the share capital.

AGREEMENTS BETWEEN SHAREHOLDERS (ARTICLE L.233-11 OF THE FRENCH COMMERCIAL CODE)

A shareholder agreement, signed December 19, 2007, between ICMI, a "simplified share company" [1], Groupama SA and Jean-Michel Aulas

As of December 19, 2007, the parties to the agreement held the following ownership interests in Cegid Group [2]:

	Shares	% of shares	Voting rights	% voting rights
ICMI [1]	625,138	6.77	1,250,276	12.42
Groupama SA	1,590,909	17.23	1,590,909	15.80

The agreement includes:

- A restriction on share disposals: ICMI agrees with Groupama SA not to sell all or part of its shares to an identified third party that is a competitor of Groupama SA, i.e. an insurance company or a credit institution.

  In the event of a sale to another identified third party, ICMI shall ensure that such third party confirms its intention to pursue the partnership and shall obtain an identical commitment from any third party to which it might sell its shares. This commitment shall remain associated with the Cegid shares for 10 years.

  ICMI shall remain free to sell its shares to an unidentified third party in the market.
- A commitment to sell: in the event Jean-Michel Aulas should be removed as Chairman of the Board of Directors of Cegid Group, Groupama SA shall have the option, for 15 days following his removal, to purchase the Cegid Group shares held by ICMI.

  At the expiration of the sale commitment, ICMI agrees irrevocably to sell its shares to Groupama SA or to any other person that Groupama might designate. If the commitment is called, the shares shall be sold at a unit price of €55 or, if applicable, the unit price resulting from the application of the adjustment mechanism stipulated for the shares Groupama SA has recently acquired [3].

  The agreement shall remain in effect for 10 years, and for as long as the parties maintain an ownership interest in Cegid Group. It shall be automatically terminated if Jean-Michel Aulas is removed as Chairman of the Board of Directors of Cegid Group or in the event of early termination of the strategic agreement [3].

[1] Company controlled by Jean-Michel Aulas
[2] Based on a share capital composed of 9,232,674 shares representing 10,067,505 voting rights, pursuant to paragraph 2 of Article 223-11 of the General Regulation of the AMF.
[3] See press release of December 19, 2007.

SHARE BUYBACK PROGRAM

The Company has a share buyback program authorizing it to acquire up to 10% of the number of shares comprising the share capital as of the May 19, 2011 Shareholders' Meeting. A new share buyback plan will be proposed to shareholders at their Ordinary Shareholders' Meeting on May 10, 2012. The terms of the plan are presented on page 143 of this Reference Document. Since passage of the "Law for the confidence and modernization of the economy" (No. 2005-842 of July 26, 2005), the approval procedure for the buyback plan prospectus has been eliminated.

TRADING IN THE COMPANY'S SECURITIES

Cegid Group shares (NYSE Euronext: CGD; ISIN code: FR0000124703) are listed on Euronext Paris Compartment C (since January 23, 2012) and are included in the Small, Mid and Small, All-Tradable and ITCAC indices.

Month	2010				2011				2012			
	Highest €	Lowest €	Volume (shares)	Volume €M	Highest €	Lowest €	Volume (shares)	Volume €M	Highest €	Lowest €	Volume (shares)	Volume €M
January	19.89	15.51	152,427	2.62	24.00	21.48	442,412	9.96	16.94	13.90	215,910	3.32
February	20.80	18.70	148,525	2.95	22.22	21.30	214,129	4.66	19.14	16.01	168,331	2.94
March	24.00	19.60	198,978	4.44	21.90	19.60	269,091	5.68	18.94	16.36	211,071	3.71
April	23.00	20.15	688,111	14.73	23.47	21.23	250,741	5.67				
May	22.20	19.40	215,823	4.51	23.80	21.50	432,873	10.01				
June	22.30	19.52	128,927	2.68	22.37	20.90	110,695	2.40				
July	22.25	18.50	151,069	3.10	21.80	20.00	117,107	2.43				
August	21.25	19.64	77,247	1.59	20.10	14.34	333,956	5.67				
September	21.50	19.50	217,147	4.40	16.50	14.80	111,904	1.77				
October	24.30	20.86	244,967	5.56	17.37	15.55	107,626	1.79				
November	24.89	20.85	195,559	4.53	16.88	12.55	111,097	1.62				
December	22.83	20.80	184,776	4.03	16.84	13.51	193,475	2.92				
TOTAL			**2,603,826**	**55.14**			**2,695,106**	**54.57**			**595,312**	**9.97**

Source: Euronext.

DIVIDENDS

The table below provides a comparison of dividends paid over the past five fiscal years. Dividends that are not claimed within five years of their payment date are deemed to have lapsed and are paid to the State.

Fiscal year	Dividend per share
On 2007 earnings	€1.00
On 2008 earnings	€1.00
On 2009 earnings	€1.05
On 2010 earnings	€1.05
On 2011 earnings (1)	€1.05

(1) The proposed dividend will be submitted for shareholder approval at the May 10, 2012 Shareholders' Meeting. The amount distributed as a dividend among individual shareholders is fully eligible for the 40% exclusion provided for under Article 158 of the French Tax Code, amended by the 2006 Budget Act of December 30, 2005.

INFORMATION POLICY

The Company's policy is to provide regular financial information to the market. In particular, the Company provides information after the Board of Directors meets to approve the annual and semi-annual financial statements and it announces quarterly sales figures and acquisitions via press conferences, information meetings and media releases. The company also publishes legally required notices in the BALO (Bulletin of Mandatory Legal Announcements).

In the past year Cegid Group has participated in the following events:

- SFAF information meetings: March 3, 2011 (full-year 2010 results), July 21, 2011 (first-half 2011 results) and March 1, 2012 (full-year 2011 results).
- Individual meetings or phone calls with fund managers and French or foreign analysts and journalists, usually organized by brokers who cover Cegid.

Press releases, other financial notices and slideshows are available, in French and English, on Cegid Group's website: http://www.cegid.com/societe_investisseur.asp and at http://www.cegid.com/slideshow

Financial notices are also published by Hugin, a professional distributor of regulatory information.

"Information about the issuer's business"

Dear Shareholders,

We present to you herewith the management report of the Company and the Group for the fiscal year ended December 31, 2011.

In a particularly uncertain economic environment in the second half of the year, your Group pursued its development, with organic growth of its strategic software provider business, which proved particularly robust for SaaS (On Demand) solutions.

In 2011, Cegid's consolidated sales totaled almost €264 million, up 5.7% year-on-year (3.1% at constant scope). Revenue from recurrent contracts of €131.6 million, up €7.1 million, represented 50% of total sales, a level comparable to that of 2010.

2011 saw healthy operating performance with EBITDA increasing to €62.9 million (€60.4 million in 2010) and income from ordinary activities reaching €29.1 million (€27.0 million in 2010).

Compared with 2010, 2011 operating income reflected the negative impact of a non-recurrent provision of around €0.8 million related to a business combination, whereas 2010 operating income reflected revenue from a provision reversal and from negative goodwill totaling €3.3 million. This exceptional decrease plus two other factors – net financial expense was slightly higher as a result of interest rate fluctuations, and corporate income tax increased as a result of recent requirements affecting companies with sales in excess of €250 million – reduced 2011 net income to €16.2 million (€19.3 million in 2010).

The Group's financial structure remained sound. After accounting for the financing of capital expenditures and acquisitions, gearing improved to 35% in 2011, compared to 39% in 2010. Cegid had financing available through confirmed medium-term lines of credit (€200 million). The credit lines mature on July 1, 2015 and can be extended until July 1, 2017.

HIGHLIGHTS OF THE YEAR

Growth in strategic businesses: SaaS (up 25%), SSRS and professional services (up 7.5%)

Revenue from "SSRS and professional services" advanced by more than 7% (4.3% at constant scope), with services up 18%, including growth in the business related to new employee data transmission regulations (N4DS).

Sales of software in SaaS mode posted strong growth (up 25%). These figures confirmed Cegid's position as a major player in On Demand solutions and its ability to propose new ways of using information systems. In 2011, Cegid experienced a very strong increase in demand for most of its industry-specific solutions in SaaS mode (Accounting profession, Retail, Services-Trading, Taxation), thereby complementing recurrent revenue from its Payroll/HR solutions.

As of January 1, 2012, SaaS contract revenue invoiceable before 2017 represented an estimated value of more than €32 million (€21 million as of January 1, 2011), an increase of nearly 53%.

In this context, revenue from "licenses" (€39 million) was down slightly (4%) compared with 2010. Over the full year, revenue from the strategic software provider business (software sales and SaaS) rose by 4%.

Revenue from the non-strategic "hardware distribution and other" business was €31.5 million, or 12% of total sales, down €2 million from 2010.

Public sector sales (Civitas, acquired in 2008 and Visa Informatique, acquired in 2010) remained steady at €20.0 million. Amounts invested in 2011 to create Cegid Public, a new entity combining Civitas and Visa Informatique, weighed on the results.

Internationally, Cegid saw continued growth in its non-recurrent contract sales, which advanced 8%, essentially in the Retail sector.

Improvement in operating performance

The gross margin, at 86.0%, was similar to that of the previous year (86.5%). It included expenses relating to the outsourcing of logistics and equipment preparation activities, and the purchase of subcontracting services, which rose in correlation with the increase in services sold by partner integrators in 2011.

2011 EBITDA stood at €62.9 million, up from 2010 (€60.4 million). Income from ordinary activities, which reflects non-cash items (an increase of €2.7 million in amortization of development costs and identified assets from business combinations), amounted to €29.1 million (€27.0 million in 2010). The margin on ordinary activities was 11.0% of consolidated sales.

2011 operating income of €28.2 million (€30.8 million in 2010) reflected the negative impact of a non-recurring provision of around €0.8 million related to a business combination, whereas 2010 operating income had reflected revenue from a provision reversal and from negative goodwill, totaling €3.3 million.

Net financial expense, made up primarily of interest on drawdowns under the syndicated line of credit signed in July 2006, totaled €1.8 million in 2011 (€1.4 million in 2010). Corporate income tax expense was €9.8 million (€9.7 million in 2010). This figure included €0.4 million resulting from a 5% "exceptional contribution", which increased the tax rate for companies with sales of more than €250 million.

Net income, after taking into account the above-mentioned items, totaled €16.2 million (€19.3 million in 2010).

Reduction in net debt

Given the significant level of cash flow over the full year and a very favorable variation in working capital requirements, net debt totaled €63.8 million in 2011, down €4.1 million on the previous year.

This improvement is a result of Cegid self-financing the majority of its capital expenditures, primarily in R&D, and acquisitions (€6.4 million).

This led to an improved gearing of 35% (39% in 2010).

Continued acquisitions and partnerships

Cegid stepped up its development of SaaS mode software for the Accounting profession

To further its capacity to offer new, innovative services in On Demand mode, Cegid acquired 21S Ingénierie (€0.3 million in sales and 100 CPAs in its shareholder base), a developer of fully web-based solutions for the accounting profession and its SME customers.

This acquisition equipped Cegid with the fundamental technology and functions for providing fully web-based solutions and fresh expertise in view of stepping up its cloud-based solutions.

Strengthening Cegid's presence among associations

Cegid's acquisition of Innov'Adhoc (€0.3 million in sales, brand name Atalante), a developer of management solutions for associations and trade unions, has equipped it with additional expertise in view of securing a significant position in the associations segment. Cegid is targeting a client base of approximately 500,000 associations interested in using SaaS solutions, which have the potential for generating recurrent revenue.

Public sector: Cegid Public is formed

Present in the public sector for the last three years since acquiring Civitas in 2008, Cegid pursued its development of products and services dedicated to this market, acquiring Visa Informatique in December 2010.

In June 2011, Cegid founded Cegid Public (4,000 customers, €20 million in aggregate annual sales of Civitas and Visa Informatique, 185 employees) to better support public authorities and institutions as they face major challenges in their sector.

The creation of Cegid Public reflected Cegid's decision to merge the activities and solutions of Civitas and Visa Informatique. Its sights are now set on becoming a key player in the public sector in the next few years.

To assist its public sector customers in modernizing their IT systems, Cegid enriched its portfolio of solutions built on three main pillars: e-citizenship, sharing resources and document automation. Cegid therefore now offers its solutions in SaaS mode, offering a significant opportunity to public sector entities, which are under pressure to reduce their budgets and concentrate on the strategic side of what they do while pooling their resources.

Creation of the MT&S business unit

In order to better meet customer expectations and secure its position as an industry specialist, Cegid created a new Manufacturing, Trading and Services (MT&S) business unit focusing on companies in these industries.

The MT&S business unit offers two solutions:

- Yourcegid Industry, designed for manufacturers and wholesalers in the Automotive, Aeronautics, Life Sciences, High Tech and Consumer Packaged Goods industries,
- Yourcegid Services, designed for management consultants, IT services companies and training organizations.

With the recognized expertise of more than 20 vertical applications partners enhancing our solutions, Cegid's Yourcegid Industry and Yourcegid Services solutions are supported by a coherent ecosystem. With this range of solutions, Cegid can help its customers build an IT system capable of supporting them as they face their industry challenges.

More than 2,300 professionals use Yourcegid Industry and Yourcegid Services solutions.

In line with Cegid's international strategy, the MT&S business unit has stepped up its development abroad. Following the launch of Yourcegid Industry in China, Spain, Italy and North Africa in 2011, the MT&S business unit will be targeting five more countries in Eastern Europe and North America in 2012.

Continued strategic investments largely oriented towards SaaS-based solutions

Accounting profession

In 2011, Cegid continued its strategic investment program oriented towards SaaS-based solutions for the accounting profession by acquiring 21S Ingénierie and for associations through its acquisition of Innov'Adhoc.

Finance

During the year, Cegid launched Yourcegid Finance Pack On Demand, a new SaaS-based financial and accounting management solution for small and mid-sized companies. This solution is offered in the form of an all-inclusive monthly subscription, available in 3- or 5-user packs and with commitment periods ranging from one to three years. This new offer is also available to SMEs via Cegid's network of value-added resellers.

Taxation

40,000 companies took advantage of the new services offered by the Etafi.fr portal to file 85,000 tax forms and SCI and CVAE business tax returns, i.e. a 40% increase in electronic tax filings. Furthermore, owing to Cegid's partnership with the Banque de France, 10,000 companies were able to file their tax forms online with the bank. In 2011, Cegid continued to invest in the Yourcegid Taxation range, proposing new electronic tax filing and payment services for small, medium-sized and large enterprises.

Human Resources

Cegid enhanced its Payroll/HR solutions with the launch of Yourcegid Talents, a new SaaS-based solution in the Yourcegid Human Resources range for managing talent in SME and large companies.

The solution covers HR training and development, planning of future skills and staffing requirements (GPEC) and a complete employee performance review system, including organizing employee-manager meetings and managing appraisals.

Cloud Computing

Orange Business Services chose to host Yourcegid On Demand on its Business VPN Galerie – the world's first hub linking corporate VPNs to the world of cloud services, ensuring security, performance, availability and high-quality service 24/7.

Cegid Education

Cegid's Education Program solutions integrate Live@edu, Microsoft's cloud platform for the academic world, which includes free messaging, storage and document sharing services. This solution enables students to familiarize themselves with Cegid's management solutions and benefit from a communication and collaboration platform from any internet browser. Meanwhile, schools will benefit from the flexibility offered by the solution in SaaS mode.

Business development continued abroad

In 2011, Cegid's international strategy focused on three objectives:

- become a world-class player in management solutions for the Retail industry (in 2011, almost 50% of the Retail business unit's new business derived from abroad),
- create an international solution based on Cegid's Manufacturing suite, in particular by setting up a new partner network and signing contracts with our first customers in China,
- offer HR and financial management solutions to public institutions in French-speaking African countries.

In 2011, Cegid pursued its international activities, deploying solutions in Asia, Europe and North America for global customers such as Lafuma and Ted Baker, and signing contracts with new local customers in all the countries in which Cegid is present. In the United Kingdom, for example, Cegid signed contracts with more than ten new customers, including Nicole Farhi, Limonta and Unifato, and in China it rolled out the first solutions for the Manufacturing industry.

In addition to its international presence (USA, Spain, United Kingdom, Italy, North Africa, China and Japan), Cegid now has a network of more than 25 partners, through which it can step up its development, strengthen its local presence and continue to localize its software with the benefit of local expertise.

Continuing on from its international development of Retail and Manufacturing solutions in the Americas, Europe and Asia Pacific, in 2011, Cegid rolled out its first management solutions for the public sector in Africa (the Democratic Republic of Congo).

Strategic agreement between Cegid and Groupama/Gan Assurances

Cemagid, a joint venture between Cegid and Groupama/Gan Assurances, which holds the intellectual property rights associated with the products and services that derive from the strategic agreements, continued to seek out partnerships to further enhance its current solutions with additional modules and/or associated content to assist CPAs in their work for corporate customers and entrepreneurs. Resulting new features were added to the Wexperandyou solution for the accounting profession, "Comptanoo.com" for very small companies, "Monassociation.com" for associations, and "Macollectivité.com" for the public sector.

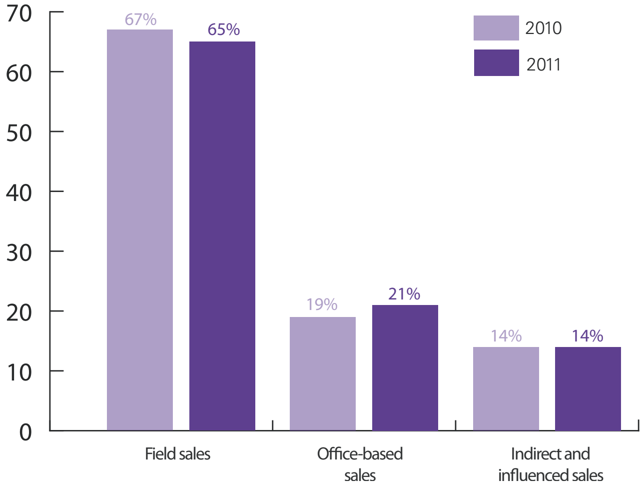
In 2011, Cemagid entered into a key partnership agreement with Francis Lefebvre to integrate legal, tax- and employee-related information into decision-support applications and portals, and to offer the accounting profession more informative websites. Thanks to this new partnership, the accounting profession will be able to increase its productivity with relevant links to web services, between applications, tools and associated content, both through the Wexperandyou portal and their own website.

Multi-channel approach

Sales network

In recent years, Cegid has adopted a strategy of marketing its solutions via a number of internal and external sales channels. Cegid has consolidated this approach, with its office-based sales (telesales) staff generating revenue of more than €31 million in 2011. This channel complements the field sales force and the network of value-added resellers and integrators who recommend Cegid's solutions.

License sales per channel



Cegid Store: online boutiques dedicated to both industry-and function-specific solutions

In 2010, Cegid launched its e-commerce portal "Cegid Store" to step up B-to-B sales and intensify its customer relationships. Simple, intuitive and available 24/7, the "Cegid Store" makes it easy for all Cegid customers to find the appropriate service or solution in the boutiques devoted to each of the industries and functional areas. In 2011, many customers used the portal to submit requests for employee data management solutions (N4DS).

Alliances and Partnerships

Document automation

New SaaS-based solutions in partnership with Itesoft

ACCOUNTING PROFESSION

At the 2011 French CPAs convention, Cegid presented two innovative SaaS-based solutions for the accounting profession and its customers: Expert On Demand for very small companies and Yooz Expert Edition for accounting firms and their customers. Cegid Yooz Expert Edition was developed in partnership with Itesoft based on its Yooz application, integrated into the Cegid accounting operations. The solution increases accounting firm productivity by making the processing of supplier invoices paperless.

These solutions have been added to the range of new features on eWS and QWS, the online communications and online services platforms allowing accounting firms to work in collaborative mode with their customers. The platforms now also include "VIP Expert" and "QuadraBUSINESS" applications, which generate customized dashboards. The applications are also available on the iPad and iPhone.

PUBLIC SECTOR

At the 2011 trade show for mayors, Cegid Public demonstrated Yourcegid Public Sector Invoicing, a document automation solution developed in partnership with Itesoft for local authorities and public administrations. The solution, integrating optical character recognition, enables public entities to convert invoices into electronic format and integrate them into the budgetary execution chain of the Yourcegid Public Sector Finances application. This solution, available in SaaS mode, provides a response to the challenges of e-administration, the modernization of information systems, and changes in using information systems, which are major concerns for local authorities and public institutions.

Human Resources

Cegid also enriched its Yourcegid Public Sector Human Resources with the Yourcegid Paperless'Doc HR, a payslip automation solution, which immediately and permanently reduces the cost relating to document preparation. The plug and play solution is not only developed in an environmentally responsible manner, it also meets regulatory requirements and standards on probative-value archiving.

E-processes for service activities

Cegid is innovating in solutions that automate administrative activities of services-based companies. SCRIPT, Cegid's solution for automating training session attendance sheets and service reports, received the "e-Doc Award 2011" trophy for the most innovative solution for managing documents at the "Documation 2011" trade show. Documation is the premier event in the document management industry.

Cegid enhanced its enterprise solutions with ancillary services necessary for efficient IT system deployment and plans to extend these services so as to improve relationships with its customers and with training organizations.

Distribution and Integration

Increasing number of partnership agreements signed with integrators

Over the course of the year, Cegid stepped up its relationships with integrators so as to offer customers solutions combining the performance of a software provider with integrator certification know-how. To this end, Cegid signed a partnership agreement with IBM to provide joint solutions for Retail and human resources. Furthermore, during the year, Cegid also signed agreements with a number of partners, including Adheris, AZ Network, Axolu, Cleversys, HR Square Northgate-Arinso and Umanis.

Developing the VAR sales network for very small companies

Following the launch in 2010 of Cegid YES!, a portal for the Cegid Partners' network, Cegid developed a new VAR sales network for very small companies enabling its distributors to offer online management solutions to their very small corporate and non-profit customers, enabling them to participate in the boom in SaaS-based solutions. More than 50 new partners joined Cegid's ecosystem.

CONSOLIDATED SALES AND EARNINGS

The Group's consolidated financial statements have been prepared, pursuant to EC regulation 1606-2002, in accordance with the IFRSs adopted by the European Union as of December 31, 2011.

Full year 2011: Growth in sales and operating income

Total SSRS and professional services up 7.5%, incl. SaaS up 25%
Recurrent revenue: €131.6 million (50% of total sales)
EBITDA: €62.9 million (up 4.1%)
Income from ordinary activities: €29.1 million (up 7.6%)
Net cash from operating activities: €54.6 million (up 28.2%)

Unadjusted scope	2011 (€M)	2010 (€M)	Change 2011/2010
Sales	263.8 [1]	249.6	+ 5.7%
EBITDA	62.9	60.4	+ 4.1%
Income from ordinary activities	29.1	27.0	+ 7.6%
Operating income	28.2	30.8	NC [2]
Net financial expense	-1.8	-1.4	-30.9%
Pre-tax income	26.4	29.4	NC
Net income attributable to parent company shareholders	16.2	19.3	NC
Net cash from operating activities	54.6	42.5	+28.2%

[1] Effect of changes in the scope of consolidation: €6.6 million (The Visa group was integrated into the scope of consolidation as of January 1, 2011, Innov'Adhoc as of March 1, 2011 and 21S Ingénierie as of May 1, 2011).
[2] Operating income reflected the negative impact of a non-recurring provision of around €0.8 million related to a business combination, whereas 2010 operating income had reflected revenue from a provision reversal and from negative goodwill, totaling €3.3 million.
NC: Not Comparable.

Consolidated income statement

Increase in sales of SSRS and professional services and strong growth in SaaS

Consolidated sales for the financial year ended December 31, 2011 totaled €263.8 million (€249.6 million in 2010), representing an increase of 5.7% (3.1% at constant scope). Revenue from "SSRS and professional services" advanced by more than 7% (4.3% at constant scope), with services up 18%, including growth in the business related to new employee data transmission regulations (N4DS).

Revenue from recurrent contracts of €131.6 million was up €7.1 million and represented 50% of total sales, a level comparable to that of 2010, given growth in overall sales.

In 2011, Cegid experienced a very strong increase in demand for most of its industry-specific solutions in SaaS mode (Accounting profession, Retail, Services-Trading, Taxation), thereby complementing recurrent SaaS revenue from its HR/payroll solutions. Accordingly, SaaS sales posted strong growth of 25%.

In this context, revenue from "licenses" (€39 million) was down slightly (4%) compared with 2010. Over the full year, revenue from the strategic software provider business (software sales and SaaS) rose by 4%.

On January 1, 2012, 94% of the recurrent contracts signed in 2011 for software and software-related services (SSRS) had been renewed. On February 1, 2012, the portfolio of recurrent contracts totaled €132 million.

Revenue from the non-strategic "hardware distribution and other" business was €31.5 million, or 12% of total sales, down €2 million from 2010.

Increase in operating results

EBITDA was €62.9 million, rising 4.1% and exceeding its previous high of €60.4 million posted in 2010.

Income from ordinary activities reflected a special profit-sharing payment of €0.6 million and €33.4 million in depreciation, amortization and provisions. This figure was €1.3 million higher than in 2010 because of amortization of development costs and identified assets from business combinations. It also reflected a research tax credit of €0.2 million, recognized as an operating subsidy. Income from ordinary activities thus totaled €29.1 million (€27.0 million in 2010), representing a margin of 11.0% of consolidated sales (10.8% in 2010).

2011 operating income of €28.2 million (€30.8 million in 2010) reflected the negative impact of a non-recurring provision of around €0.8 million related to a business combination, whereas 2010 operating income had reflected revenue from a provision reversal and from negative goodwill, totaling €3.3 million.

Net financial expense, made up primarily of interest on drawdowns under the syndicated line of credit signed in July 2006, totaled €1.8 million in 2011 (€1.4 million in 2010). This change came about as a result of higher interest rates, partially offset by lower average outstanding debt than in 2010.

Income tax expense was €9.9 million (€9.7 million in 2010). This figure included €0.4 million resulting from a 5% "exceptional contribution", which increased the tax rate for companies with sales of more than €250 million.

Net income for fiscal year 2011 totaled €16.2 million. Owing to the items mentioned above, this figure was not comparable to that of the previous year (€19.3 million).

Cash flow statement: sharp rise in net cash from operating activities

Cash flow generated by the business rose significantly (9%) to €62.4 million (€57.3 million in 2010), or 23.7% of consolidated sales. After payment of interest and taxes totaling approximately €10.0 million, of which €8.7 million in corporate income tax (€7.8 million in 2010), cash flow came to €52.4 million (€48.2 million in 2010).

Net cash from operating activities totaled €54.6 million (€42.5 million in 2010).

Cegid thus easily financed its capital expenditures through cash flow. These comprised principally development costs (€32.0 million) and acquisitions, which also included working capital requirements between the acquisition date and year-end (€6.4 million).

Net debt diminished by €4.1 million, amounting to €63.8 million as of December 31, 2011.

Consolidated balance sheet: sound financial structure and reasonable gearing

Shareholders' equity before allocation of earnings stood at €180.9 million (€173.9 million as of December 31, 2010). Including medium-term bank loans and provisions for contingencies and losses, long-term funding totaled €254.8 million (€252.8 million as of December 31, 2010). Non-current assets totaled €281.1 million as of December 31, 2011. They included €203.3 million in goodwill and identified assets acquired through business combinations and €61.3 million in development costs.

After financing €41.2 million in capital expenditures during 2011, gearing, the ratio of net debt (€63.8 million) to consolidated shareholders' equity (€180.9 million) was 35% as of December 31, 2011 (39% as of December 31, 2010).

As of December 31, 2011, Cegid had two syndicated lines of credit totaling €200 million:

- A syndicated loan, currently totaling €150 million, granted in July 2006 and repayable at maturity, under which Cegid exercised the loan agreement's extension clause in April 2008. This clause provided for an extension of the maturity date of the loan from June 30, 2011 to June 30, 2013 and an adjustment to the maximum outstanding amount. This amount will be reduced to €120 million, effective from June 30, 2012 until June 30, 2013.
- A syndicated loan currently totaling €50 million, granted in November 2010, repayable at maturity, effective until June 30, 2012, upon which date it will increase to €80 million, in effect until June 30, 2013, then to €200 million in effect until June 30, 2014. At that date it will reduce to €170 million and remain in effect until June 30, 2015. If the loan agreement's extension clauses are exercised, €140 million will be available until June 30, 2016 and €100 million until June 30, 2017.

These lines provide a significant drawdown capacity, which the Group can use to finance its investment needs in the years to come.

CEGID GROUP

Cegid Group's sales and earnings

Cegid Group became a holding company when shareholders approved the contribution of its operating activities to its subsidiary Cegid SA at the November 30, 2006 Special Shareholders' Meeting. In 2011, Cegid achieved revenue of €4.9 million, consisting of fees for corporate expenses and brand image costs (€4.7 million in 2010).

Cegid Group posted operating income of €0.6 million (€0.03 million in 2010) and net income of €9.0 million (€10.9 million in 2010) after accounting for financial income of €9.2 million (€10.8 million in 2010), representing dividends received from subsidiaries. As of December 31, 2011, shareholders' equity stood at €130.1 million (€130.3 million as of December 31, 2010) and net debt, which included €64 million in drawdowns under the syndicated line of credit, totaled €73 million.

Payment terms

Pursuant to Article L.441-6-1 of the French Commercial Code, we hereby inform shareholders that as of December 31, 2011, Cegid Group's trade payables more than 60 days old were not significant, totaling €0.05 million (€0.02 million as of December 31, 2010), and those less than 60 days old totaled €0.93 million (€1.3 million as of December 31, 2010).

Non-tax-deductible expenses

Pursuant to Article 233 of the French Tax Code, we hereby inform shareholders that the financial statements for the year under review do not contain any non-tax-deductible expense in the meaning of Article 39.4 of the same Code.

Subsidiaries

Principal operating subsidiaries

Subsidiaries of Cegid Group

Cegid SA

2011 sales totaled €222.9 million (vs. €214.3 million in 2010). These sales included those of GD Informatique, Servant Soft, Magestel, CGO Informatique and FCRS, which are operated under lease-management agreements. These companies transferred all their assets and liabilities to Cegid SA as of December 31, 2011.

In 2011, operating income totaled €18.9 million (€14.0 million in 2010) and net income was €9.5 million (€8.0 million in 2010).

As of December 31, 2011, shareholders' equity stood at €142.7 million (€136.6 million at December 31, 2010). Net cash as of December 31, 2011 was €2.1 million.

Quadratus

Sales in 2011 totaled €23.4 million (€22.4 million in 2010), operating income was €9.3 million (€8.6 million in 2010) and net income was €5.5 million (€5.3 million in 2010).

As of December 31, 2011, shareholders' equity stood at €8.7 million and net cash at €8.2 million after a dividend of €5.2 million was paid to Cegid Group during the year.

Cegid Public (formerly Civitas)

On December 21, 2010, Cegid Group acquired 100% of the shares of GVI Holding, which held 100% of the shares of Visa Informatique, a developer and distributor of business management software for local authorities, and 100% of the shares of Ensemble Solutions. All assets and liabilities of Visa Informatique and Ensemble Solutions were transferred to GVI Holding on May 27, 2011. Cegid Group then sold GVI Holding to Civitas, and all of GVI Holding's assets and liabilities were transferred to Civitas on May 28, 2011.

Civitas was renamed Cegid Public on April 26, 2011.

Due to the business combinations mentioned above, 2011 sales are not comparable to 2010 sales.

Sales of Cegid Public, which included the sales of Visa Informatique from June 1, 2011, totaled €17.6 million (not comparable to 2010 sales of €14.6 million).

Operating income, which saw a significant increase in purchases of subcontracting services and expenses not directly linked to the fiscal year, was €0.7 million (€2.4 million in 2010).

Net loss, inclusive of non-recurring impairment, totaled €1.1 million (net income of €0.4 million in 2010).

As of December 31, 2011, shareholders' equity was €6.0 million and net cash was €-9.2 million.

21S Ingénierie

On April 19, 2011, Cegid Group acquired 99.35% of the shares of 21S Ingénierie, a developer of fully web-based solutions for the accounting profession and its SME customers.

21S Ingénierie owns 100% of Iroise, a company governed by Mauritian law. Iroise is the development center for these solutions.

21S Ingénierie's 2011 sales amounted to €0.4 million, operating loss totaled €0.5 million and net loss totaled €0.5 million.

As of December 31, 2011, shareholders' equity was €-0.04 million and net cash was €0.02 million.

Subsidiaries of Cegid SA

French subsidiaries

ASPX

The only activity of Aspx, a 100%-owned subsidiary of Cegid, is managing its ownership stake in Cemagid (formerly Comptanoo), the joint venture held 50-50 by ASPX and Groupama / Gan Assurances. Comptanoo is the principal portal offering ASP and online services to small companies (www.comptanoo.com and www.wexperandyou.com).

Cemagid (formerly Comptanoo)

Cemagid posted sales of €1.1 million in 2011 (€1 million in 2010), of which €0.9 million represented recurrent revenue. The company posted an operating loss of €0.6 million (loss of €0.8 million in 2010) and a net loss of €0.7 million (loss of €0.8 million in 2010).

As of December 31, 2011, shareholders' equity was €-1.4 million and net cash was €-2.9 million.

I&C

Informatique & Communications (I&C), specialized in enterprise solutions for wine-making companies, posted 2011 sales of €0.2 million (€0.2 million in 2010), an operating loss of €0.1 million (loss of €0.1 million in 2010) and net loss of €0.1 million (net loss of €0.1 million in 2010).

As of December 31, 2011, shareholders' equity was €-0.3 million and net cash was €-0.3 million

International subsidiaries

EUROPE

Spain

Cegid Ibérica

Sales in 2011 totaled €1.8 million (€1.6 million in 2010), operating loss was €0.1 million (operating income of €0.02 million in 2010) and net loss was €0.2 million (net income of €0.01 million in 2010).

As of December 31, 2011, shareholders' equity was €-0.04 million and net cash was €-0.7 million.

Italy

Cegid Italia

Sales in 2011 totaled €1.3 million (€1.4 million in 2010), operating loss was €0.05 million (operating income of €0.05 million in 2010) and net loss was €0.09 million (net income of €0.03 million in 2010).

As of December 31, 2011, shareholders' equity was €0.04 million and net cash was €-0.2 million.

United Kingdom

Cegid Limited

Sales in 2011 totaled €2.3 million (€1.6 million in 2010), operating income was €0.4 million (€0.3 million in 2010) and net income was €0.3 million (€0.2 million in 2010).

As of December 31, 2011, shareholders' equity was €0.5 million and net cash was €0.03 million.

NORTH AMERICA

Cegid Corporation

Sales in 2011 totaled €1.1 million (€0.9 million in 2010), operating loss was €0.07 million (loss of €0.05 million in 2010) and net loss was €0.2 million (net loss of €0.1 million in 2010).

As of December 31, 2011, shareholders' equity was €-2.4 million and net cash was €-2.8 million.

ASIA

Cegid Hong Kong Holdings Limited – Cegid Software (Shenzhen)

In 2011, Cegid Software (Shenzhen), 100%-held by Hong Kong Holdings Limited, posted sales of €0.6 million (€0.4 million in 2010). The company posted an operating loss of €0.2 million (operating loss of €0.1 million in 2010) and a net loss of €0.1 million (net loss of €0.1 million in 2010).

As of December 31, 2011, shareholders' equity was €-0.03 million and net cash was €0.06 million.

Other companies in the scope of consolidation

Companies which transferred all their assets and liabilities to Cegid SA as of December 31, 2011.

GD Informatique

Sales of CGO Informatique totaled €0.1 million and consisted essentially of lease-management fees, paid by Cegid for use of the company's assets. Net income totaled €0.06 million.

Servant Soft

Sales of Servant Soft totaled €1.3 million and consisted of lease-management fees, paid by Cegid for use of the company's assets. Net income totaled €0.9 million.

FCRS

Sales of FCRS totaled €0.2 million and consisted of lease-management fees, paid by Cegid for use of the company's assets. Net income totaled €0.2 million.

Magestel

Sales of Magestel totaled €0.1 million and consisted essentially of lease-management fees, paid by Cegid for use of the company's assets. Net income totaled €0.06 million.

CGO Informatique

Sales of CGO Informatique totaled €0.05 million and consisted essentially of lease-management fees, paid by Cegid for use of the company's assets. Net income totaled €0.05 million.

Other consolidated companies

Cegid Services

Cegid Group holds 99.89% of Cegid Services. Cegid Services no longer has any business activity and its assets are not significant (€0.4 million).

Other unconsolidated investments

Cegid Japan

As a result of Cegid SA acquiring 100% of the shares of Timeless in 2008, Cegid Japan (formerly VCS Timeless Japan), 100%-held by Cegid, has no significant local activity and is therefore not consolidated.

ISTimeless-Portugal

ISTimeless-Portugal, 10%-held by Cegid SA, ensures a sales & marketing presence in Portugal and provides services throughout Spain and Portugal.

Altaven

Cegid holds 5% in Altaven, developer of the tax solution Optim'IS.

Products and services, technology and research & development

Research and development strategy

Cegid pursued and intensified its strategy as a developer of specialized software, both function-specific (Finance and Accounting, Taxation, Payroll/HR etc.) and business-specific (Accounting profession, Manufacturing, Services, Trading, Hospitality, Retail, Public sector, etc.).

Using the technology it deploys, Cegid can respond to several challenges at once:

- equip companies from the smallest SMEs to mid-sized and large independent companies or subsidiaries of larger groups, offering an alternative to large ERP systems,
- ensure it is present and providing the solutions customers need, both in France and abroad,
- enable all modes of distribution, both direct and indirect,
- access applications on-premise or On Demand using SaaS or cloud-based platforms.

An in-depth understanding of the key technology parameters corresponding to this environment is a determining factor in the success of the research and development strategy.

Responses to a changing environment

In 2011, the IT environment underwent increasing profound changes:

- technologies highly influenced by web developments,
- usage relating to mobility and "IT consumerization",
- economic models, such as those inherent to SaaS and Stores, which now affect even the design phase of software development.

Cegid has provided a response to these challenges, with a research and development strategy focusing on five priority areas:

- movement towards SaaS and the cloud,
- secure software, data and access modes,
- application performance,
- modularization of solutions, i.e. dividing into more pertinent modules,
- ergonomy of the Person Machine Interface (PMI).

Improved research and development

Aware of the need for continual technical transformation and adaptation of its products, Cegid has set up 20 cross-functional projects designed to increase R&D efficiency as part of its "Techno Performance" program. The program focuses on the strategic elements of a solution (roadmap, technological orientation), technological innovation (architecture, framework), developments (SaaS, mobility, BI, portals), know-how (knowledge management, technology qualification, training courses) and structure (methods, tools, organization).

Yourcegid Studio: working with partners

To encourage users to adopt Cegid solutions, Yourcegid Studio, available to partners, now has numerous points of entry. Standard functions can be personalized, creating a solution that is better suited to the user's particular industry. This new version also makes it possible to verticalize Yourcegid solutions in terms of data models (tables, fields, structure), interface and ergonomy.

In addition to the technical and functional improvements, Yourcegid Studio now includes more complete documentation, a more powerful, integrated debugging tool and more international capabilities.

The platform has a simplified front office and is fully secure. It also has a forum for certified users, who, through a dedicated interface, can call up any type of web service.

In addition, international partners can use the platform to integrate local standards into Yourcegid solutions. The platform offers an interface and a secure environment for information exchange, giving them more autonomy.

Twenty software providers, resellers and integrators now have consultant certification.

Cegid's technical platforms (Framework)

In 2011, Cegid further extended the integration of new technologies into its development tools and platforms.

All development teams now have the most modern frameworks (MS.Net or Java), as well as related support and training.

Owing to a mix of its technical skills and technology, Cegid has modernized its applications, with seamless implementation for customers.

This transformation required significant innovation from Cegid because the existing state-of-the-art solutions were no longer adequate.

The resulting research and investment program was eligible for R&D tax credit. In 2011, the tax base was €0.6 million, giving rise to an R&D tax credit of €0.2 million.

CHANGES TO PRODUCT RANGES

Accounting profession and accounting oversight agencies (AGCs)

Yourcegid Accounting profession

Yourcegid Accounting Profession encompasses the complete range of solutions designed for the accounting profession (accounting firms, statutory auditors, accounting associations) with its two main ranges, Cegid Expert and Quadra Expert. These solutions cover the accounting profession's full spectrum of needs with accounting, tax, legal and employee-related calculations, the portal for collaborating with customers, internal management of accounting firms and the working environment of accountants. Cegid has increased the availability of its Yourcegid Accounting Profession solutions in SaaS mode (Expert On Demand) using pooled resources and a systematic approach. Yourcegid Accounting Profession now includes a collaborative workspace for accountants and their corporate customers, where they can monitor their administration and their accounting and employee-related information. Cegid is also continuing to finalize partnerships so as to enrich the Yourcegid Accounting Profession range with solutions that interconnect and enhance the existing solution, such as consulting tools, legal information, personal taxes, automatic invoice integration, alerts and reminders, and dashboards.

Cegid Expert and Cegid Expert On Demand

This solution, designed for large accounting organizations that need the power of an ERP solution with customization possibilities and cutting-edge security, was enhanced in 2011 with additional functionalities. They included quicker accounting calculations, an integrated review module, a function for writing management reports, and functionalities necessary for agricultural clients. These additions, further enhanced by solutions from our partners (Éditions Francis Lefebvre, Cegid Yooz with Itesoft), were developed based on a collaborative approach with accounting firms and corporate customers.

Cegid Expert Agricole

Cegid continued to develop solutions for accounting oversight agencies in the agricultural sector. Cegid Expert now includes enhanced functionality for accounting, tax and social welfare requirements, internal operations and invoicing for accounting organizations specializing in overseeing the accounts of the agricultural sector (documents on the agricultural economy and per sector specificities).

Integrated review for Cegid Expert

Cegid finalized its development of Cegid Expert, offering a fully-integrated review function that is completely interactive with the ongoing production of all accounting, employee and tax data.

Cegid CPA Agreements

Through its Wexperandyou portal, Cegid offers a service that sends alerts of changes in collective bargaining agreements. Cegid is finalizing an additional service that will monitor and automatically update payroll systems based on changes in collective bargaining agreements integrated into the Yourcegid Expert Paie solution.

Cegid Expert Connect

As part of its range of collaborative solutions for accounting firms and their customers, Cegid has enriched the solutions enabling CPAs to share accounting and/or employee-related data with companies wishing to outsource these functions.

This new service enables CPAs to obtain new assignments through externalization, communications platforms and collaborative work.

Cegid VIP (Visualization - Imagination - Performance)

Cegid harnesses the latest technology to display automatically updated dashboards (monitoring sales, margins, cash, employees) on PDA devices such as the iPad or iPhone.

Quadra Expert and Quadra Expert On Demand

This solution, designed for organizations looking for an easy-to-implement, off-the-shelf solution that is intuitive to use, has remained a popular purchase for the accounting profession, in particular in SaaS (On Demand) mode. The easy deployment of On Demand solutions enhances the functionalities for which the Quadra Expert range is well known.

QuadraPlaquette

As part of the 2011 tax campaign, a new-generation reports generator was released. The generator can customize documents per customer, retain specific style from one year to the next, and reproduce the same style across customer documents. In addition to paper publishing, accounting firms can also use QuadraPlaquette to make presentations to its corporate customers. QuadraPlaquette also offers the possibility for setting up a web conference to discuss the company's results.

Quadra Web Services (QWS)

As accounting firms step up their ability to offer their customers web services, QWS has been enriched with three new functionalities:

- Invoicing: the invoicing service enables entrepreneurs to add new customers and manage existing customers, from preparing estimates to receiving payment or sending reminders for unpaid invoices.
- Sharing employee-related data: this functionality enables accounting firms to manage the payroll aspect of their customer relationships. From variable data entry to payslip generation, the relationship is fully automated and secure.
- iBusiness: this service, delivered as an application for iPhone and iPad, enables entrepreneurs to use their smartphone to consult data on projects to which their CPA has given them access, such as monitoring sales, bank overdrafts, customer and supplier credit/debit balances, and outstanding estimates.

Quadra Social

Quadra Expert's range of employee management solutions will progressively be enriched with a web-based payroll service that integrates collective bargaining agreements. The 100% On Demand service offers:

- Guaranteed adherence to the rules of each collective bargaining agreement and easy enough to use that an employee not specializing in payroll can prepare payslips simply and securely,
- Access from any type of terminal thanks to the development of fully web-based technology.

Additional offers

Cegid continued to enter into new partnerships in order to enrich its solutions via links and web services between its own applications and those of its VAR partners:

- Cegid and the Wexperandyou portal offer decision-support tools which were improved in 2011 with an alerts and reminders system made available to CPAs in order that they can advise their customers.
- Cegid Yooz (in partnership with Itesoft) offers a SaaS-based solution for the automatic capture and processing of supplier invoices.
- Cegid and EFL (Éditions Francis Lefebvre) develop solutions that integrate legal or tax information into the use of Cegid's software.

Accounting oversight agencies

Yourcegid Agrément

Items relating to new assignments were introduced to this solution designed for accounting oversight agencies, including the complete VAT chain (EDI-VAT support, specific data entry tools, import module, preview/print, automatic reconciliation with the declaration of income, automatic generation, VAT control), a report writing tool for the assignment report, EDI submission support and integration into the Corporate Tax Service (SIE) directory.

A number of functional improvements were introduced, including the release of the web module for online data entry and declarations of non-commercial income (BNC). On a technical level, developments focused on native support of 64-bit platforms and the switch to .Net 4.0.

Entrepreneurs

Yourcegid Solos

The Yourcegid Solos solution, designed for small companies with fewer than five employees, and available in SaaS mode, accessible 24/7, has been enhanced with Yourcegid Solos Estimates-Invoices, a simple, intuitive solution for monitoring business, estimates, invoices and credit notes.

Yourcegid Solos and Orange cloud pro

On June 30, 2011, Orange launched its new platform "cloud pro" at a press conference attended by Frédéric Lefebvre, Secretary of State for SMEs. At the press conference, Orange announced that Yourcegid Solos Estimates-Invoices had been recognized as one of the best SaaS-based services. Yourcegid Solos Estimates-Invoices is now available for purchase on the Orange cloud pro platform.

Yourcegid Entrepreneurs

Cegid released a new version of this complete, integrated enterprise software solution, designed for small companies of up to 50 employees. The solution is available in traditional and SaaS modes, with companies subscribing directly from Cegid, or via the network of accounting firms using Cegid's collaborative solution, eWS, or from a Cegid Partner (VAR network) equipped with the solution Cegid YES!

Designed from a single database, this solution covers all areas of management of a small company, including accounting, sales management, sales outlets and payroll. New features and functionalities in 2011 included compliance with new banking standards introduced by the European Union to standardize payment methods in the euro zone, configurable data entry, links to UGAL showcase and e-commerce solutions*, and compatibility with recent technological changes, such as Office 2010 and SQL2008 R2.

Hosted mode offers small companies more flexibility: rapid deployment, real-time data availability, accelerated implementation of applications, reduced investment budget.

* UGAL is a content management system that can be used to create and administer a website without any technical knowledge.

Associations and Trade Unions

As a follow-up to the 2010 initiative, the Yourcegid Associations range was enriched with the release of new accounting and administrative solutions:

- Compt'Easy Asso: developed specifically for treasurers of associations, this highly instructive software obviates the need for training in accounting and allows users to prepare an income statement based on the chart of accounts for associations.
- Compta'Asso: developed for treasurers of associations wishing to prepare a forecast operating budget in addition to the income statement and balance sheet.
- Gestion'Asso: this application, developed for directors of associations, covers all areas of administration and finance management. It contains document templates for creating and managing an association, offers configurable and customized settings for members and activities (with more than 100 fields for this purpose), a schedule manager for activity centers, and management of the association's equipment.
- Yourcegid Compta'Syndicat: this solution enables all labor unions, regardless of their resources, to comply with financial transparency requirements, one of the seven criteria qualifying the union as “representative”.

Reseller network

Cegid YES!

Cegid YES! is the internet portal of Cegid Partners (network of value-added resellers) offering online services to very small companies and associations. The online services available as part of Cegid YES! can be divided into two categories:

- enterprise solutions: Yourcegid Entrepreneurs and Yourcegid Associations,
- information and communication services: showcase site, e-commerce site (recently developed with UGAL), additional storage space, "Revue Fiduciare" periodicals (content available via eWS).

This cloud computing solution, available under a white label arrangement, is composed of segments, enabling each reseller to customize the solution and the services they offer to their customers. The reseller can then incorporate these services into a more wide-ranging service proposal.

With Cegid YES!, the only solution of its kind on the market, Cegid enables its partners to adopt the emerging cloud computing technology, thereby giving them access to a fast-growing market.

Vertical markets

Retailing

Yourcegid Retail
Designed to improve the competitiveness, productivity and profitability of specialist retailing companies, the Yourcegid Retail range covers the entire Retail value chain: creating the product line, forecasts, sourcing & production, supply chain, cross-channel merchandising, store management & check-out, CRM and customer loyalty.

Cegid's Retail solutions are now available in more than 25 languages and in 70 countries.

Yourcegid Retail: new features and major innovations
New versions of every solution in the Yourcegid Retail range were released in 2011 to include features such as cross-channel merchandising and web services.

New geographic locations were added, including Korea, Malaysia and Russia.

Major new solutions focusing on mobility will be released in early 2012, with a mobile solution for the iPod, iPhone and iPad, as well as a business intelligence solution with access to more than 70 dashboards via a collaborative portal.

Cegid Innovation Store
The Cegid Innovation Store, inaugurated in June 2010 at Cegid's head office in Lyon, is a showcase of the technologies developed together with our application, industry and technology partners. Operating under one roof in a realistic setting, the Cegid Innovation Store demonstrates the latest technological and industry innovations available to specialist retail outlets. Among the technologies and concepts exhibited are RFID, mobility, shopping intelligence and multitouch.

Hospitality

Yourcegid Hospitality^{CBP}
These integrated and modular solutions constitute a veritable information system for small and mid-sized hotel groups or restaurant chains. The latest release of these products includes many new functions: multiple location management, promotions, customer loyalty, restaurant vouchers, customer satisfaction, seminar management.

Yourcegid Hospitality^{Win}
New functions were added to the solutions devoted especially to independent hotels and other foodservice locations, to take into account market developments and the industry's operational needs.

Yourcegid Hotel^{Win} includes modules such as reservations, planning, invoicing, administration and statistics. Its online module manages the link with internet-based room assignment applications such as Availpro and the Reservit platform. Customer loyalty, follow-up and satisfaction modules along with text and multimedia messaging services are also available in the product range.

Yourcegid Restaurant^{Win} is composed of check-out, cook-station printing and back office modules, as well as a new, powerful, mobile order-taking capability, and manages an entire foodservice point of sale.

Manufacturing, Trading & Services

Yourcegid Industry solutions
Designed for the automotive, aeronautics, life sciences, high tech and consumer packaged goods sectors (whether manufacturers or distributors), Yourcegid Industry addresses the management challenges faced by small companies and group subsidiaries.

More than 2,000 professionals use Yourcegid Industry in 25 countries.

The challenges facing manufacturing companies are numerous: produce at the lowest possible cost, optimize procurement and inventory, meet deadlines, increase profitability, tighten security around the production and dissemination of technical and commercial documents, manage foreign sites, inform the decision-making process, and finally, free the company from IT constraints so that it can concentrate on its core business.

Yourcegid Industry offers, in on-premises or SaaS mode, full functionality for managing production, logistics, documentary databases and the administration and finance related to industrial companies.

Yourcegid Services
Designed for service providers, Yourcegid Services business management functions that more directly address the specific needs of the sector, including planning and anticipating staff workload, managing and analyzing activity, and capitalizing on past projects and experience.

Key functionalities of Yourcegid Services:

- Business management
- Resources management
- Planning
- Activity entry
- Procurement and inventory management
- Invoicing
- Analysis

Finally, with more than 20 vertical applications partners, Yourcegid Industry and Yourcegid Services have developed a coherent ecosystem that they use to distribute solutions more widely and support customers in their projects.

Public sector

Cegid stepped up its capacity to serve local authorities and public entities by merging Civitas and Visa Informatique to form Cegid Public. Now that Cegid is in a position to serve all French public institutions and local authorities, it has concentrated its investments on three areas of business expertise: Human resources management, finance and citizen management.

Yourcegid HR Public Sector (Human resources management)
In 2011, investments were focused on three areas:

- regulatory changes relating to processing employee-related data were integrated and N4DS modules were released for its various ranges of HR solutions,
- the HR function of local authorities and public institutions were enriched in the new generation of web-based applications. Leveraging the "Planning of future skills and staffing requirements" module, local authorities and other public entities will be able to manage the entire HR chain within their structure, from recruiting and managing skills / positions to internal mobility to preparing / managing training programs to budgeting for the entire workforce,
- a HR portal was implemented to optimize and eliminate paper from communications between the administration center and its member towns.

Yourcegid Public Sector Financial Management
Cegid Public released its first version of Yourcegid Public Sector Financial Management, a new, fully web-based range that responds to the needs of public institutions and social welfare agencies. This application enables the accounting department of a public entity to process all of its transactions: financial and cost accounting, receipts and disbursements, production of regulatory documents (financial statement, reporting to the DGCP public administration database, etc.). With specific accounting centralization and consolidation functionality, Yourcegid Public Sector Financial Management responds to the needs of organizations with nationwide networks.

Cegid Public, continuing its investments in automating accounting data exchanges, was accredited by Helios, the Finance Ministry's paper reduction program, obtaining the standard exchange protocol PES V2 for its Yourcegid Public Sector Financial Management software for local authorities and other public entities.

Cegid Public continued to invest in the technical and functional capabilities of its HR and Finance solutions in SaaS mode, which more than 300 local authorities and other public entities already use.

Yourcegid Citizens Public sector
The main work carried out in 2011 focused on improving ergonomy and integrating regulatory changes. Cegid Public also offers towns a full software suite for managing their relationships with citizens. It covers elections, civil status and invoicing multi-service activities.

Functional areas

Human Resources

Yourcegid Human Resources
To support its customers of payroll and HR solutions in dealing with the changes in their industries, Cegid focused its investments on creating solutions with an innovative user interface and enriched range of functions.

Changes were made to talent management and planning, taking advantage of a convergence of best practices from the merger with Cegid Front RH.

Human resources and document automation
Cegid supports companies in adopting new automation services implemented by the administration and social welfare agencies, including automating paperless employee declarations sent to France's public health insurance service, declarations of accidents at work and certificates of employment sent to the employment office.

Cegid responded effectively to regulatory changes affecting employee declarations (N4DS) by offering customers dedicated solutions and services. In 2012, Cegid will prepare to implement the future nominative employee declaration (déclaration sociale nominative, or DSN), which will unify all automated declarations into a single declaration sent monthly.

In addition to the automation of legal declarations, Cegid offers innovative services for automating employee files and payslips, making access to data easier and optimizing HR processes.

Taxation

Etafi.fr portal
The Etafi.fr portal now has more than 5,000 customers subscribed to the service and transmits 65,000 tax returns and more than 150,000 VAT declarations to the French tax authority (DGFiP) every year.

The new Etafi.fr portal is part of a strategy of ongoing innovation to help companies perform better and respond to their needs for increased security and traceability. It helps to simplify tax filing obligations by systematically integrating new possibilities of online payment of taxes proposed by the French tax authority (CVAE tax, advance and balance payments of CVAE tax and corporate income tax, etc.).

The submission portal has been enriched with new services such as the ability to send tax returns to the Banque de France. New functions are also available, for example, user profiles and scopes of consolidation, and functionalities specific to large groups, such as alert personalization, submission follow-ups, payments by scope of consolidation or company, and downloadable archived filings.

Corporate value added contribution (CVAE)
A partial substitute for the business license tax (taxe professionnelle), this new local tax on value-added, known by its French acronym "CVAE", was created by the tax authority as part of the 2010 budget law. It applies to all companies reporting sales of more than €152,500 and came into effect on May 4, 2010.

For companies reporting sales in excess of €500,000 this new tax must be paid exclusively on line, illustrating the French government's desire to make paperless tax returns the norm in France.

Owing to its expertise in taxation, Cegid was able to provide a response to this new need by making a CVAE module available for all of its solutions with the option of fully secure and automated online submission and payment via its Etafi.fr portal.

Consolidation with Etafi Conso now available in SaaS mode

Etafi Conso is now available in SaaS mode, offering more flexibility and on-demand availability.

New modules were developed for added efficiency, traceability and full control of the consolidation process required by law and by the Company's bylaws. These include:

- a workflow module including consolidation stages as well as statement and compliance verification,
- an audit trail facilitating justification of the conversion from parent-only to consolidated accounts,
- a fully configurable dashboard,
- reporting templates that can be customized and personalized.

Overall, capitalized development expenditures in 2011 totaled €32 million, or 12.1% of consolidated sales, a level identical to that of the previous year. Depreciation and amortization for the year totaled €29.4 million, up €2.8 million from 2010.

SUSTAINABLE DEVELOPMENT AND HUMAN RESOURCES

Social and environmental information

Over the past several years, Cegid has implemented a Human Resources policy focusing on sustainable economic development and social responsibility.

In order to be effective, this policy must be continually adapted and driven by the desire to achieve strong consistency between the Company's development imperatives and its human resources.

Cegid has therefore developed structured initiatives to encourage employees to support this policy by associating the demands of each activity with the resources available for achieving objectives.

The Group's human resources strategy is organized around the following themes:

- a skills identification and development policy,
- a high level of training,
- a rich, open employee-management dialogue,
- management principle based on collaboration and approachability,
- working conditions and health considerations that go beyond those of the quality of professional life.

Cegid's employees share its strategy and Cegid's skills management policy and compensation system are in tune with the needs of the Group. These factors, combined with an omnipresent sense of customer service, motivate employees to achieve their objectives.

Given Cegid's solid reputation and industry expertise, its human resources policy follows a dual objective of setting employee performance expectations, and providing a vector for personal and professional development.

The desire to win, sharing and exchanging ideas, innovation and technology, quality, reliability and performance: these are the fundamental values the Group promotes, which in turn directly affect customer and employee satisfaction, and Cegid's results.

This approach, which Cegid adopted several years ago, also integrates an environmental impact and sustainable development component, with its involvement in initiatives undertaken by various charitable organizations including OL Fondation, Entrepreneurs dans la Ville, and Sport dans la Ville.

Employment and compensation policy

Number of employees

The number of employees in the companies within the Group's scope of consolidation broke down as follows.

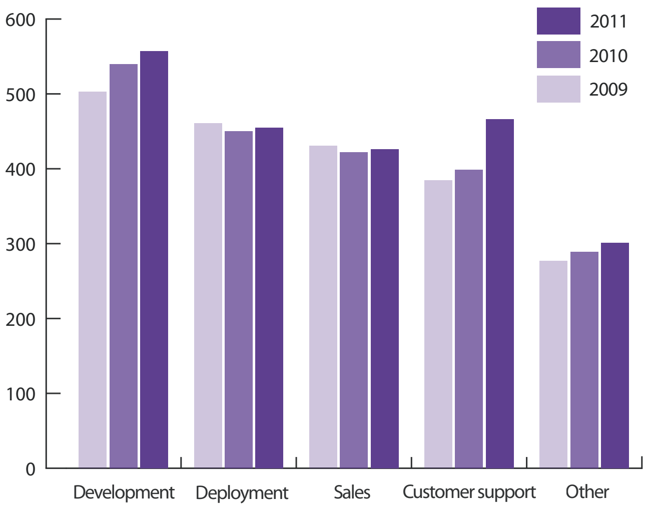
Employees as of December 31	2011	2010	2009
France	2,139	2,039	2,006
Cegid [(1)]	1,784	1,761	1,738
Quadratus	159	150	141
Civitas [(2)]		121	123
Cegid Public [(2)]	185		
Informatique et Communications	5	5	4
Axeteam [(1)]		2	
21S Ingénierie	6		
International			
Spain	9	8	6
United Kingdom	10	11	10
Italy	7	6	5
United States	5	3	2
China	15	10	7
Mauritius	7		
TOTAL	**2,192**	**2,077**	**2,036**
Cemagid [(3)]	13	22	21

(1) Cegid's employee numbers include the employees of Innov'Adhoc, integrated into the Group as of March 1, 2011, and whose assets and liabilities were transferred to Cegid SA on the same date. They also include the employees of Axeteam, whose assets and liabilities were transferred to Cegid SA as of December 31, 2011.
(2) Civitas was renamed Cegid Public on April 26, 2011. Cegid Public employees include employees from the former Civitas and Visa group companies.
(3) This equity-accounted company, formerly Comptanoo, has been 50% held by Cegid SA under a joint venture with Groupama-Gan since January 1, 2009.

The average number of employees—from 24 different nationalities—in all consolidated companies, was 2,154 in 2011 (2,047 in 2010 and 2,143 in 2009).

Employees by function

(Figures as of December 31 of each year)



Number of employees by type of contract

Cegid bases its growth on long-term employment; 93% of employees are on permanent contracts. Contracts for 21 employees were converted from fixed-term to permanent in 2011.

Fixed-term contracts represented 58 full-time equivalent positions in 2011, vs. 46 in 2010. This type of contract was used in part to cover a specific need relating to the launch of N4DS and to the increase in activity. Temporary employment represented 1,043 work days in 2011.

Changes in staffing reflected efforts to adapt resources to the Group's commitments to customers and to increase customer satisfaction.

In 2011, the resignation rate was 6.6% and the dismissal rate 3%.

Hiring policy

The Group hired 324 new employees in 2011. Of these, 167 were hired under permanent contracts and 157 under fixed-term contracts, including 85 for the launch of N4DS (238 new employees in 2010, of which 150 permanent and 88 fixed-term).

The proportion of women among new hires was higher than their representation within the Group. 45% of new hires were women.

Hiring priorities are oriented around acquiring skills in new technologies and individuals with international profiles so as to support the development of the Group along these two avenues.

Work-time organization / Part-time work / Overtime and outsourcing

Implementation of the common employee status is organized on the basis of regulations and collective bargaining agreements already in place. The system applies to all employees except top executives and includes, in particular, reporting of hours worked, time off to make up for professional travel time, days off to bring the average work week to 35 hours, and standard company working hours.

The system takes into account the constraints under which each business activity operates and the related compensation in terms of reduced working hours, separating out certain activities (deployment and support).

Cegid has 215 employees who have chosen to work part-time, or 9.8% of the total workforce. Part-time work schedules respond to the wishes of employees, in some cases for a finite period of time, such as parental leave, in others as a permanent arrangement. The agreement on equal status between men and women is directly related to this choice of work schedule.

Cegid paid a total of 3,340 overtime hours in 2011 (3,841 in 2010). These reflected essentially the seasonality of the telephone help line activity and peak year-end periods.

The absentee rate remained under 4% (up 0.3% on the previous year). Absences represented 29,135 days (26,024 in 2010).

The Group's prevention policy is reviewed regularly, even though there are no risks inherent to the various lines of business. Nevertheless, as certain positions require considerable travel (650 itinerant workers), Cegid pays particular attention to automotive risks, and regularly raises awareness among employees.

In 2011, 21 short-term disability leaves (longer than two days) for traffic accidents represented a total of 568 days of lost work (25 such absences represented 622 days in 2010).

Over the past two years, the Group has also restructured its use of subcontractors to adapt to fluctuations in activity as it shifts to the strategic software provider business.

Performance-based compensation system

Compensation policy

Cegid's compensation policy is one of its strategic strengths, because it enables the Group to hire the best talent and develop employee loyalty. The policy is part of a flexible overall policy that is regularly reviewed and compared with market practices so as to keep employees motivated and the Group competitive.

As such, Cegid has a compensation system that is in line with the skills required for each position, making it possible to recognize both individual and overall performance.

In this context, Cegid's compensation model has gradually evolved such that the priority for determining entry-level salaries is on the required skills and competencies. For sales staff and senior management, compensation principles based on rewarding performance motivate staff while meeting the Group's economic objectives.

Gross payroll amounts have changed as follows (in €000):

2011	2010	2009
93.1	87.4	88.1

In 2011, relevant indicators were devised, tracked and analyzed to ensure the Group's optimized management of its workforce.

Profit-sharing

Cegid wants its employees to share in the Group's profitable growth and also fosters employee savings.

In 2011, Cegid paid €2.0 million (€1.1 million in 2010) under the collective performance bonus plan (intéressement) and €1.6 million in profit-sharing (€0.77 million in 2010).

Furthermore, a new law was introduced requiring companies of more than 50 employees that pay dividends to pay a special profit-sharing bonus. In line with this new law, the Group paid €0.57 million and the majority of Cegid's employees received a €400 bonus.

Gross matching contributions to employee savings plans totaled €0.55 million (€0.58 million in 2010).

In 2011, Quadratus once again made very significant profit-sharing payments.

At Cegid Public, the three-year collective performance bonus plan and profit-sharing agreement signed before summer 2011 entitled employees to benefit from a new performance reward policy.

Finally, the cost of restaurant vouchers, the group death & disability insurance plan and contributions to the employee representative bodies totaled €4.7 million in 2011 (excl. foreign subsidiaries).

Taken together, these employee benefits represented a total of €9.5 million, or 10% of gross payroll (in 2010 they totaled €6.9 million, or 8%).

Skills management

Career-long skills development

To enable it to perform year-in and year-out, Cegid anticipates and embraces change in the skills required to respond to market demands. Detailed, accurate knowledge of jobs and skills enables Cegid to manage its needs effectively.

In 2011, the mapping of operational roles within Cegid was finished via the "Career paths" project, covering 4 businesses, 11 job families and 46 jobs. The implementation of this jobs and skills database has improved visibility for employees interested in internal mobility opportunities.

In 2012, the skills map will be improved as further areas are added.

The Envol program, in which more than 100 employees have taken part over the last three years, has resulted in a pool of skilled employees who will be able to more actively participate in the development of the Group.

Support through training

By increasing employee skills, the Group can improve its performance in all of its business lines.

It is therefore important to continually assess employees' level of knowledge and whether it is being put to good use and leading to better performance.

The Cegid Institute, the Group's internal university, is implementing a structured training policy, with the creation of "business-specific" schools. Each business line has its own common base of professional knowledge and know-how that all of its employees must possess to effectively carry out assignments, and Cegid has implemented its own certification program. In 2011, the focus was on sales, with the creation of a sales school designed to improve sales performance.

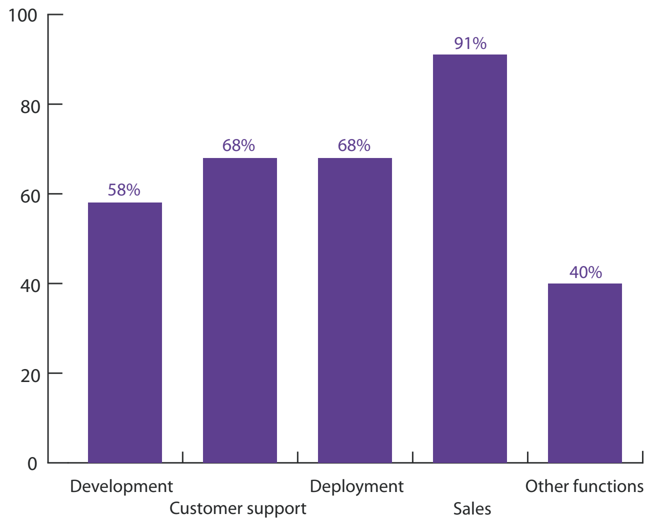
In 2012, training will focus on the Group's strategic objectives:

- new software development languages and techniques,
- implementation methodology,
- SaaS,
- international.

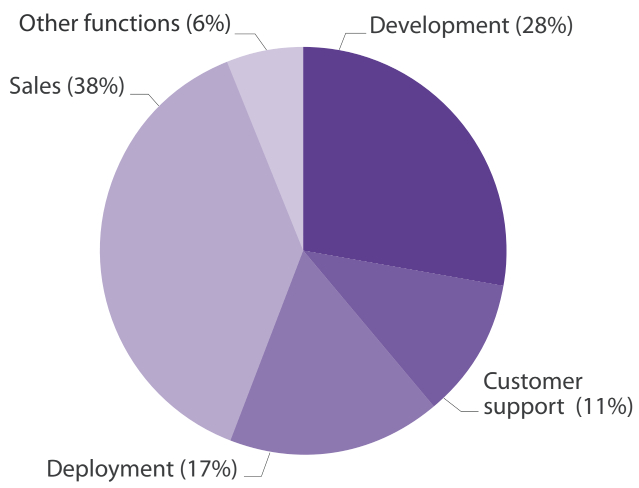
These areas of focus are broken down into new schools of deployment, support, development and marketing.

In 2011, investment in training represented 6,620 days for the Group as a whole, i.e. almost 3.5% of payroll.

Training proportion by function



Training expenditure by function



Developing mobility

Mobility within Cegid was improved in 2011 as employees were given access to job mobility resources. These tools make it possible to act on mobility requests expressed during annual performance reviews, better publicize opportunities offered within the Group and allow employees to consult the skills database. Cegid's mobility policy is based on identifying internal potential and on developing skills at international locations.

Internal communications tools have given employees the ambition and will to take charge of their professional development.

Internal mobility programs were strengthened in 2011, and 21% of all permanent contract positions were filled internally. Every employee who takes on a new function benefits from an integration program. The program has been drawn up in close cooperation with management and the Cegid Institute, in the aim of helping employees develop the skills necessary for the specific needs of the new job, so that they can rapidly adapt to their new role in an optimal manner.

Corporate social responsibility

Encouraging employee-management dialogue

The dialogue between employees and managers, linking social responsibility with economic performance, is one of the fundamentals upon which the Group functions.

Over the course of 2011, Cegid applied new legislation so as to enhance the Group's economic performance and social responsibility. A special profit-sharing bonus was introduced for all Group employees, and an action plan promoting gender equality in the workplace was implemented in the subsidiaries that were not already covered by a company agreement.

In 2011, Cegid Public was formed following the merger of two Group subsidiaries. Negotiations with employee representatives included valuable dialogue, resulting in the introduction of new measures in favor of employees, including an agreement on the reduction of working hours and a collective performance bonus agreement. These new measures are in addition to those already in place.

Health and safety

Cegid has always attached great importance to health and safety in the workplace, going beyond meeting legal requirements with its employee health and risks prevention program. To this end, Cegid has developed a prevention policy and related procedures, managed at site level. Risks are evaluated, anticipated and managed based on the specific characteristics of each activity and the needs of the affected group of employees, and the procedures are based thereon.

In 2011, following two years of work, Cegid signed an agreement with the labor unions on organizing the implementation of concrete measures for preventing psychosocial risks.

Action initiated since 2009 will lead in 2012 to primary, secondary and tertiary prevention measures, including internal communication, the training of health and safety representatives at each site, reporting to the site manager, and the creation of dedicated committees composed of representatives of the key health and safety participants (committees on health & safety in the workplace, managers, occupational physicians, human resources department).

Equal status for men and women

A forerunner in its area of business, Cegid signed a company-wide agreement back in 2007 on professional equality for men and women. The agreement paved the way for developing initiatives in the areas of hiring, professional training, compensation, career development, and also parenting. Concrete measures benefiting company employees have since been included in this agreement.

In accordance with these requirements, a number of action plans were implemented to reduce the gap between men and women. As of December 31, 2011, women represented 39% of the workforce.

Ensuring equality of opportunity

Cegid firmly believes that diversity and community involvement help build performance and corporate value, and has pursued its efforts to be a good corporate citizen.

Cegid has always endeavored to foster professional equality and to combat discrimination of any kind. In particular, the Group seeks to eliminate bias based on sex, race, religion, national origin, political opinion, sexual orientation, economic status, age or disability. Company-wide agreements cover certain issues, such as equality between men and women, senior employees and employees with disabilities.

Demography in 2011

As of December 31, 2011, the average seniority was ten years and the average age of employees was 40. The situation is identical to that as of December 31, 2010.

Cegid runs a program informing and supporting employees over the age of 45.

Employees over the age of 45 are invited to attend a "Mature careers" meeting to plan the second half of their career and to receive guidance in determining their career plans, training, mentoring, altering working hours and/or preparing for retirement.

Employees with disabilities

2011 was the final year of a three-year corporate agreement on employing people with disabilities.

In this context, Cegid continued its commitment to helping people with disabilities by lending its support to the many regional and nationwide events such as "Semaine du handicap" (disability week), which run job fairs throughout France. It also offered work experience opportunities to students involved in a "developpement.net" training program and provided financial support to work centers employing people with disabilities.

In parallel, awareness-raising initiatives were implemented for Group employees.

Cegid has hired 19 workers with a disability over the last three years.

Local impact

For many years now, Cegid has been involved in local communities, not only through partnerships and patronage (Entrepreneurs dans la Ville, OL Fondation, Le Petit Monde, Arbre de la Solidarité and, more recently, the Léon Bérard Center and the Prisons du Cœur), but also through volunteer commitments vis-à-vis disadvantaged people.

Accordingly, Cegid is involved in several programs to help young people from underprivileged backgrounds find jobs, including the "Sport dans la Ville" association's programs. Group employees embrace the values of this association: in 2011, 15 Cegid employees once again devoted their time and energy to sponsor a young person in their endeavors to enter the job market.

Other initiatives have also been implemented together with the Ness & cités association, such as the "Jobs & Cité Stadium" operation for candidates from disadvantaged neighborhoods on the outskirts of Lyon, and "Semaine de la diversité" (diversity week) which Cegid attended in Lyon and Paris.

By participating in these programs, Cegid aims to help finance long-term programs, therefore making a real difference to the lives of young people or others in difficulty.

Environment

Cegid, an IT services provider, helps to preserve the environment through the products it sells and the way it operates.

Cegid's products foster paperless communication and reduced travel. As such, they participate directly in reducing the environmental impact of economic activities.

Cegid estimates that the rapid development of SaaS, used by more than 20,000 customers in 2011, reduced customers' CO_2 emissions by 47 tonnes (kWh of electricity consumed in CO_2-equivalent terms, as published by the international energy agency) owing to mutualization of servers in Cegid's premises. This represented an increase of almost 100% on last year.

The Group's strategic orientation toward the development of SaaS products that must be hosted on servers has led it to rethink how it tracks its consumption of electrical energy. In 2011, this orientation significantly reduced the consumption of electricity in the hosting centers.

Cegid has implemented a travel policy intended to protect the environment. Employees are encouraged to use public transportation, limit the number of individual business trips and use IT solutions whenever possible, such as teleconferencing and videoconferencing. Cegid also chose to establish a local presence in each region of the country, creating greater proximity with its customers and reducing the number of business trips, as well as fostering the development of new eco-responsible practices, such as paperless documents (hiring requests, contract requests, invoice validation, etc.) and e-learning.

Finally, Cegid has continued to renew its fleet of vehicles, preferring vehicles with low CO_2 emissions.

Customer- and employee-focused initiatives

Customer Power

In order to manage a constantly changing environment, with its multi-channel approach, new forms of consumption (cloud) and changes in customer behavior, Cegid launched an internal program named "Customer Power", which uses a variety of social media tools (blogs, conferences, customer/partner discussions) to encourage all employees to share the same strategic vision of customer relationships by promoting a common attitude. Customer Power takes a friendly, open approach to encouraging initiative-taking and open discussions in the aim of improving customer satisfaction with a focus on increasing loyalty and performance levels.

KTB, the "Great place to work" project

In 2011, Cegid launched KTB, the company-wide "Great place to work" project, a central feature of the Group's human resources strategy. Its aim is to combine the comfort of its employees with high-quality customer service, openness to partners and a focus on performance. This program, which is progressively being implemented across all of the Group's sites, highlights the readiness of Cegid employees and of the people who comprise Cegid’s ecosystem to work together.
This initiative demonstrates the new dimension Cegid wishes to give to its customer relationships. It is also an opportunity to improve the geographic proximity Cegid has maintained with its customers since it was formed, and to contribute to the vitality of the region's economic fabric.

Significant events subsequent to closing

To support the very strong growth in its SaaS activities, Cegid chose to increase its resources, signing a private cloud contract with IBM France, a world leader in cloud computing. This Infrastructure-as-a-Service (IaaS) contract enables Cegid to stay on course with the increasing volume of SaaS business and to face the availability and security challenges posed by cloud computing. This partnership will serve to enrich Cegid's SaaS-based range of solutions and to develop this activity abroad.

As of January 1, 2012, Quadratus began operating the assets of 21S Ingénierie (acquired by Cegid Group in April 2011) under a lease-management agreement. This agreement was approved by the companies' Boards of Directors in January 2012.

Outlook and future prospects: more organic growth and acquisitions

The strategy developed by Cegid, which has gathered pace over the past few years, enables it to approach today's very uncertain economic environment with confidence and a competitive spirit.

Stronger positioning:

- Cegid has an installed base of more than 95,000 customers who generate high recurrent revenue (€131.6 million, or more than 50% of total sales),
- Cegid's sales are spread among nine business lines and, depending on the business, over companies of all sizes (SMEs, large companies and corporate groups),
- Cegid's staff have developed in-depth knowledge over many years in the industries and functions Cegid targets,
- Medium-term financing is in place, with €200 million in five-year confirmed lines of credit (maturity 2015), extendible to seven (2017).

Strategy in phase with the market:

- Product/solution specialization: Cegid is specialized by business sector (Manufacturing, Services, Trading, Retail, Hospitality, Accounting Profession, Associations, Entrepreneurs, Public Sector) and by functional expertise (Finance, Taxation, Performance Management, Human Resources). It is in phase with companies wanting to modernize their business processes through targeted investments rather than via a complete overhaul of their IT systems,
- International: Cegid has a consolidated international presence in Retailing that will gradually be extended to activities in the Manufacturing sector,
- SaaS and cloud computing: Cegid is positioned as a major player in the fast-growing SaaS (On Demand) market, which bolsters the recurrent portion of Cegid’s revenue. Cegid will increase its presence in cloud computing by partnering with IBM to create a private cloud-based solution located and managed in France for both the private and public sectors. In so doing, Cegid confirms its lead in this market and is structuring itself to provide powerful, flexible and secure support to its customers' growth. This partnership complements previous ones on certain product lines such as Orange Business Services, whose cloud-ready network is natively connected to the Yourcegid On Demand solutions, and Microsoft, with its Cloud Live@edu and Azure platforms.

These factors, combined with new, innovative mobility solutions and Cegid's expertise in acquiring and integrating companies, should enable the Group to actively pursue its expansion in the years to come, both in France and abroad.

Risk factors

Market risks

Interest rate risk

As of December 31, 2011, Cegid had medium-term financial resources composed of two syndicated lines of credit in the amount of €200 million:

- A syndicated loan, currently totaling €150 million, granted in July 2006 and repayable at maturity, under which Cegid exercised the loan agreement's extension clause in April 2008. This clause provided for an extension of the maturity date of the loan from June 30, 2011 to June 30, 2013 and an adjustment to the maximum outstanding amount. This amount will be reduced to €120 million, effective from June 30, 2012 until June 30, 2013,

- A syndicated loan currently totaling €50 million, granted in November 2010, repayable at maturity, effective until June 30, 2012, upon which date it will increase to €80 million, in effect until June 30, 2013, then to €200 million in effect until June 30, 2014. At that date it will reduce to €170 million and remain in effect until June 30, 2015. If the loan agreement's extension clauses are exercised, €140 million will be available until June 30, 2016 and €100 million until June 30, 2017.

These lines provide a significant drawdown capacity, which the Group can use to finance its investment needs in the years to come. Interest is charged at the Euribor rate for the term of the drawdown, plus a margin.

In this context, the Group is subject to changes in variable rates and examines this risk regularly. In 2011, Cegid Group renewed its interest rate hedging arrangement by buying two standard zero-premium collars against one-month Euribor:

- Start January 28, 2011, floor 0.90%, Cap 2.28%, for a term of two years, on a notional amount of €20 million, at maturity,
- Start June 30, 2011, floor 1.30%, Cap 3.325%, for a term of three years, on a notional amount of €20 million, at maturity.

These hedges on a total of €40 million represented more than 60% of the amount drawn down (€64 million) as of December 31, 2011.

The Finance department manages the Group's treasury on a daily basis, using dedicated software that interfaces with the integrated IT system. A weekly treasury report is prepared and used to track changes in debt, invested cash balances and the type of cash flows.

Maturity of financial assets and liabilities as of December 31, 2011

(in €000)	Amount	Interest rate	Maturity
Liabilities due in 1 year or less	1,274		
of which variable-rate liabilities	1,274	Euribor-based	Short term
Liabilities due in 1 to 5 years	64,000		
of which variable-rate liabilities	64,000	Euribor-based	Medium term
TOTAL	**65,274**		

(in €000)	1 year or less	1 to 5 years	More than 5 years
Financial liabilities	1,274	64,000	
Financial assets	1,465		
Net position	191	- 64,000	
Net position after management*	191	- 64,000	

* net position after management at variable rates: €-63,809 thousand).

Exchange-rate risk

Cegid is exposed to exchange rate risks only to a small extent. The risk relates to the financing of its international subsidiaries and to the payment of certain purchases.

Equity market risk

Marketable securities in the consolidated balance sheet were exclusively money-market mutual funds.

Apart from investments in the companies in its scope of consolidation, the Group has no significant equity investments.

As of December 31, 2011, Cegid Group held certain shares in treasury in connection with its share buyback program. These included 404,908 shares with an acquisition value of €7,197,580.72, held for the purpose of meeting the exercise of 400,000 redeemable share warrants, and 24,534 shares, held for the purpose of making a market in and ensuring regular price quotations for its shares through a liquidity contract. As of the year-end, these shares were valued at €14.35 each (see page 143).

Risk related to the listing of Cegid Group shares on the stock exchange

The existing share capital structure (see pages 30 and 60) presents little risk of a takeover bid being launched on Cegid Group's shares.

Liquidity risk

In November 2010, Cegid repaid its main line of credit early (syndicated line of credit signed in July 2006 initially in the amount of €200 million, maturity in June 2013) by signing a syndicated line of credit in the amount of €200 million with the same eight-bank syndicate as for the previous line of credit, i.e. with CIC-Lyonnaise de Banque, BECM, and Société Générale as mandated arrangers, and LCL, BNP Paribas, Banque Rhône-Alpes, Natixis and HSBC France as the other participating banks.

The initial term is five years, extendible to seven years.

Cegid therefore has medium-term bank financing in the amount of €200 million from 2011 until June 30, 2014, then €170 million until June 30, 2015, €140 million until June 30, 2016 and €100 million until June 30, 2017 provided that the banks agree to extend the term.

Confirmed lines of credit in €M until	12/31/2011	06/30/12	06/30/13	06/30/14
Drawdown authorizations	200	200	200	200
of which 2006 line of credit	150	150	120	
of which 2010 line of credit	50	50	80	200
Drawdowns as of 12/31/2011	64			

Confirmed lines of credit in €M until	06/30/15	06/30/16 (*)	06/30/17 (*)
Drawdown authorizations	170	140	100
of which 2010 line of credit	170	140	100

(*) If banks agree to extend the term.

These lines provide a greater drawdown capacity, which the Group can use to finance its operating and investment needs in the years to come.

As of December 31, 2011, Cegid had used €64 million of its drawdown capacity.

The loan agreements include the customary covenants and clauses regarding accelerated maturity, specifically:

- Borrowings become immediately due and payable upon voluntary or involuntary liquidation,
- Maturity may be accelerated in the event of non-payment of an amount due under a loan agreement or in the event of non-payment of a tax or social welfare contribution, unless it has been contested,

Cegid Group must also adhere to the following covenants:

- Consolidated net debt / consolidated shareholders' equity less than or equal to 1,
- Consolidated net debt / average consolidated EBITDA of the past two years less than or equal to 3.

Compliance with these covenants is calculated at each annual and semi-annual earnings announcement.

As of December 31, 2011, the group was in compliance with these provisions.

By adhering to these provisions and in particular the covenants, which were covered even more comfortably as of December 31, 2011, and the significant drawdown capacity detailed above, the Group is in a position to manage its liquidity risk under favorable conditions.

Business risks

Customer risk

Customer risk is low:

- Cegid's sales are highly dispersed, and no customer invoiced in 2011 represented more than 0.7% of the Group's consolidated annual sales,
- Accounts receivable are spread among more than 20,000 customer accounts and no single customer represents more than 1.6% of this line item.

Risks related to extension of the geographic area in which the Group distributes its products (geographic risks)

Distribution of the Group's products to customers in a large number of countries increases risks, and therefore increases the need to pay particular attention to evaluating operating risks in advance as well as the responsibilities relating to these risks.

Audits carried out in the USA and China during the year under review served to confirm the assessment and management of these risks.

Risk related to online sales

By selling products and services online on Cegid Store, an e-commerce website that includes bankcard payment, Cegid is exposed to the risks inherent to online selling. Cegid accounted for these risks when building its website and adhered to all good practices relating to B-to-B online sales, in particular regarding the documentation provided to professional customers and ensuring specific monitoring of sales and receipts.

Competitive positioning

Cegid is positioned as a software provider specializing in nine business lines (Manufacturing, Services, Trading, Retail, Hospitality, Accounting Profession, Associations, Entrepreneurs and the Public Sector) and four areas of functional expertise (Finance, Taxation, Performance Management, Human Resources), and serves companies of all sizes. These areas of expertise are described on pages 9 to 11.

Furthermore, Cegid's customers can use one or several industry- or function-specific modules or solutions, meaning that a number of companies source their applications from several software developers. In light of this, Cegid's particular market positioning—with its diverse activities and customers of all sizes—does not lend itself to easily determining a relevant market share, and even less to making a useful comparison with other industry players in each of Cegid's areas of expertise.

Aside from those mentioned on pages 57 and 58, Cegid does not have any significant dependencies.

Supplier and technology risks

Cegid has formed technology alliances with large software developers and suppliers of programming tools, middleware (database) and operating systems.

These tools and the architectural bricks used in the deployment of Cegid solutions are based principally on standard market technologies developed by its partners. The resulting constraints for Cegid are principally that the Group must adapt its product lines to new versions and must fulfill its product maintenance obligations. To manage these potential risks, Cegid's tools are compatible with prominent market standards, and Cegid should therefore be able to turn to existing alternative solutions if need be. This limits Cegid's technological dependence. Nevertheless, the very nature of Cegid's business remains very closely tied to changes at the major technology providers.

The Group develops its business in the areas of On Demand or SaaS, which constitute an alternative to the traditional on-premises license mode for using software. In this context, the Group runs the IT equipment necessary for this activity. All the data centers used by Cegid are located in France and the architecture Cegid deploys is based on redundant power supply, machines, hard disks, and telecoms access lines via two distinct carriers.

Access to these rooms is secure and limited to members of the IT department. These rooms have the equipment necessary for their operation, including air-conditioning, fire detection equipment, uninterruptible power supply and back-up generators. Maintenance is performed on this equipment on a regular basis. A daily back-up system has been implemented and includes dual back-ups stored in separate locations.

Following the agreement signed between Cegid and IBM France to provide a private cloud based on the Infrastructure-as-a-Service (IaaS) model, IBM will progressively take charge of the physical infrastructure used by Cegid to deliver its online services. Cegid will thus become the operator of virtual infrastructure, freeing it of the risks associated with the physical layers of a private cloud. The level of service specified in the SLA is very high and indicators on availability, security and performance will be monitored in line with the objectives set by both groups.

Intellectual property and intangible asset risks

Cegid's future success depends in part on protecting its intellectual property rights, in particular its brands and software programs. The Group regularly makes filings with the Agence de Protection des Programmes concerning the software programs it develops. Under current French and EU law, however, software programs cannot be patented. These filings protect the Group's expertise and copyrights related to software developed by the Group. Nevertheless, there is a risk that third parties may infringe these rights, which could have unfavorable effects on the Group's businesses and require the Group to incur costs to enforce its rights. There is also a risk that third parties may believe that Cegid's products infringe their intellectual property rights and attempt to prohibit the use of those rights and/or obtain compensation.

Such a situation could expose Cegid to legal action and the payment of damages related to such action.

Cegid's brands and logos are registered in the principal countries (in France, with the INPI). The Group holds copyrights on its products, sales brochures and user manuals.

The Group remains vigilant with regard to the protection of its intangible assets.

The principal risk regarding the protection of intangible assets is related to the potential departure of employees who might not comply with existing legal and contractual arrangements.

The current contractual environment includes provisions aimed at protecting the intellectual property rights belonging to the various entities of the Group. As of December 31, 2011, the Group was not subject to any legal proceedings in this regard.

As Cegid is attentive to the compliance of its operations and protecting its products, it has implemented an audit of intellectual property clauses for all its employees working in the area of development. Aside from ensuring that all employee contractual clauses are in compliance, employees are made aware of good development practices and the related challenges.

Key personnel risks

A business based primarily on innovation depends largely on the skills of the enterprise's employees. As a result, Cegid is naturally dependent on its ability to keep its employees within the Group over the long term.

Were this expertise to become unavailable, either temporarily or permanently, the Group's operations could be disrupted, with a resulting negative impact on sales and earnings. This potential impact is, however, limited, owing to Cegid's diverse activities.

Nevertheless, in an effort to limit this potential impact, Cegid regularly adapts its operating structure to better distribute expertise on technology and tools within the Group.

Cegid has also undertaken a wide range of initiatives to better identify key know-how, the development of critical skills and the management of key employees.

The wealth of products and services Cegid offers makes this approach more complex, but reduces the potential impact on sales and earnings, depending on the business volume of the product range in question.

Environmental risks

The nature of Cegid's business and that of its subsidiaries does not generate significant environmental risks. These activities do not require specific measures other than those mentioned on pages 54 and 55 (environmental information), which aim to minimize any potential impact.

Insurance and risk management

To limit the consequences of the major risks related to its business, Cegid has insurance policies, principally liability insurance, personal injury, property & casualty insurance and business interruption insurance.

All of these insurance policies, both in France and abroad, have been contracted with prominent insurance companies, in collaboration with the expertise of the brokers who handle Cegid's insurance needs.

Business liability and professional and/or post-delivery liability

The Group has insurance policies covering:

- Business liability up to €10 million per insurance year,
- Professional and/or post-delivery liability up to €10 million per loss event and per insurance year. In particular, the policy covers losses from:
  - professional misconduct, error, omission, or negligence committed in the execution of professional services,
  - service, product or software performance defects,
  - defects in the design or execution of its assignments.

And specifically in the event of:

- an error in design, analysis or programming,
- a defect in delivery, installation, repair, maintenance, etc.

Property & casualty and business interruption

The premises in which the Group exercises its activities are located essentially in France. They are comprised of 49 office locations with a surface area of 38,600 sq. m. This geographic dispersion limits risks, in particular the risk of business interruption that could result from a casualty. No Group company owns the premises in which it exercises its business activity.

The insurance policy covering property damage and business interruption includes the following ceilings:

- All IT, office equipment and telematics risks: €7.5 million,
- Fees and miscellaneous losses: €4 million.

Other insurance policies

Risks concerning liability of executives and other executive officers, acts of computer abuse, business travel, transportation of merchandise and the company car fleet are covered by specific insurance policies.
For international entities, specific local insurance policies are implemented, such as property damage, general liability, worker's compensation and employer's liability.

Insurance premiums

Cegid recognized approximately €0.7 million in insurance premiums in 2011.

In accordance with the registration document preparation guide for small and mid-sized listed companies updated by the AMF in December 2009, Cegid reviewed all the risks to which it is subject and concluded that there are no significant risks other than those presented above.

DISPUTES AND EXCEPTIONAL ITEMS

Disputes related to operations

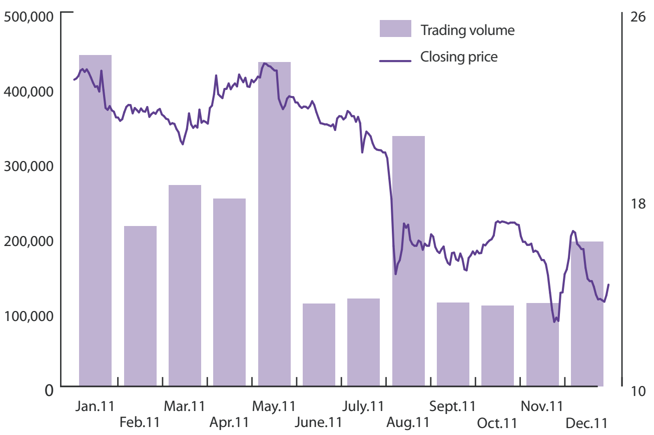
Litigation involving mainly labor and commercial disputes, as well as certain lawsuits for which summonses have been served, have led to recognition of various provisions and the amendment of earlier provisions to cover the estimated risk, after internal analysis and review by the Group's attorneys.

To the best of the Company's knowledge, for at least the last 12 months prior to December 31, 2011, there have been no governmental, litigation or arbitration procedures (including any procedures the Company is aware of which are still underway or which pose a threat to the Company) which could have or have recently had a significant impact on the Group's financial position or profitability.

Trading in the Company's securities

Owing to their price trend, Cegid Group shares (NYSE Euronext: CGD; ISIN code: FR0000124703) are once again listed on Euronext Paris Compartment C (since January 23, 2012) and are included in the Small, Mid and Small, All-Tradable et ITCAC indices. On December 31, 2011, the share closed at €14.35 (€22.65 as of December 31, 2010). The number of shares traded in 2011 was 2,695,106 (2,603,826 shares traded in 2010), compared to a total share capital as of December 31, 2011 of 9,233,057 shares.

Price and trading volume of Cegid Group shares in 2011



Cegid Group share capital and equity investments

Cegid Group share capital

During 2011 there was no change in the share capital of Cegid Group, which remained at €8,771,404.15 as of December 31, 2011, divided into 9,233,057 shares, with a par value of €0.95 each. As of the date of this report, no change therein had taken place.

Equity investments

The detail of equity investments in the various subsidiaries of Cegid Group and their percentages are indicated in the notes to the consolidated statements and the list of subsidiaries and associates in the notes to the parent company financial statements.

Purchase and/or sale by the Company of its own shares

Purchase and/or sale of shares during 2011

Cegid Group and CM-CIC terminated the liquidity contract they entered into on June 1, 2005. The contract termination took effect on September 30, 2011. Under this liquidity contract running from January 1, 2011 to September 30, 2011, 174,222 Cegid Group shares were acquired at an average price of €20.61, and 172,244 shares were sold at an average price of €20.62. The final report under this liquidity contract was published online on October 3, 2011.

On September 29, 2011, Cegid Group entered into a new liquidity contract with Gilbert Dupont which took effect as of October 3, 2011. Under this liquidity contract, between October 3, 2011 and December 31, 2011, 54,720 Cegid Group shares were acquired at an average price of €15.43 and 54,719 shares were sold at an average price of €15.29.

Brokerage fees for these purchases and sales carried out under the liquidity contracts totaled €22,250.

An annual report on the liquidity contract was made available on line on January 13, 2012.

No Cegid Group shares were acquired during 2011 under the share buyback program outside of the liquidity contract.

As of December 31, 2011, Cegid Group held 429,442 of its own shares, representing 4.7% of the share capital of the Company. The value of these 429,442 shares, at their purchase price, was €6,162,492.70 (par value of Cegid Group shares: €0.95).

Authorization to be granted to the Board of Directors to acquire shares pursuant to the terms of Articles L.225-209 to L.225-212 of the French Commercial Code

At the Annual Shareholders' Meeting, we will propose that you authorize the Board of Directors to acquire shares pursuant to Articles L.225-209 to L.225-212 of the French Commercial Code and regulation 2273/2003 of the European Commission, dated December 22, 2003, and the provisions of Articles 241-1 to 241-8 of the General Regulation of the AMF, supplemented by AMF instructions 2005-06 and 07, dated February 22, 2005.

The maximum purchase price shall not exceed €40 per share. The maximum amount of the program will therefore be €19,974,960, taking into account the 423,931 shares held in treasury as of January 31, 2012.

Shares of Cegid Group held by employees

In accordance with Article L.225-184 of the French Commercial Code, a special report will provide you with the disclosures required by law.

We reiterate that as a result of the partial asset contribution approved by shareholders at their Special Shareholders' Meeting of November 30, 2006, Cegid Group no longer has any employees. Consequently, the customary mention of the percentage of Company shares held by employees at fiscal year-end was not applicable.

Shares of Cegid Group held by employees of Group companies

As of January 31, 2012, the date of the most recent "Identification of bearer shareholders" analysis, employees of companies in the Group held 59,430 Cegid Group shares under the employee savings plan managed by Société Générale in the form of two mutual funds (57,593 shares in January 2011), representing 0.64% of the share capital.

As of January 31, 2012, employees of companies in the Group, excluding executives, held 168,440 Cegid Group shares, directly or indirectly (168,585 shares in January 2011), or 1.82% of the share capital.

ISSUE OF REDEEMABLE SHARE WARRANTS

At the Special Shareholders Meeting of December 22, 2009, shareholders authorized the Board of Directors to issue redeemable share purchase warrants ("BAAR"). This authorization is valid for 18 months, affects a maximum of 404,908 shares and represents 4.4% of the share capital as of the date of the Shareholders' Meeting. This authorization was used by the Board of Directors during its September 3, 2010 meeting and was assigned no. 10-302 by the AMF, dated the same day. At its meeting of September 3, 2010, the Board of Directors, acting under the authorization granted by the shareholders, set the following parameters for the warrants:

- a list of 86 beneficiaries,
- a total of 400,000 A and B warrants (BAAR 1 and 2 in French),
- the number of A and B warrants offered to each beneficiary,
- the issue and exercise prices of the A and B warrants,
- the subscription period (September 7-28, 2010 inclusive),
- the exercise periods for the A and B warrants.

On November 3, 2010, Board of Directors recognized the issuance of 400,000 warrants to 74 of the 86 initially designated, potential beneficiaries. These 400,000 warrants do not confer the right to subscribe to new shares, but exclusively to acquire existing shares.

As of December 31, 2011, the above information remained unchanged.

COMPOSITION OF SHARE CAPITAL - OWNERSHIP THRESHOLD DISCLOSURES

Composition of share capital as of December 31, 2011

To the best of our knowledge, the principal shareholders of Cegid Group as of December 31, 2011 were as follows:

Shareholder	% of shares	% voting rights
Groupama group [(1)]	26.89	25.97
Board members, of which:	10.87	14.98
ICMI [(2)]	*10.05*	*14.17*
Management [(4)]	*0.82*	*0.81*
Ulysse/Tocqueville Dividende/ Odyssée [(3)]	5.09	6.38
Treasury shares	4.62	NA
Free float	52.53	52.67
TOTAL	**100.00**	**100.00**

[(1)] Groupama group: corresponds to the following entities: Groupama SA, Gan Assurances Vie, Gan Eurocourtage.
[(2)] As of 12/31/2011, Jean-Michel Aulas held 99.95% of ICMI, representing 99.96% of the voting rights.
[(3)] Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP SLC, FCP Sphynx Finance).
[(4)] The Chairman, Chief Executive Officer and Board members are considered members of the Executive Board. Nevertheless, the percentage ownership of ICMI is listed separately in the table.

As of December 31, 2011, there were 400,000 redeemable share warrants outstanding. As these warrants will not give rise to the issuance of new Cegid Group shares, but only to the acquisition of existing shares, their exercise will not have any impact on the share capital of the Company.

Ownership threshold disclosures

- In a letter received on January 13, 2011, CM-CIC Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of January 6, 2011, CM-CIC Asset Management held 247,000 shares and voting rights, distributed among four mutual funds.
- In a letter received on February 14, 2011, CM-CIC Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of February 10, 2011, CM-CIC Asset Management held 262,875 shares and voting rights, distributed among five mutual funds.
- In a letter received on February 14, 2011, Sycomore Asset Management declared, on behalf of the mutual funds it manages, that its ownership interest had increased beyond the threshold of 2% of the share capital and voting rights of the Company, as specified in the bylaws. As of January 20, 2011, Sycomore Asset Management held 300,000 shares and voting rights.
- In a letter dated December 15, 2011, fund manager Tocqueville Finance informed Cegid Group that its ownership interest had declined below the 5% legal threshold and that as of that date it held 460,264 shares in the context of its mutual fund management business, representing 4.98% of the capital.
- On December 15, 2011, the Autorité des Marchés Financiers published Tocqueville Finance's disclosure on declining below the 5% threshold of the Cegid Group's share capital.
- In a letter dated December 19, 2011, fund manager Tocqueville Finance declared that its voting rights had fallen below the 6% threshold as specified in the bylaws and that it held 457,975 Cegid Group shares representing 5.99% of voting rights.
- In a letter dated January 23, 2012, fund manager Tocqueville Finance declared that its voting rights had risen above the 8% threshold following the attribution of double voting rights.

TRANSACTIONS CARRIED OUT BY EXECUTIVES

Pursuant to Articles 621-18-2 of the Monetary and Financial Code and 223-26 of the AMF General Regulation, we hereby inform you that the following transactions took place on Cegid Group shares during 2011 and have been disclosed to the Company:

- On June 1, 2011, Jean-Michel Aulas, Chairman of the Board of Directors acquired 1,080 Cegid Group shares for €24,037.22.
- On August 19, 2011, Patrick Bertrand, CEO and permanent representative of ICMI on the Board of Directors of Cegid Group, acquired 719 Cegid Group shares for €11,259.39.
- On July 11, 2011, Ghislaine Aulas, an individual related to Jean-Michel Aulas, Chairman of the Board, sold 1,757 Cegid Group shares for €37,806.60.

ALLOCATION OF NET INCOME

The financial statements of Cegid Group, as presented to you, show net income of €8,991,149.11. The distributable amount with regard to 2011, including retained earnings, totaled €24,110,613.93.

You will be asked, at the Annual Shareholders' Meeting, to distribute a dividend of €1.05 per share, as follows:

- Dividend on 9,233,057 shares ....9,694,709.85 €
- Allocation to retained earnings................ 14,415,904.08 €
- Total..24,110,613.93 €

In the event the Company holds some of its own shares when dividends are to be paid, the portion of net income corresponding to the unpaid dividends on these shares are allocated to the "Retained earnings" account.

The dividend is to be paid on May 18, 2012. Shareholders will be asked to acknowledge that the amount distributed as dividends to individual shareholders will be fully eligible for the 40% exclusion from tax under Article 158 of the French Tax Code, as amended by the 2006 Budget law of December 30, 2005. Pursuant to Article 135-6e, amended by decree 67-236 of March 23, 1967, the distribution of dividends in respect.

DIVIDENDS PAID ON EARNINGS OF THE THREE PREVIOUS FISCAL YEARS

Fiscal year	2010	2009	2008
Number of shares	9,233,057	9,233,057	9,232,679
Dividend per share (€)	1.05	1.05	1.00
TOTAL per share (€)	**1.05**	**1.05**	**1.00**
TOTAL dividend (€)	**9,694,710**	**9,694,710**	**9,232,679**
Dividend eligible for the 40% exclusion (€)	9,694,710	9,694,710	9,232,679
Dividend not eligible for the 40% exclusion	NA	NA	NA

DIRECTOR'S FEES

We propose that you authorize the payment of director's fees for the current year in an amount not to exceed €120,000.

COMPENSATION OF EXECUTIVE OFFICERS

Since 1999, Jean-Michel Aulas and Patrick Bertrand have been paid by ICMI, a holding company that acts as lead shareholder. Its two principal investments are Olympique Lyonnais Groupe and Cegid Group, which represent combined proforma sales of €419 million and a combined workforce of 2,473. As ICMI plays the role of Cegid's lead shareholder, Messrs. Aulas and Bertrand hold positions in the various companies in the Group. ICMI, which has seven employees, also provides financial, accounting and legal services. In 2011, Cegid Group recognized fees of €2,952 thousand for the services of ICMI (€3,095 thousand in 2010).

Compensation for the executive officers of ICMI includes a fixed portion and a variable portion determined principally on the basis of the consolidated results of Olympique Lyonnais Groupe and Cegid Group. The fixed portion [(1)] of compensation and benefits of all kinds attributed in respect of 2011 by ICMI, your Company and its subsidiaries to Jean-Michel Aulas totaled €771 thousand (€749 thousand in 2010) and the variable portion €405 thousand (€482 thousand in 2010). The fixed portion [(1)] attributed to Patrick Bertrand totaled €476 thousand (€444 thousand in 2010) and the variable portion €154 thousand (€183 thousand in 2010).

(1) The fixed portion included a fixed annual gross salary, benefits in kind, the collective performance bonus (intéressement), director's fees and post-employment benefits.

Compensation paid to the other executive officers consisted only of director's fees paid in 2011 in respect of 2010 and were as follows:

- Christian Collin [(1)] €15,920
- Thierry Martel [(2)] €1,330
- Franklin Devaux €10,480
- Apax Partners, represented by Edgard Misrahi.......€3,730
- Jacques Matagrin.. €11,870
- Lucien Deveaux...€6,670
- Jean-Luc Lenart... €10,670
- Benoît de Rodellec du Porzic €9,330

(1) The director's fees were paid to Groupama.
(2) The director's fees were paid to GAN.

The Board of Directors attributes director's fees to members of the Board on the basis of their actual presence at meetings, with an additional weighting for the two executives and the members of the Strategy Committee and Audit Committee.

The Company has made no other commitments to the executive officers.

RATIFICATION OF THE APPOINTMENT OF THREE BOARD MEMBERS

You will be asked to ratify the Board's interim appointment of Valérie Bernis, Astrid Panosyan and François Peythieu as Board members on December 20, 2011.

PROPOSAL TO APPOINT TWO NEW BOARD MEMBERS

You will be asked to appoint Florence Poivey and Quitterie Lenoir as new Board members for a term of six years until the Shareholders' Meeting approving the 2017 financial statements.

The Board of Directors

LIST OF FUNCTIONS EXERCISED BY EXECUTIVE OFFICERS IN OTHER COMPANIES DURING 2011

Name of company or executive officer	Date of first appointment	Date term expires	Principal function in the company	Principal function outside the company	Other positions held in all companies in 2011
Jean-Michel Aulas Cegid Group 52 quai Paul Sédallian 69009 LYON	June 20, 1983	Shareholders' Meeting approving the 2015 financial statements	Chairman	CEO Olympique Lyonnais Groupe	Chairman ICMI, Member of Cegid Group Audit Committee, Chairman CEO Cegid, Chairman Quadratus, Director Cegid Public(1), Chairman Cegid Services, Chairman CEO Olympique Lyonnais Groupe, Chairman Stadium Investment Committee Olympique Lyonnais Groupe, Chairman CEO SASP Olympique Lyonnais, Director OL Voyages, Director Association Olympique Lyonnais, Director l'Ambassade Limited.
ICMI, represented by Patrick Bertrand ICMI 52 quai Paul Sédallian CS 30612 69258 LYON CEDEX 09	September 14, 1983	Shareholders' Meeting approving the 2015 financial statements	Director	Deputy CEO ICMI	**Patrick BERTRAND:** CEO Cegid Group, Delegated CEO Cegid, CEO Quadratus, Chairman Cegid Public(1), Director Expert & Finance, Perm. rep. ICMI on Olympique Lyonnais Groupe Stadium Investment Committee, Olympique Lyonnais Groupe Audit Committee member, Director and Vice Chairman Figesco, Member of Supervisory Board Alta Profits, Chairman l'Ambassade Limited.
Valérie Bernis GDF SUEZ 1 place Samuel de Champlain – Faubourg de l'Arche 92930 PARIS LA DÉFENSE CEDEX	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2015 financial statements	Director	Deputy CEO SUEZ	Deputy CEO SUEZ - Communications and Marketing, Mb of Management Committee GDF SUEZ, Mb of Audit Committee Suez Energy Resources NA, Director SUEZ Environnement, Director SMEG Monaco, Mb of Supervisory Board and Audit Committee Euro Disney SCA, Mb of Board of Directors & Audit Committee Bull, Mb of Cegid Group Strategy Committee.
Astrid Panosyan Groupama 8-10 rue d'Astorg 75008 PARIS	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2013 financial statements	Director	General Secretary of Groupama	Director Amaline Assurances, Director Fondation d'Entreprise Groupama pour la Santé, Director Vaincre les Maladies Rares, Director Fondation Groupama - GAN pour le Cinéma, Mb of Cegid Group Audit Committee.
François Peythieu Groupama 8-10 rue d'Astorg 75008 PARIS	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2013 financial statements	Director	Director of Marketing and Distribution at Groupama	Member of Cegid Group Strategy Committee.
Franklin Devaux	June 9, 1987	Shareholders' Meeting approving the 2015 financial statements	Director		Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate, Member Cegid Group Audit Committee.
Lucien Deveaux	November 4, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Member of Supervisory Board Deveaux SA, Chairman of Supervisory Board Armand Thiery, Chairman of Supervisory Board Ecce SA, Chairman Devlocation, Director Lyonnaise de Banque.
Jean-Luc Lenart	November 16, 2004	Shareholders' Meeting approving the 2015 financial statements	Director	Chairman ACLAM	Vice-Chairman of the Supervisory Board Imagination SAS, Chairman of the Supervisory Board Kayentis SAS, Mb of Supervisory Board Rhapso SA, Mb of Supervisory Board Lowendalmasai SA Lowendalmasai Développement (subsidiary and parent), Mb Supervisory Board Telima Money SAS, Director Compario SA, Chairman Aclam e.u.r.l, Chairman Les Sources SC, Chairman AMC Lourcine SC, Director Lenapart SC, Director NTF RTL SAS.
Jacques Matagrin Le Tout Lyon 41 rue de la Bourse 69002 LYON	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenêtrier Informatique	Chairman of Cegid Group Audit Committee, Chairman Tout Lyon, Director Olympique Lyonnais Groupe, Member of Olympique Lyonnais Groupe Stadium Investment Committee, Chairman Association Olympique Lyonnais, Director OL Voyages, Chairman Noirclerc Fenêtrier Informatique, Chairman SCI Duvalent, Director Bemore (Switzerland).
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the financial statements 2014	Director		Chairman Domaines Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan..

(1) Formerly named Civitas (until April 26, 2011)

POWERS GRANTED BY SHAREHOLDERS TO THE BOARD OF DIRECTORS UNDER ARTICLES L.225-129-1 AND L.225-129-2 OF THE FRENCH COMMERCIAL CODE

Use of Powers in 2011	Used	Unused
Authorization for the Board of Directors to grant subscription-type and/or purchase-type stock options for the benefit of employees and/or executive officers of the companies in the Group. (Special Shareholders' Meeting of May 7, 2008).		x
Authorization for the Board of Directors to issue redeemable share warrants (BAARs) to certain employees of the Company, other companies in the Group and ICMI, as well as to an executive officer of the Company. Term of authorization: 18 months. (Special Shareholders' Meeting of December 22, 2009).		x
Authorization for the Board of Directors to issue securities with preferential subscription rights. Term of authorization: 26 months (Special Shareholders' Meeting of May 6, 2010).		x
Authorization granted to Board of Directors to increase share capital by incorporating reserves, retained earnings or premiums. Term of authorization: 26 months (Special Shareholders' Meeting of May 6, 2010).		x
Authorization for the Board of Directors to issue securities with waiver of preferential subscription rights. Term of authorization: 26 months (Special Shareholders' Meeting of May 6, 2010).		x
Authorization for the Board of Directors to increase the amount of securities issued in the event of surplus demand. (Special Shareholders' Meeting of May 6, 2010).		x
Authorization for the Board of Directors to issue shares or other securities and to set the issue price thereof. Term of authorization: 26 months (Special Shareholders' Meeting of May 6, 2010).		x
Authorization for the Board of Directors to increase the capital by up to 10% to provide valuable consideration for contributions-in-kind. Term of authorization: 26 months (Special Shareholders' Meeting of May 6, 2010).		x
Authorization granted to Board of Directors to issue free share warrants to Company shareholders. Term of authorization: 18 months. (Special Shareholders' Meeting of May 6, 2010).		x
Authorization granted to Board of Directors to use its powers to increase or reduce share capital when the shares of the Company are subject to a public takeover offer. (Special Shareholders' Meeting of May 6, 2010).		x
Authorization for the Board of Directors to use the powers granted under resolutions four, five and six of the May 7, 2008 Shareholders' Meeting, to carry out, pursuant to Article L.255-136 of the French Commercial Code, one or more issues of equity securities with waiver of preferential subscription rights via private placement, as allowed under Article L.411-2, II of the Monetary and Financial Code. (Special Shareholders' Meeting of May 6, 2010).		x
Authorization granted to Board of Directors to issue free share warrants to Company shareholders. Term of authorization: 18 months. (Special Shareholders' Meeting of May 19, 2011).		x
Authorization granted to Board of Directors to use its powers to increase or reduce share capital when the shares of the Company are subject to a public takeover offer. (Special Shareholders' Meeting of May 19, 2011).		x
Authorization for the Board of Directors to grant subscription-type and/or purchase-type stock options for the benefit of employees and/or executive officers of the companies in the Group (Special Shareholders' Meeting of May 19, 2011).		x
Authorization granted to the Board of Directors to grant bonus shares, either existing or newly-issued (Special Shareholders' Meeting of May 19, 2011).		x

FIVE-YEAR FINANCIAL SUMMARY

	12/31/2011	12/31/2010	12/31/2009	12/31/2008	12/31/2007
Number of months	12	12	12	12	12
Share capital at closing					
Share capital	8,771,404.15	8,771,404.15	8,771,404.15	8,771,045.05	8,771,042.20
Number of shares					
- ordinary	9,233,057	9,233,057	9,233,057	9,232,679	9,232,676
Maximum number of new shares to be issued	-	-	-	1,595,838	1,595,841
Operations and earnings					
Sales (excl. VAT)	4,898,944	4,667,799	4,578,224	4,306,298	4,194,753
Income before tax, depreciation, amortization & provisions	8 873 718	10,488,294	9,645,200	12,145,882	28,808,176
Corporate income tax	-860,651	227,844	1,243,282	-1,745,449	-247,031
Depreciation, amortization & provisions	743 220	-663,000	-2,479,808	1,019,382	12,206,952
Net income	8,991,149	10,923,450	10,881,726	12,871,949	16,848,255
Dividends paid	9,694,710*	9,694,710	9,246,018	8,810,136	9,061,796
Earnings per share					
Income after tax, but before depreciation, amortization and provisions	1.05	1.11	0.91	1.50	3.15
Income after tax, depreciation, amortization and provisions	0.97	1.18	1.18	1.39	1.82
Dividend per share	1.05*	1.05	1.05	1.00	1.00
Personnel					
Payroll**	60,000	60,000	60,000	125,000	
Employee benefits and social welfare costs	26,419	28,624	25,587	44,043	

* Proposed dividend to be submitted to shareholders at the Annual Shareholders' Meeting on May 10, 2012.
** Relates to an executive officer.

OTHER INFORMATION

Location and size of the issuer's principal sites

The head office of Cegid Group is located at 52, Quai Paul Sédallian 69009 Lyon, France.

The Group is continuing to strengthen its presence in France with regard to software development, sales and deployment. As of December 31, 2011, staffing of the principal sites in France broke down as follows: Lyon and surrounding area: 876 employees, Paris and surrounding area: 480 employees, Aix-en-Provence: 137 employees, Orléans: 92 employees, Loudun: 67 employees, Rennes: 52 employees and Roanne: 52 employees.

The Company does not own any real estate. The Group has commercial leases on all its premises.

To ensure development abroad (53 employees), Cegid is also present in Spain, Italy, the United Kingdom, the United States, Asia (Shenzhen, Shanghai and Hong Kong in China, Japan), Mauritius and North Africa. The diversity of its locations enables Cegid to stay close to its customers.

As of December 31, 2011, the workforce of all companies in the Group totaled 2,205 (2,099 as of December 31, 2010).

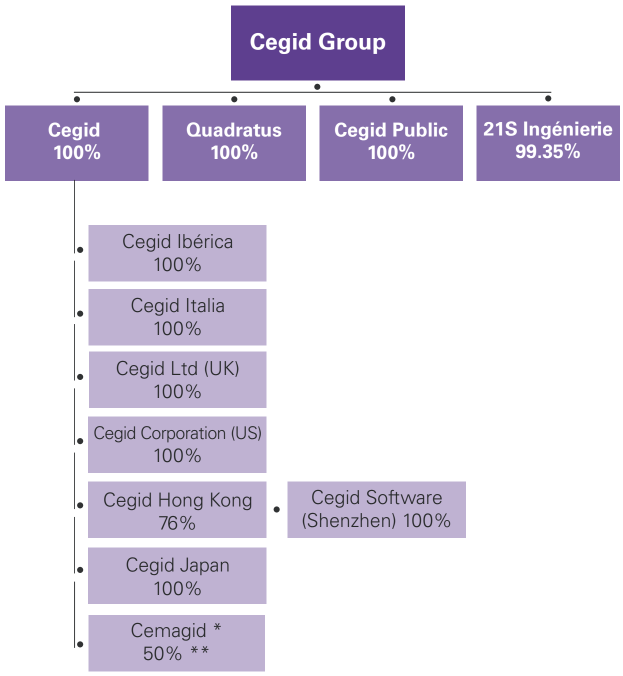
Investment policy

The Group's principal investments are organized around the following themes:

Consolidated figures, in €M	2011	2010	2009
Software development costs	32.0	28.9	28.8
Corporate acquisitions	4.1	6.2	0.0
Total financial investments	1.1	0.1	0.1
Other intangible assets	0.9	1.0	0.5
Investment in property, plant & equipment	3.3	2.3	2.2

- Software development costs: software developed on recent technology platforms (Cegid Business Platform, .Net, Full Web) is mostly capitalized and amortized over five years, while programs developed on other platforms are amortized over three years. Configuration of programs updated annually is amortized over one year. Development teams are located at seven principal sites. Development activities involve a workforce of 557 employees.
- Corporate acquisitions: these are generally financed either in cash or through the issuance of shares of the acquiring company in exchange for the shares of the acquired company.
- Other intangible assets: the increase in this type of investment demonstrates Cegid's efforts to enhance the productivity of its IT system with additional integrated, collaborative and agile modules. Accordingly in 2011, Cegid deployed a range of document automation software and a new intranet, and launched two major new projects to renew its CRM system and Customer Portal.
- Investment in property, plant & equipment: these relate essentially to computer and other equipment for the SaaS platform and to improvements to premises. The KTB (Great place to work) project aims to redesign part of Cegid's premises to create an environment conducive to carrying out various types of work and better serving our customers. As part of this project, the branches in Nantes and New York, and part of the office space in Lyon Vaise have been redesigned.
- These investments are generally financed through the Company's long-term funding, composed of shareholders' equity and the syndicated lines of credit.

SIMPLIFIED CEGID ORGANIZATION CHART AS OF MARCH 31, 2012



* Formerly Comptanoo, 50 % held by the Groupama - Gan Assurances group.

1983

- Cegid is founded, specialized in the design and development of business management software and the delivery of "turnkey" information systems to CPAs, auditing firms and small- and medium-sized enterprises.

1986

- Cegid SA is floated on the Second Marché.
- Cegid Kalamazoo is formed.
- ITI and DEI are formed.

1987

- Cegid Services is formed in partnership with members of the accounting profession.
- Bonds with share warrants (OBSAs) are issued. .

1989

- Cegid SA transfers its CPA business to its subsidiary Cegid Informatique (formerly Cegid Kalamazoo Enterprises).
- Cegid SA becomes a holding company, focused on managing its operating subsidiaries, grouped into two divisions: information technology and services.
- Cegid SA shares are transferred to the French monthly settlement market.
- ITI shares are listed on the Lyon over-the-counter market.
- DEI shares are listed on the Lyon over-the-counter market..

1995

- Cegid Environnement Maintenance (CEM) is formed following the merger of DEI into ITI.

1996

- Silicone Informatique and Silicad are acquired by Cegid Informatique.

1997

- Silicone Informatique and Silicad are merged into Cegid Informatique.
- Cegid SA's principal operating subsidiaries (Cegid Informatique and CEM) are merged into it and Cegid SA becomes a listed operating company.
- A convertible bond issue in the amount of FRF103.1M is carried out in July.
- Orli and Amaris are acquired.

1998

- Alphabla and Apalatys are acquired.
- A 34% equity interest is acquired in Synaptique.
- Alphabla, Orli and Amaris are merged into Cegid SA.

1999

- Servant Soft is acquired via a reserved capital increase followed by an exchange/tender offer, then a withdrawal offer and a squeeze-out.
- A convertible bond issue (OCEANEs) in the amount of €35.4 million is carried out in November.

2000

- Servant Soft enters into a lease-management agreement with Cegid SA.
- Equity investment in Synaptique is increased from 34% to 80%.

2001

- 100% of C-Line's shares are acquired and the company is merged into Cegid SA.
- Cegid Business Intelligence is formed by a spin-off of Servant Soft's Reporting & Business Intelligence division.
- Cegid Corporation (USA) is formed by Cegid SA.

2002

- Cegid España, formed in 2002, is 75%-held by Cegid SA.
- Equity investment in Synaptique is increased from 80% to 85%.
- Magestel is acquired and a lease-management agreement is initiated with Cegid SA.

2003

- Quadratus and its distributors, Data Bretagne, Technilog and NS Informatique are acquired and the three companies are merged into Cegid SA.
- Equity investment in Synaptique is increased from 85% to 90%.
- Logam and ALP are acquired.
- Cegid SA moves to its new headquarters building.

2004

- Logam enters a lease-management agreement with Cegid SA.
- Office supplies and IT consumables business is sold to Liogier.
- An issue of bonds with redeemable share warrants (OBSARs) in the amount of €44.1 million is carried out.
- Ccmx: Cegid announces the formation of the French leader and top-tier player in the European market for enterprise software.
- CGO Informatique is acquired.
- Equity investment in Synaptique is increased from 90% to 95%.
- Cegid takes effective control of Ccmx Holding and its subsidiaries Ccmx SA and FCRS.

2005

- Datamer business is sold.
- CGO Informatique enters into a lease-management agreement with Cegid SA.
- Business of CSSI is acquired (distribution of Quadratus software).
- Equity investment in Synaptique is increased from 95% to 100% and assets and liabilities are merged into Cegid SA.
- Assets of CBI are merged into Servant Soft.
- Assets of Apalatys are merged into Cegid SA.
- Assets of Logam are merged into Cegid SA.
- Ccmx SA is merged into Ccmx Holding.

2006

- Council of State's decision confirms legality of Cegid SA's takeover of Ccmx. Cegid SA transfers its operating activities to Ccmx, which becomes Cegid SA.
- Cegid, a listed company (ISIN stock code: FR0000124703), becomes a holding company, focused on managing its operating subsidiaries, and is renamed Cegid Group.
- GTI Industrie, PMI Soft, I&C and Comptanoo are acquired by Cegid SA.
- Cegid Group signs a syndicated line of credit in the amount of €200 million.
- FCRS enters into a lease-management agreement with Cegid SA.
- GTI Industrie is merged into Cegid SA..

2007

- Cegid partners with SCC: the equipment installation and maintenance business is subcontracted, and the specialized hardware direct sales business and related services offered to certain large accounts are sold.
- Cegid SA acquires AS INFOR and its Spanish subsidiary.
- Cegid Hong Kong Holdings Ltd is formed by Cegid SA.
- HCS is merged into Cegid Group.
- Assets of AS Infor, PMI Soft and ALP are merged into Cegid SA.
- The Industry One solution (SAP technology) is sold.
- Cegid signs a partnership agreement with Groupama - Gan Assurances.

2008

- GD Informatique is acquired by Cegid SA.
- Cegid Software Ltd (China) is formed by Cegid SA.
- VCS Timeless and its subsidiaries (in Spain and Italy) are acquired by Cegid SA.
- Cegid Ltd (United Kingdom) is formed by Cegid SA.
- Civitas is acquired by Cegid Group.
- Aspx sells 50% of the shares of Comptanoo, subject to a condition precedent, to transform it into a joint venture between Cegid and Groupama - Gan Assurances.
- Cegid signs a partnership agreement with Altaven (provider of Optim'is) and acquires a minority stake.
- VCS Timeless, Dirfi and Monexpertcomptable are merged into Cegid SA.
- Assets of Etafi EURL are merged into Servant Soft.

2009

- GD Informatique enters into a lease-management agreement with Cegid SA.
- Construction industry solutions business is sold to LSE.
- Logistics and equipment preparation business is outsourced to Broke Systèmes.

2010

- ICMI acquires 498,466 shares, representing 5.40% of the capital of Cegid Group, from Apax Partners SA, acting on behalf of the Apax and Altamir Amboise funds.
- Vedior Front RH is acquired, changes its name to Cegid Front RH, and its assets are merged with Cegid SA.
- Cegid Group issues redeemable share warrants (BAARs).
- Axeteam is acquired and merged into Cegid SA.
- GVI Holding and its subsidiaries Visa Informatique and Ensemble Solutions are acquired by Cegid Group.

2011

- Innov'Adhoc is acquired and merged into Cegid SA.
- 21S Ingénierie and its subsidiary Iroise (Mauritius) is acquired by Cegid Group.
- Visa Informatique and Ensemble Solutions are merged into GVI Holding.
- GVI Holding is merged into Civitas, which becomes Cegid Public.
- Servant Soft, Magestel, CGO Informatique, FCRS and GD Informatique are merged into Cegid SA.

2012

- 21S Ingénierie SA enters into a lease-management agreement with Quadratus.

1998

- Cegid is nominated by the magazine l'Entreprise for the "Grand Prix de l'Entreprise".
- Cegid is listed among 200 French wealth-creating companies by the magazine l'Expansion.

2004

- Cegid wins the prize for the best IT company of the year, awarded by CM-CIC Securities.
- Jean-Michel Aulas, Chairman of Cegid, is named Manager of the year for the Rhône-Alpes region by the newspaper le Nouvel Économiste.

2005

- Jean-Michel Aulas, Chairman of Cegid, is awarded the "Prix Spécial BFM" for Cegid and Olympique Lyonnais.
- Cegid wins a "Compétitivité et Numérique" prize for competitiveness in the digital economy, awarded by AFNET (French association for users of the internet, e-business and the network society).

2006

- Jean-Michel Aulas, Chairman of Cegid, receives the Grand Prix de l'Entrepreneur prize for the Rhône-Alpes region, awarded by Ernst and Young.
- Patrick Bertrand, CEO of Cegid, is elected Chairman of AFDEL, the association of French software companies.

2011

- Cegid receives a 2011 E-Doc Awards from Documation for its Script project on automating the administrative processes of training and deployment.
- Cegid wins the prize for the best Finance department of companies generating under €500 million in sales, organized by the DFCG, the French Finance Executives and Management Controllers Association.
- Thierry Luthi, CFO of Cegid, is elected Chairman of the DFCG.

DEVELOPMENTS SINCE JANUARY 1, 2012

Sales and product mix in the first three months of 2012 *

Cegid continued to grow in the first quarter of 2012 and posted sales of €64.8 million, an increase of 5.6% compared with the year-earlier period.

The Group's expansion, tied to the trend towards SaaS-based solutions, continued during the quarter. SaaS revenues advanced by 32% to €5.7 million, bringing the volume of recurrent revenue to €33.6 million, or 52% of total sales. As of April 1, 2012, contract revenue invoiceable through 2017 represented an estimated value of nearly €33 million, an increase of 54% year-on-year.

Against this background of strong growth in SaaS solutions, "Licenses" revenue totaled €7.6 million, up more than 5.2% from the first quarter of 2011.

Overall, revenue from the strategic software businesses (Licenses and SaaS) rose by 5.8% to €39.5 million.

The Services business generated revenue of €17.0 million in Q1 2012, increasing 2.6%.

Revenue from the non-strategic "Hardware distribution and other" business increased to €8.3 million, or 13% of total sales, as the Group took advantage of opportunities to support large account customers in its vertical Retail and Hospitality markets.

Internationally, Cegid's subsidiaries posted good performance, with sales growth in the Retail and Manufacturing sectors.

After taking into account a large volume of trading purchases during the quarter owing to specific orders from large Retail and Hospitality customers, the gross margin should come in at around 86.1% of sales (87.1% in Q1 2011).

The monthly breakeven point in the first quarter of 2012 should be around €20.1 million, in line with our forecasts.

This positive trend, together with medium-term financing provided by two syndicated lines of credit totaling €200 million, ensures the Group the financial resources it needs to grow.

* The figures included in this section are consolidated, unaudited, preliminary estimates.

Strategic Cegid/IBM agreement: new made-in-France "Cegid Cloud"

In partnership with IBM France, Cegid has created the first private cloud located and managed in France and serving growing public and private sector companies, non-profits and other organizations.

This strategic partnership aims to offer users a full range of efficient, secure and scalable cloud services operating on a virtual infrastructure in a personalized, private cloud developed and maintained by IBM.

Cegid will thus be able to focus on creating value through its industry-and function-specific solutions that will enable customers to grow unrestricted by physical barriers, using a flexible, scalable infrastructure in phase with Cegid's SaaS business model. This certified infrastructure will be located in France at IBM France's new high-security data centers.

This Cegid/IBM agreement is a natural fit with Cegid's SaaS strategy, aimed at building cloud service packages articulated around Cegid and its provider-partners.

International expansion: Russia, Brazil and the Middle East

Already present in the United States, China, North Africa and the principal European countries, Cegid initiated contacts in the first quarter to establish a presence, through partnerships, in new geographic regions with significant potential (Russia, Brazil, Middle East).

These initiatives should enable the Group to expand distribution of its solutions, already available in more than 70 countries, principally for customers in the Retail sector (in more than 25 languages).

OUTLOOK

The strategy developed by Cegid, which has gathered pace over the past few years, enables it to approach today's very uncertain economic environment with confidence and a desire to win.

Stronger positioning:

- Cegid has an installed base of more than 95,000 customers who generate high recurrent revenue (€131.6 million, or more than 50% of total sales),
- Cegid's sales are spread among nine business lines and, depending on the business, over companies of all sizes (SMEs, large companies and corporate groups),
- Cegid's professional staff have developed in-depth knowledge over many years in the industries and functions Cegid targets,
- Medium-term financing is in place, with €200 million in five-year confirmed lines of credit (maturity 2015), extendible to seven (2017).

Strategy in phase with the market:

- Product/solution specialization: Cegid is specialized by business sector (Manufacturing, Services, Trading, Retail, Hotels-Restaurants, CPAs, Associations, Entrepreneurs, Public sector) and by functional expertise (finance, taxation, performance management, human resources). It is in phase with companies wanting to modernize their business processes through targeted investments rather than via a complete overhaul of their IT systems,
- International: Cegid has a consolidated international presence in retailing that will gradually be extended to activities in the manufacturing sector,
- SaaS and cloud computing: positioned as a major player in "SaaS" (on demand) solutions, in a high-growth market, Cegid's recurrent revenue is strengthened. Cegid will increase its presence in the cloud computing market by partnering with IBM to create a private cloud located and managed in France, destined for companies in the public and private sectors. In so doing, Cegid confirms its lead in this market and is empowering itself to support its customers' growth with flexibility and security. This partnership joins those Cegid has previously entered into for certain product lines, such as Orange Business Services, whose cloud-ready network is natively connected to Yourcegid On Demand solutions, and Microsoft with its Cloud Live@edu and Azure platforms.

These factors, combined with new, innovative mobility solutions and Cegid's expertise in acquiring and integrating companies, should enable the Group to actively pursue its expansion in the years to come, both in France and abroad.

"Consolidated financial statements - 12/31/2011"

CONSOLIDATED FINANCIAL STATEMENTS

(in €000)	Notes	2011	% of sales	2010	% of sales	2009	% of sales
Sales	5.1	263,814	100.0%	249,619	100.0%	248,588	100.0%
Goods & services purchased and change in inventories		-36,810	14.0%	-33,771	13.5%	-31,019	12.5%
Gross profit		227,004	86.0%	215,848	86.5%	217,568	87.5%
Capitalized expenditures		32,005	12.1%	28,900	11.6%	28,777	11.6%
External expenses		-45,919	17.4%	-45,815	18.4%	-45,882	18.5%
Value-added		213,090	80.8%	198,933	79.7%	200,463	80.6%
Taxes other than income taxes		-7,566	2.9%	-6,684	2.7%	-6,590	2.7%
Personnel costs	5.2	-142,625	54.1%	-131,841	52.8%	-134,509	54.1%
EBITDA		62,899	23.8%	60,408	24.2%	59,364	23.9%
Other ordinary income		964	0.4%	599	0.2%	457	0.2%
Other ordinary expenses		-1,446	0.5%	-1,943	0.8%	-1,178	0.5%
Depreciation, amortization and provisions		-33,357	12.6%	-32,048	12.8%	-30,137	12.1%
Income from ordinary activities		29,060	11.0%	27,018	10.8%	28,505	11.5%
Other operating income	5.3	661	0.3%	5,092	2.0%	3,306	1.3%
Other operating expense		-1,505	-0.6%	-1,311	-0.5%	-5,272	-2.1%
Operating income		28,216	10.7%	30,799	12.3%	26,539	10.7%
Financial income		191	0.1%	143	0.1%	136	0.1%
Financial expense		-2,015	0.8%	-1,536	0.6%	-2,606	1.0%
Net financial expense	5.4	-1,824	-0.7%	-1,393	-0.6%	-2,470	-1.0%
Pre-tax income		26,392	10.0%	29,406	11.8%	24,068	9.7%
Income tax	5.5	-9,878	3.7%	-9,732	3.9%	-6,090	2.4%
Share in net income of equity-accounted subsidiaries		-337		-382		-106	
Net income		**16,177**	**6.1%**	**19,291**	**7.7%**	**17,872**	**7.2%**
Net income attributable to parent company shareholders		**16,178**	**6.1%**	**19,291**	**7.7%**	**17,872**	**7.2%**
Net income attributable to non-controlling interests		-1					
Average number of shares		8,807,171		8,810,380		8,796,328	
EARNINGS PER SHARE ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		**€1.84**		**€2.19**		**€2.03**	

Statement of comprehensive income (in €000)	2011		2010		2009	
Exchange differences	-11		13		49	
IAS 19 Amendment	50		-1,150		98	
Securities measured at fair value			-22		-42	
Deferred taxes	-17		388		-19	
Total of all income and expenses recognized during the period	**16,217**		**18,155**		**18,019**	

CONSOLIDATED FINANCIAL STATEMENTS - 12/31/2011

Assets

Net amounts (in €000)	Notes	12/31/2011	12/31/2010	12/31/2009
Goodwill	4.1.1	193,097	186,352	185,833
Intangible assets	4.1.4			
Development costs		61,566	57,794	55,165
Customer relationships and brands		10,234	10,569	10,333
Other intangible assets		1,384	1,630	557
Property, plant & equipment	4.1.5			
Technical facilities, equipment and industrial supplies		3,814	2,788	3,067
Other property, plant & equipment		2,921	2,972	3,280
Non-current financial assets	4.1.6 & 4.3			
Financial assets measured at fair value		500	500	534
Equity investments			5,550	
Other non-current investments		180	180	180
Loans and deposits		1,475	1,478	1,412
Other financial assets		402	325	279
Equity-accounted subsidiaries	4.1.7	765	1,102	1,485
Other receivables	4.3	2,493	951	913
Deferred taxes	4.4	2,221	72	38
Non-current assets		**281,052**	**272,262**	**263,075**
Inventories and work-in-progress	4.2.1	1,192	684	1,002
Trade receivables and similar accounts	4.3	71,661	66,432	61,517
Other receivables and prepaid items				
Personnel		664	826	447
Sales tax receivables		3,244	3,029	3,290
Income tax receivables		69	92	8
Other receivables		2,173	886	439
Prepaid expenses		3,620	2,811	3,434
Cash and cash equivalents	4.2.2	1,465	3,486	5,227
Current assets		**84,088**	**78,245**	**75,364**
TOTAL ASSETS		**365,140**	**350,507**	**338,439**

Net amounts (in €000)	Notes	12/31/2011	12/31/2010	12/31/2009
Share capital		8,771	8,771	8,771
Share premium		95,241	95,241	94,681
Reserves		60,680	50,646	42,988
Net income for the year		16,178	19,291	17,872
Shareholders' equity attributable to parent company shareholders		180,870	173,949	164,312
Non-controlling interests/reserves		15		
Non-controlling interests/earnings		-1		
Non-controlling interests		14		
Total shareholders' equity	**4.5**	**180,884**	**173,949**	**164,312**
Financial liabilities (portion > 1 year)	4.3	63,528	69,441	63,810
Acquisition-related debt (portion > 1 year)	4.3	4,293	3,267	2,281
Deferred taxes	4.4	5,436	4,420	3,400
Provisions for pension obligations and employee benefits	4.6.1	10,403	9,444	7,480
Non-current liabilities		**83,660**	**86,572**	**76,971**
Provisions for other liabilities (portion < 1 year)	4.6.2	6,383	6,032	8,628
Financial liabilities (portion < 1 year)	4.3	1,746	1,935	4,913
Trade accounts payable & similar accounts	4.3	24,034	22,309	22,428
Tax and social security liabilities	4.3			
Personnel		39,949	35,256	35,442
Other taxes and employee-related liabilities		1,816	1,328	1,306
Sales tax payable		6,690	5,484	6,251
Income tax payable		1,323	2,123	3,057
Other liabilities				
Acquisition-related debt (portion < 1 year)		250	300	210
Payables related to acquired non-current assets (portion < 1 year)		1,215	15	178
Other liabilities and unearned revenue				
Other current liabilities		7,325	5,276	4,706
Unearned revenue		9,865	9,929	10,037
Current liabilities		**100,596**	**89,986**	**97,157**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**365,140**	**350,507**	**338,439**

(in €000)	2011	2010	2009
Net income	16,178	19,291	17,872
Share in net income of equity-accounted subsidiaries	337	382	106
Depreciation, amortization and provisions and elimination of non-cash revenue and expense items	34,552	26,735	29,032
Capital gains and losses on disposal of non-current assets		15	261
Interest expense	1,484	1,166	2,098
Tax expense	9,878	9,732	6,090
Cash flow generated by the business	62,429	57,321	55,459
Interest paid	-1,293	-1,323	-1,659
Tax paid	-8,725	-7,820	-19
Cash flow after interest and tax paid	52,411	48,179	53,781
Change in inventories	-292	318	265
Change in accounts receivable	-3,812	-4,485	6,215
Change in other receivables	-1,113	-576	1,682
Change in trade payables	-103	449	-2,437
Change in other payables	7,477	-1,337	166
Change in working capital requirement	2,157	-5,631	5,891
Net cash from operating activities	**54,568**	**42,548**	**59,672**
Acquisition of intangible assets	-32,908	-29,902	-29,260
Acquisition of property, plant & equipment	-3,306	-2,263	-2,203
Acquisition of non-current financial assets	-1,051	-139	-93
Acquisition of companies net of acquired cash	-4,096	-6,243	-500
Disposal or decrease in non-current assets	127	62	991
Net cash from investing activities	**-41,234**	**-38,485**	**-31,065**
Capital increase			10
Issuance of redeemable share warrants (BAAR)		418	
Dividends paid to parent company shareholders	-9,250	-9,246	-8,810
Repayment of OBSAR bonds			-44,100
Drawdowns under medium-term lines of credit	64,000	70,000	68,000
Repayment of medium-term lines of credit	-70,000	-68,000	-43,000
Change in other financial debt	192	-86	200
Net cash from financing activities	**-15,058**	**-6,914**	**-27,700**
Opening cash and cash equivalents	1,861	4,712	3,805
Change in cash and cash equivalents	**-1,724**	**-2,851**	**907**
Closing cash and cash equivalents	**136**	**1,861**	**4,712**

(in €000)	12/31/2011	12/31/2010	12/31/2009
Marketable securities		1,246	3,208
Cash	1,465	2,240	2,019
Bank overdrafts	-1,330	-479	-515
Intercompany accounts (credit balances)		-1,146	
Closing cash and cash equivalents	**136**	**1,861**	**4,712**

(in €000)	ATTRIBUTABLE TO								TOTAL
	parent company shareholders							non-controlling interests	
	Share capital	Share premium	Other shareholders' equity	Reserves and retained earnings	Treasury shares	Income or loss recognized directly in equity	Total attributable to parent company shareholders		
Shareholders' equity as of 12/31/2008	**8,771**	**94,671**	**6,237**	**54,456**	**-7,576**	**-1,418**	**155,141**	**0**	**155,141**
2009 net income				17,872			17,872		17,872
Capital increase from BSAR and option exercises		10					10		10
Repayment of OBSAR bonds			-6,237	6,237					
Treasury shares				136	-121		15		15
Exchange differences						49	49		49
IAS 19 Amendment						65	65		65
Securities measured at fair value						-28	-28		-28
Dividends paid by the Company				-8,810			-8,810		-8,810
Shareholders' equity as of 12/31/2009	**8,771**	**94,681**	**0**	**69,891**	**-7,697**	**-1,333**	**164,312**		**164,312**
2010 net income				19,291			19,291		19,291
Subscription to redeemable share warrants (BAAR)		560		-142			418		418
Treasury shares				36	-10		26		26
Exchange differences				-89		13	-76		-76
IAS 19 Amendment						-755	-755		-755
Securities measured at fair value						-22	-22		-22
Dividends paid by the Company				-9,246			-9,246		-9,246
Shareholders' equity as of 12/31/2010	**8,771**	**95,241**	**0**	**79,741**	**-7,707**	**-2,097**	**173,949**		**173,949**
2011 net income				16,178			16,178	-1	16,177
Treasury shares				-135	158		23		23
Exchange differences				-52		-11	-63		-63
IAS 19 Amendment						33	33		33
Dividends paid by the Company				-9,250			-9,250		-9,250
Changes in scope								15	15
Shareholders' equity as of 12/31/2011	**8,771**	**95,241**	**0**	**86,482**	**-7,549**	**-2,075**	**180,871**	**14**	**180,884**

Cegid's 2011 consolidated financial statements were approved by the Board of Directors on February 29, 2012 and will be submitted to shareholders at their Annual Meeting on May 10, 2012.

Cegid Group is a company created under French law in 1983. Its head office is located at 52, quai Paul Sédallian, 69009 Lyon, France.

1. HIGHLIGHTS OF FISCAL YEAR 2011

1.1 Cegid Public

On December 21, 2010, Cegid Group acquired 100% of the shares of GVI Holding, which held 100% of the shares of Visa Informatique, a developer and distributor of business management software for local authorities, and 100% of the shares of Ensemble Solutions. All assets and liabilities of Visa Informatique and Ensemble solutions were transferred to GVI Holding on May 27, 2011. Cegid Group then sold GVI Holding to Civitas, transferring all its assets and liabilities on May 28, 2011.

Civitas was renamed Cegid Public on April 26, 2011.

1.2 Acquisition of 21S Ingénierie

On April 19, 2011, Cegid Group acquired 99.33% of the shares of 21S Ingénierie, a developer of fully web-based solutions for the accounting profession and their SME customers. In so doing, it acquired a technological and functional base in fully web-based solutions and fresh expertise for boosting the development of its cloud-based solutions. On July 21, 2011, Cegid Group acquired non-controlling interests, increasing its ownership to 99.35% of 21S Ingénierie.

1.3 Acquisition of Innov'Adhoc (brand name: Atalante)

On March 1, 2011, Cegid acquired 100% of the shares of Innov'Adhoc (brand name: Atalante), a provider and integrator of an enterprise solution for associations, trade unions and industry bodies. All assets and liabilities of this company were transferred to Cegid SA as of June 18, 2011.

1.4 Liquidity contract

On September 29, 2011, Cegid Group entered into a new liquidity contract with Gilbert Dupont in accordance with the AMAFI Code of Conduct. It took effect on October 3, 2011, with Cegid Group and CM-CIC terminating the liquidity contract that they had entered into on June 1, 2005.

1.5 Other transactions

On December 31, 2011, all the assets and liabilities of GD Informatique, Servant Soft, FCRS, Magestel and CGO Informatique were transferred to Cegid SA.

2. ACCOUNTING PRINCIPLES AND METHODS, CONSOLIDATION METHODS

Compliance statement

Pursuant to EU regulation 1606-2002 Cegid's consolidated financial statements have been prepared in accordance with international accounting standards applicable in the European Union as of December 31, 2011. International accounting standards include the IAS (International Accounting Standards), the IFRS (International Financial Reporting Standards), and the related SIC (Standing Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee) interpretations.

The accounting rules and valuation principles used to prepare the financial statements as of December 31, 2011 are those included in the IFRS standards and interpretations published in the Official Journal of the European Union as of December 31, 2011 and whose application is mandatory as of that date. Standards and interpretations issued by the IASB or the IFRIC but not yet adopted by the European Union as of December 31, 2011 have not been applied.

During the year, Cegid applied the standards, amendments and interpretations that became mandatory during the period, including the revised version of IAS 24 - Related Party Disclosures.

Cegid also included the improvements to IFRS 3 relating to price adjustments and the choice in valuation method for non-controlling interests.

These new provisions had no material impact on the Group's 2011 financial statements.

Cegid opted against early application of standards, amendments and IFRIC interpretations whose application was not mandatory as of December 31, 2011. For the moment, the Group is not affected by these texts or does not expect there to be a significant impact on its financial statements in the coming years.

The Group's accounting principles, described below, have been permanently applied to the fiscal years presented herein.

Presentation of financial statements

The Group's financial statements and notes are presented in thousands of euros.

Cegid applies recommendation 2009-R-03 of the French National Accounting Board (Conseil National de la Comptabilité, or CNC.) This recommendation complies with the principles set out in IAS 1 "Presentation of financial statements".

Cegid has decided to retain the former terminology "balance sheet" and "income statement".

The consolidated balance sheet is presented according to the "current" / "non-current" classification as defined by IAS 1 "Presentation of financial statements".

Items in the consolidated income statement are presented by nature, based on the CNC model.

Cegid uses the indirect method for preparing the cash flow statements in accordance with the recommended format.

Valuation basis

The consolidated financial statements are prepared in accordance with the historical cost principle except for:

- available-for-sale securities, measured at fair value,
- long-term receivables and liabilities, measured at fair value,
- financial liabilities valued according to the principle of amortized cost.

Use of estimates

Preparation of financial statements that comply with the conceptual IFRS framework requires that certain estimates and assumptions be made that affect the amounts reported in these statements.

The principal items involving the use of estimates and assumptions are impairment tests on intangible assets, deferred taxes, provisions – in particular provisions for pension obligations – and liabilities related to earn-outs paid in the context of acquisitions (earn-out clauses). These estimates are based on the best information available to management as of the date the statements were approved. The current economic and financial environment makes it harder to value and estimate certain assets and liabilities and increases uncertainty about business trends. Management's estimates are based on the information available at the end of the fiscal year.

Should actual events diverge from the estimates and assumptions used, there could be an impact on the amounts recognized in the financial statements.

Methods of consolidation

Cegid Group is the consolidating company.

Companies in which Cegid holds the majority of voting rights, whether directly or indirectly, are fully consolidated. The financial statements of consolidated companies are restated, if necessary, to ensure consistency of accounting and valuation rules.

Jointly-controlled companies are proportionately consolidated.

Companies the Group does not control but in which it exercises a significant influence are accounted for using the equity method. The Group is deemed to exercise significant influence if it holds between 20% and 50% of the voting rights. Cegid does not control, either directly or indirectly, any special purpose entities. Companies in which Cegid does not exercise control and over which Cegid does not have significant influence are not consolidated. The list of companies included in Cegid's scope of consolidation is provided in Note 3.

Conversion of the financial statements of foreign subsidiaries

The currency used to prepare the consolidated financial statements is the euro. Items denominated in other currencies used by foreign companies are converted as follows:

- income statement items are converted at the average exchange rate for the year,
- balance sheet items are converted at the exchange rate prevailing on the closing date, except for share capital and reserves, which are maintained at historical cost,
- Differences resulting from these conversions are recognized in a specific reserve account in shareholders' equity.

Balance sheet date of the consolidated companies

The financial statements of all consolidated entities are closed on December 31.

Intra-group transactions and accounts

All intra-Group transactions are eliminated, and internal transactions and reciprocal payables and receivables are canceled. Where necessary, the financial statements of subsidiaries are restated to ensure consistency with the Group's standards.

Concerning transfer of computer hardware or capitalized hardware costs within the Group, the acquiring companies have recognized these assets at their transfer prices. Reverting to original cost in order to eliminate increases in asset values would have resulted in expenses disproportionate to the impact of such corrections, in particular in the amount of depreciation. Moreover, the transactions in question were minor and were made on favorable terms.

2.1 Intangible assets

2.1.1 Business combinations

Business combinations are accounted for by the acquisition method, in accordance with the revised version of IFRS 3 "Business combinations".

As allowed by IFRS 1, business combinations prior to January 1, 2004 have not been restated.

As allowed by the revised IFRS 3, business combinations prior to January 1, 2010 have not been restated.

The principal impact of the revised IFRS 3 and the revised IAS 27 for transactions to which they apply are as follows.

Assets and liabilities of companies acquired by the Group are measured at fair value. Only identifiable liabilities satisfying the criteria for eligibility as a liability of the acquired entity are recognized at the time of the business combination. Accordingly, a liability for restructuring is not recognized as a liability of the acquired company if that company does not have an existing obligation, as of the date of the acquisition, to carry out the restructuring.

The difference between the acquisition cost of the shares and the acquired share of the fair value of the assets and liabilities identified at the acquisition date is recognized as goodwill. The amounts of fair value and goodwill are determined within a maximum of one year from the acquisition date. In certain cases, the Group asks outside experts to value the identifiable intangible assets it has acquired.

Changes occurring after that date are recognized in the income statement.

The acquisition cost is equal to the amount of cash or cash equivalents, discounted should the impact thereof be significant, plus any price adjustments. It does not include external costs directly attributable to the acquisition, which are recognized as expenses as incurred.

The acquisition price includes the fair value of the acquired assets and liabilities resulting from any price adjustments, such as earn-outs.

When the Group acquires control of a company, it measures non-controlling interests either at their fair value (full goodwill method) or on the basis of their share in the net assets in the acquired company (partial goodwill method). The choice is made for each acquisition.

Commitments to purchase non-controlling interests

Conditional or unconditional commitments to buy non-controlling interests are recognized as liabilities in an amount equal to the purchase price of the non-controlling interests. Cegid has opted to recognize the difference between the estimated purchase price of the non-controlling interests and the pro rata share in equity to be acquired as goodwill. At settlement, any change in the purchase price will be reflected in goodwill. As soon as the option becomes available, Cegid plans to retain this accounting method for business combinations which took place before the application date of the revised version of IFRS 3 (for fiscal years beginning on or after July 1, 2009).

Customer relationships and brands

The fair value of customer relationships is measured according to the excess profit method, which consists in identifying the future profits attributable to the intangible asset over the course of its useful life. These assets are amortized over the expected lifetime of the customer portfolio, i.e. 7 or 15 years.

The fair value of brands is measured by calculating the discounted present value of royalties that would have had to be paid to a third party to use the brand if the Group had not owned it. Brand names tied to the Group's enterprise software products are deemed either to have an indefinite lifetime, in which case they are not amortized and are subject to impairment tests as detailed in Note 2.3, or to have an expected lifetime based on the portfolio of customers using these products, in which case they are amortized over the lifetime of the portfolio.

Acquired technologies

The fair value of technology is measured by calculating the discounted present value of royalties that would have had to be paid to a third party to use the technology if the Group had not owned it. These assets are amortized according to the methods applied to development costs, as detailed in Note 2.1.4.

2.1.2 Goodwill

Intangible business value (fonds de commerce) amounts related to acquisitions and previously recognized under French GAAP have been reclassified as goodwill. Goodwill represents the difference between the cost of the acquired shares and the fair value of the identified assets, liabilities and contingent liabilities as measured at the acquisition date.

The amount of goodwill is finalized within one year of the acquisition date. When the acquisition cost is less than the fair value of the identified assets and liabilities, the difference is recognized immediately in the income statement.

The amount recognized as goodwill includes all intangible items such as projected synergies and expected growth.

Goodwill is not amortized.

As goodwill is an intangible asset with an indefinite lifetime, it is subject to an annual impairment test in accordance with IAS 36, as amended (see Note 2.3 for a description of the procedures for implementing impairment tests).

When an entity is sold, the gain or loss on sale takes into account the carrying value of the goodwill related to the entity.

2.1.3 Customer relationships and brands

Customer relationships and brands consist principally of intangible assets recognized as a result of business combinations according to the methods detailed in Note 2.1.1.

2.1.4 Development costs

In accordance with IAS 38, research is recognized as an expense and development costs are capitalized so long as the company can demonstrate that:

- it has the intention and financial and technical ability to complete the development project,
- the expected future economic benefits attributable to the development costs are likely to accrue to the company,
- the cost of the intangible asset thereby created can be measured reliably.

The development costs incurred by Cegid in the conduct of its software business (creation of marketable enterprise software) essentially involve the development of software applications and are subject to individual monitoring.

Development costs are measured on the basis of direct wage costs plus employee benefits and allocated overhead costs, calculated using a coefficient applied to the aggregate operating expenses of the relevant departments.

Expenses corresponding to projects not yet finalized are recognized as "intangible assets in progress" and are not amortized. Nevertheless, these projects are monitored and may be subject to impairment losses.

Costs for developing products on recent technological platforms (Cegid Business Platform, .Net, Full Web) are generally amortized over five years, while costs for developing products on other platforms are amortized over three years. These periods are applied both to the initial expenditure and the subsequent development costs, i.e. upgrades and maintenance.

Configuration costs related to yearly products are amortized on a straight-line basis over one year.

2.1.5 Acquired software

Acquired software is recognized at its acquisition cost and is amortized over periods ranging from one to five years.

2.2 Property, plant & equipment

Property, plant & equipment is measured at cost less accumulated depreciation and any impairment losses. Depreciation is calculated using the straight-line method over the probable useful life of the asset, as follows:

- Building fixtures and fittings........................ 3 to 10 years
- Computer equipment.................................. 3 or 4 years
- Office equipment .... 5 years
- Office furniture .... 8 years
- Equipment and industrial supplies .... 5 years
- Transportation equipment............................. 4 to 5 years

Residual values are generally considered to be nil.

Items acquired under finance leases are recognized as property, plant & equipment if the lease agreements transfer essentially all of the risks and benefits inherent in ownership of the item to Cegid.

Lease contracts that do not transfer the risks and benefits to Cegid are accounted for as operating leases. Payments or benefits under operating leases are recognized on a straight-line basis over the life of the contract.

As of December 31, 2011, Cegid did not have any finance leases.

2.3 Impairment tests on property, plant & equipment and intangible assets

According to IAS 36 "Impairment of Assets", the value in use of intangible assets and property, plant & equipment must be tested as soon as indications of impairment appear. This test must be performed at least once a year on assets with an indefinite useful life.

For this test, property, plant & equipment and intangible assets are categorized into homogeneous groups of assets (Cash Generating Units) whose continuous use generates cash flows largely independent of those generated by other groups of assets.

The value in use of these CGUs is determined on the basis of the discounted present value of projected cash flows (the discount rate is calculated after tax and without regard to the company's debt). Terminal value is measured by discounting a normalized cash flow to infinity, using a perpetual growth rate appropriate for the business sector. When this value is less than the net carrying value of the CGU, an impairment loss is recognized on the difference and charged first to goodwill.

Impairment losses on goodwill are irreversible. Impairment losses on other intangible assets and on property, plant & equipment may be reversed in the event there are indications of a recovery in value.

In this case, the reversal of the impairment loss is limited to the net book value the asset would have had if there had been no loss in value.

The value in use of assets is calculated on the basis of estimates of future cash flows, using the DCF method. This valuation covers a five-year period.

2.4 Financial assets

Financial assets are recognized in one of three categories, as defined by IAS 39:

- Equity investments in unconsolidated companies are classified as available-for-sale securities. They are initially recognized at historical acquisition cost, then measured at fair value,
- Loans represent loans granted to collector organizations as part of government programs to support residential construction, as well as deposits paid. Contrary to the IAS 39 recommendation, they are not discounted, because their amount is not material,
- Other financial assets include financial assets used in Cegid Group's liquidity contract.

When fair value cannot be reliably determined because there is no active market, the securities are maintained at cost, net of any impairment losses. In such case, recoverable value is determined as a function of Cegid's stake in the net assets, expected future profitability and business prospects of the entity represented by the investment. For listed securities, fair value is the quoted market price at the closing date. Changes in fair value are recognized in a separate shareholders' equity account ("Other reserves") until the securities are sold, at which time they are recognized in the income statement.

When an identified loss in value is considered permanent, based on the circumstances, it is recognized as a financial expense.

2.5 Deferred taxes

In accordance with IAS 12, deferred taxes corresponding to temporary differences between the tax basis and accounting basis applied to consolidated assets and liabilities are recognized using the variable carryforward method. Deferred tax assets are recognized when it is considered likely that the amounts will be recovered at a future date that can be determined with reasonable accuracy.

Reductions in future taxes resulting from the use of tax-loss carryforwards (including amounts that can be carried forward indefinitely) are recognized only if it is likely they will be recovered.

Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset within the same tax entity, i.e. the same company or the same tax consolidation group.

Deferred tax calculated on items recognized in shareholders' equity is also recognized in shareholders' equity.

2.6 Stocks

Under IAS 2 "Inventories", the acquisition cost of inventories includes the purchase price, transportation and handling costs, and other costs directly attributable to the acquisition of the finished goods, less any price reductions, rebates or financial discounts.

- Inventories of computer hardware are valued according to the weighted average cost formula. Net realizable value is the estimated sales price of the product less the costs incurred in selling it.

A provision for impairment is recognized if the net realizable value is less than the purchase price.

- Inventories of raw materials (assemblies and subassemblies) used to perform standard replacements and spare parts used in hardware maintenance are measured using the following methods:
  - the gross value of assemblies and subassemblies includes the purchase price and ancillary costs.
  - spare parts are measured according to the weighted average cost method.
- A provision for impairment is recognized to reflect value in use, with reference to the portfolio of contracts in force and the turnover of spare parts, or based on the net realizable value.

2.7 Receivables

Receivables are initially measured at fair value, which in most cases is their face value. An impairment loss is recognized if the valuation at the closing date is less than the carrying value.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and in bank current accounts.

In accordance with IAS 7, Cegid considers as cash equivalents highly liquid investments readily convertible into a known amount of cash and subject to non-material risk of a decline in value.

Cash equivalents are measured at their market value at the closing date.

Given their characteristics, shares of money-market mutual funds are recognized as cash equivalents.

Marketable securities are recognized at acquisition cost. Mutual funds are valued at the redemption price on the last trading day of the reporting period.

Changes in fair value are recognized as financial income or expense.

The value of individual listed securities is determined based on the average quoted price during the last month of the reporting period.

An impairment loss is recognized if the above methods yield a value that is less than historical cost. Such impairment loss is not recognized, however, if the unrealized capital loss it represents can be offset by unrealized capital gains on securities of the same type.

In the event that several securities of the same type and conferring the same rights are sold, the cost basis of the securities sold is estimated using the "first in/first out" method.

2.9 Treasury shares

Shares held in treasury are deducted from consolidated shareholders' equity independently of the reason they are acquired or held and of how they are recognized in the separate financial statements of the company that holds them. Any impairment losses and profit or loss on sale of treasury shares are recognized directly in shareholders' equity (net of tax, if any) and do not contribute to the net income or loss of the period.

2.10 Share-based payment

In accordance with IFRS 2, the benefits granted to certain employees in the form of share-based payments are measured at the fair value of the instruments granted.

These benefits can take the form of instruments redeemed in shares or instruments redeemed in cash.

Redeemable Share Warrants (BAARs)

Redeemable share warrants were offered to employees and executive officers of the Group. These warrants were described in a prospectus approved by the AMF on September 3, 2010 under number 10-302.

All of the 400,000 BAARs offered were sold. These 400,000 warrants do not confer the right to subscribe to new shares, but exclusively to acquire existing shares. As such, the issue will not cause any dilution for existing shareholders.

One BAAR confers the right to purchase one Cegid Group share at an exercise price of €22.56. The exercise period for the warrants begins on the date the BAARs were admitted to trading on Euronext Paris. For the first tranche of 200,000 warrants (FR0010928093), this period thus began on November 5, 2010 and will end on November 5, 2015 inclusive. For the second tranche (FR0010928119), also of 200,000 warrants, it will begin on November 5, 2013 and end on November 5, 2016 inclusive.

As the issue price of the BAARs was within the range of market values for Cegid shares (as estimated by an external analyst), no benefit granted to beneficiaries was recognized as an expense in the consolidated financial statements. The warrants are recognized in shareholders' equity at their issue price and are not revalued.

There were no changes relating to the redeemable share warrants in 2011.

2.11 Financial instruments

Financial instruments are recognized at fair value. Recognition of future variations in the instrument's fair value is based on whether or not the derivative is designated as a hedge, and in this case, on the nature of the hedged item.

These derivative instruments are recognized on the balance sheet at their market value. Changes in market value are recognized in the income statement, except for transactions qualified as cash flow hedges (cash flows related to floating-rate debt). These changes in value are recognized in shareholders' equity.

Cegid documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and its hedging strategy, from the inception of the transaction.

Hedge accounting is used for financial items hedged by derivatives and can take one of two forms:

- fair value hedge,
- cash flow hedge.

In the case of a fair value hedge, the financial liability underlying the derivative is revalued on the balance sheet as a function of the hedged risk (related to the fluctuation in interest rates). Changes in the value of the financial liability are recognized in the income statement (as a financial expense) and offset the changes in value of the derivative it underlies to the extent of the hedge.

In the case of a cash flow hedge, the hedged financial liability is recognized on the balance sheet at amortized cost. Changes in the value of the derivative are recognized in shareholders' equity. To the extent that financial expense or income from the hedged item impacts the income statement of a given period, the financial expense or income related to the derivative, recognized in shareholders' equity and pertaining to the same period, is transferred to the income statement.

When a derivative does not satisfy the criteria for hedge accounting, changes in the fair value of the derivative are recognized in the income statement.

2.12 Pension obligations and other post-employment benefits

Pension obligations

Employee benefits (retirement indemnities and long-service awards) are recognized in the consolidated financial statements as non-current provisions. Cegid companies recognize provisions for all of their commitments to employees and executive officers related to retirement, pensions, supplemental pension benefits and all other retirement-related indemnities and allocations. In 2004, the Syntec collective bargaining agreement was amended, removing the ceiling on rights and changing past service costs. Cegid has opted to spread these costs over the average residual life of the services to be rendered.

Cegid opted for early adoption of the amendment to IAS 19 as of December 31, 2005. This amendment allows actuarial gains and losses to be recognized in shareholders' equity.

Regarding the assumptions underlying the calculation of retirement indemnities, the 2008 French Social Security budget (known as the loi Fillon III), instituted a corporate contribution in the event an employee is subject to involuntary retirement. This led to the procedures for estimating the provision for retirement indemnities being revised. To update the provision each year, Cegid uses the 10-year benchmark rate for top-ranked companies in the euro zone. In agreement with the management of the Group, the retirement age is 65 for all Group employees. This assumption is in line with the law of November 9, 2010 on pension reform and has not been changed with respect to the previous valuation, as the impact was not significant.

The components of the calculation of pension obligations as of December 31, 2011 are shown in Note 4.6.1.

Transfer of employee benefits

Amendment no. 3 of the nationwide, multi-industry, labor-management agreement of January 11, 2008 was amended on May 2009 and brought into effect on July 1, 2009. It provides terminated employees with health and death & disability insurance for a period following their termination. Cegid accounts for this benefit as a termination benefit and recognizes it only when the contract is terminated by the Company.

2.13 Provisions

In accordance with IAS 37, provisions are recognized on a case-by-case basis after an evaluation of the corresponding contingencies and losses. A provision is recognized whenever management becomes aware of an obligation (legal or implied) arising from past events that is expected to result in an outflow of resources not matched by at least an equivalent inflow, and when the amount of such obligation can be reliably measured. Provisions are allocated between current and non-current liabilities according to the expected term of the risk. Provisions with a term of more than one year are discounted if the impact is material.

2.14 Accruals – Unearned revenue

When invoicing applies to the current year and future years, such as invoicing under software support and hardware maintenance contracts, unearned revenue is recognized in accordance with the principle of matching revenue to the year in which it is earned.

2.15 Off-balance-sheet commitments

As part of Cegid's financial reporting, there is a procedure for identifying commitments and contingent liabilities, as well as their nature and purpose:

- Commitments backed by personal guarantees (endorsements and guarantees),
- Commitments backed by collateral (mortgages, pledges, security deposits), operating leases,
- Purchase commitments,
- Obligations and commitments to the Group's employees. Employees' individual rights to training are shown as off-balance-sheet commitments. No provision has been recognized with respect to these rights.

2.16 Related party disclosures and transactions

In compliance with the revised version of IAS 24, Note 8 to these financial statements presents an exhaustive list of all transactions between Cegid Group, its parent company ICMI SAS (52 quai Paul Sédallian, 69009 Lyon), their subsidiaries and principal executives, and Groupama (8-10, rue d'Astorg, 75008 Paris) and its subsidiaries.

2.17 Earnings per share

Earnings per share are equal to the ratio between:

- net income,
- the weighted average number of shares in circulation, less treasury shares.

Diluted earnings per share are equal to the ratio between:

- net income before dilution plus the amount of interest expense, net of tax, that would be saved if dilutive instruments were converted,
- the weighted average number of ordinary shares in circulation, less treasury shares, plus the number of shares that would be issued following the conversion of convertible instruments into shares and the exercise of rights.

Only dilutive instruments are included in the calculation.

2.18 Components of the income statement

2.18.1 Sales

Under Cegid's accounting principles, in compliance with IAS 18, sales are recognized by type of business according to the following criteria:

For the software business:

- The event that triggers a sale of licenses and software is delivery to the customer. Cegid recognizes the revenues when the main risks and benefits inherent to the ownership of the product are transferred,
- Recurring maintenance and SaaS revenue is apportioned on a pro rata basis.

For professional services:

- Services revenue is recognized as the services are performed,
- Recurring revenue is recognized on a pro rata basis.

Financial information is provided in Note 5.1.1.

2.18.2 Capitalized expenditures

The development costs incurred by Cegid in the conduct of its software business (creation of marketable enterprise software) essentially involve the development of software applications and are subject to individual monitoring. Development costs are measured on the basis of direct wage costs plus employee benefits and allocated overhead costs, calculated using a coefficient applied to the aggregate operating expenses of the relevant departments.

2.18.3 Taxes other than income taxes

Since 2010, Cegid has recognized the CET ("Contribution Économique Territoriale" or "local economy tax"), a tax replacing the French business tax (taxe professionnelle) and made up of CVAE (corporate value-added tax) and CFE (corporate real estate tax) components, as an operating expense because it considers that the tax change is essentially a change in the methods for calculating local French taxes, without changing its overall nature. Cegid therefore considers it unnecessary to account for the CVAE or the CFE differently to how it previously accounted for the French business tax (taxe professionnelle).

2.18.4 Other ordinary income and expenses

Other ordinary operating income and expenses include R&D tax credit, which is accounted for in accordance with IAS 20, as a grant based on earnings, determined in accordance with the program and rules in force.

2.18.5 Operating income

The Group's principal activity is the development, hosting, sale and distribution of business management software and related goods and services. Income from ordinary activities derives from these businesses, whether they are recurring or non-recurring in nature.

2.18.6 Other operating income and expense

"Other operating income and expense" includes such unusual and significant items as:

- Capital gains and losses on disposal of property, plant & equipment, if the amounts are material (other sales are included in income from ordinary activities),
- reorganization costs,
- Costs related to non-recurring disputes deriving from events not related to the Group's ordinary business activities,
- Any other income or expense that, owing to its nature, cannot be recognized as part of the Group's ordinary activities or which is large enough to impair the comparability of income from ordinary activities from one year to the next and give an inaccurate picture of the Group's performance.

2.18.7 Net financial expense

Cegid has decided to present net financial expense as the difference between:

- financial expense, including:
  - interest expense on financing activities, the additional cost generated by the adoption of IAS 39 (interest expense calculated at the effective interest rate),
  - Charges relating to impairment in the value of unconsolidated securities,
  - other financial discounting expense,
  - and other miscellaneous financial expense.
- financial income, i.e. income on cash investments, other dividend income, income from the disposal of other financial assets, other financial discounting income and other miscellaneous financial income.

2.18.8 Tax expense

The tax expense included in net income for the year is equal to the total of current and deferred tax. Tax expense is generally recorded in the income statement, with the exception of the portion of tax related to items recognized directly in shareholders' equity.

2.19 Operating Segments

IFRS 8 "Operating segments", which replaces IAS 14 "Segment Reporting", requires companies to present information deriving from the Group's internal reporting.

Consequently, the information published by Cegid, presented in Note 5.1, is in step with internal reporting, which records sales by type and business sector. Measures of profitability (such as income from ordinary activities and operating income) are analyzed on an aggregate basis.

Geographic information is not meaningful.

3. SCOPE OF CONSOLIDATION

Company	Head office Siren code	Business	Months consolidated	% control 2011	% ownership 2011	% ownership 2010	
CEGID GROUP SA	Lyon 327888111	Holding company	12	-	-	-	-
Companies held by Cegid Group							
CEGID SA	Lyon 410218010	Software development	12	100.00	100.00	100.00	Full
QUADRATUS SA	Aix-en-Provence 382251684	Software development	12	100.00	100.00	100.00	Full
CEGID PUBLIC SA (1)	Cergy 384626578	Software development	12	100.00	100.00	100.00	Full
CEGID SERVICES SARL	Lyon 341097616	Holding company	12	99.89	99.89	99.89	Full
21S INGÉNIERIE SA (2)	Lyon 422993428	Software development	8	99.35	99.35	-	Full
Companies held by Cegid SA							
CEGID CORPORATION	USA New York	Software distribution	12	100.00	100.00	100.00	Full
CEGID IBÉRICA SL	Spain Madrid	Software distribution	12	100.00	100.00	100.00	Full
CEGID LTD	United Kingdom Milton Keynes	Software distribution	12	100.00	100.00	100.00	Full
CEGID ITALIA SRL	Italy Milan	Software distribution	12	100.00	100.00	100.00	Full
CEGID HONG KONG HOLDINGS LIMITED	Hong Kong	Holding company	12	76.00	76.00	76.00	Full
INFORMATIQUE ET COMMUNICATIONS SARL	Beaune 383837994	Software development	12	51.00	51.00	51.00	Full
ASPX SARL	Lyon 430048462	Software development	12	100.00	100.00	100.00	Full
AXETEAM SAS (3)	Paris 479 087 983	Software development	0	0.00	0.00	100.00	Full
INNOV'ADHOC SAS (3)	Paris 479 087 983	Software development	4	0.00	0.00	0.00	Full
SERVANT SOFT SARL (4)	Lyon 318762192	Software development	12	0.00	0.00	100.00	Full
GD INFORMATIQUE SAS (4)	Vienne 390420305	Software development	12	0.00	0.00	100.00	Full
CGO INFORMATIQUE SARL (4)	Lyon 323872721	Software development	12	0.00	0.00	100.00	Full
MAGESTEL SARL (4)	Lyon 339067092	Software development	12	0.00	0.00	100.00	Full
FCRS SARL (4)	Lyon 412552317	Software development	12	0.00	0.00	100.00	Full
Company held by Cegid Public (1)							
GVI Holding SA	Poitiers 440339919	Software development	5	0.00	0.00	100.00	Full
Companies held by GVI Holding (1)							
VISA Informatique	Poitiers 320190770	Software development	5	0.00	0.00	100.00	Full
ENSEMBLE SOLUTION SARL	Poitiers 388915407	Software development	5	0.00	0.00	100.00	Full
Company held by 21S Ingénierie (2)							
IROISE Ltee (2)	Mauritius Port Louis	Software development	8	99.33	99.33	0.00	Full
Company held by ASPX							
CEMAGID SAS (5)	Lyon 4287144299	Software development	12	50.00	50.00	50.00	EQ
Company held by Cegid HK LTD							
CEGID Software LTD	China Shenzhen	Software distribution	12	100.00	100.00	100.00	Full

Full: Full consolidation
EQ: Equity-accounted

Internal reorganization and changes in scope

(1) Cegid Group sold 100% of GVI Holding shares to Civitas. After all assets and liabilities of Visa Informatique and Ensemble Solution were transferred to GVI Holding, all assets and liabilities of GVI Holding were transferred to Civitas, which was renamed Cegid Public.
(2) 21S Ingénierie and its subsidiary Iroise were acquired on April 19, 2011.
(3) All assets and liabilities of Axeteam, acquired on December 1, 2010, have been transferred to Cegid SA. All assets and liabilities of Innov'Adhoc, acquired on March 1, 2011 have been transferred to Cegid SA
(4) All assets and liabilities of Servant Soft, GD Informatique, CGO, Magestel and FCRS were transferred to Cegid SA as of December 31, 2011
(5) Comptanoo has been renamed Cemagid.

4. NOTES TO THE BALANCE SHEET

4.1 Changes in non-current assets

4.1.1 Goodwill

Changes during the period concerning the three Cash Generating Units broke down as follows:

(in €000)	12/31/09	12/31/2010	Increases 4.1.2	Decreases	12/31/2011
Cegid	163,109	163,523	3,664	-127	167,060
Quadratus	16,242	16,242			16,242
Cegid Public	6,482	6,587	3,208		9,795
TOTAL	**185,833**	**186,352**	**6,872**	**-127**	**193,097**

Goodwill related to companies accounted for by the equity method is recognized in the balance sheet under "Equity-accounted subsidiaries".

4.1.2 Business combinations

(in €000)	Acquisition cost [1]	Assets acquired and liabilities assumed	Identified intangible assets [2]	Goodwill
GVI Holding, acquired on 12/21/2010 [3]	5,550	2,055	287	3,208
Innov'Adhoc, acquired on 03/01/2011	718	43		676
21S Ingénierie, acquired on 04/19/2011	5,270	2,292		2,978
TOTAL	**11,539**	**4,390**	**287**	**6,862**

(1) Includes earn-outs agreed at the time of the acquisition, taken to liabilities, discounted as necessary.
(2) See Note 2.1.1 "Business combinations".
(3) During the final stages of the valuation of the GVI Holding acquisition, intangible assets presented in the 2011 firt-half report were modified.

(in €000)	Customer relationships and brands	Deferred tax liabilities	Fair value of intangible assets
GVI Holding, acquired on 12/21/2010 [3]	437	-150	287
Innov'Adhoc, acquired on 03/01/2011			
21S Ingénierie, acquired on 04/19/2011			
TOTAL	**437**	**-150**	**287**

4.1.3 Impairment tests

A discount rate of 8.8% was used for valuations and impairment tests (vs. 8.6% as of December 31, 2010), determined in accordance with the risk profile of the business.

A combined change of +/-1% in the main assumptions on which the calculations were based (discount rate and growth rate) does not give rise to a loss to be provisioned.

The growth rate beyond the forecast period is set at 2% p.a. (same as at December 31, 2010).

The impairment test carried out at the 2011 fiscal year end showed that if the margin on ordinary activities in the last year of the forecast period were reduced by 0.5%, no impairment provision would be required.

4.1.4 Intangible assets

Changes during the period broke down as follows:

(in €000)	12/31/09	12/31/2010	Changes in scope	Reclassifications	Increases	Decreases	12/31/2011
Development costs	220,889	251,232	6,371	248	32,005	-4,032	285,824
Concessions, patents	4,574	7,131	386	-358	903	-695	7,367
Customer relationships and brands	11,100	12,000	437				12,437
Other intangible assets	658	653	11	110		-17	757
Gross amounts	**237,221**	**271,016**	**7,205**		**32,908**	**-4,744**	**306,386**
Development costs	-165,723	-193,436	-5,381	-140	-29,837	4,536	-224,258
Concessions, patents	-4,092	-5,190	-261	248	-1,157	695	-5,665
Other intangible assets	-1,350	-2,397	-11	-108	-774	12	-3,278
Amortization	**-171,166**	**-201,023**	**-5,653**		**-31,768**	**5,243**	**-233,202**
Net intangible assets	**66,055**	**69,993**	**1,552**		**1,140**	**500**	**73,184**

4.1.5 Property, plant & equipment

Changes during the period broke down as follows:

(in €000)	12/31/09	12/31/2010	Changes in scope	Reclassifications	Increases	Decreases	12/31/2011
Technical facilities, equipment and industrial supplies	12,473	12,300	857		2,503	-989	14,671
Other property, plant & equipment	8,450	8,873	64		803	-100	9,640
Gross amounts	**20,923**	**21,173**	**921**		**3,306**	**-1,089**	**24,311**
Technical facilities, equipment and industrial supplies	-9,410	-9,512	-619		-1,496	771	-10,857
Other property, plant & equipment	-5,167	-5,902	-37		-866	85	-6,720
Depreciation and amortization	**-14,576**	**-15,414**	**-656**		**-2,362**	**856**	**-17,576**
Net property, plant & equipment	**6,347**	**5,760**	**264**		**944**	**-233**	**6,735**

4.1.6 Investments and other financial assets

Changes during the period broke down as follows:

(in €000)	12/31/09	12/31/2010	Changes in scope	Reclassifications	Increases	Decreases	12/31/2011
Equity investments		5,550				-5,550	
Equity investments and related receivables	825	792					792
Other non-current investments	182	182					182
Impairment losses	-294	-294					-294
Total financial investments [1]	**713**	**6,230**				**-5,550**	**680**
Deposits and guarantees	556	560	23		45	-73	555
Loans	966	1,026			119	-117	1,028
Impairment losses	-109	-107					-107
Loans and deposits	**1,412**	**1,478**	**23**		**164**	**-190**	**1,475**
Other financial assets	279	325			369	-291	402
Net non-current financial assets	**2,404**	**8,033**	**23**		**533**	**-6,031**	**2,557**

[1] Financial investments broke down as indicated on the following page.

(in €000)	12/31/2011	12/31/2010
Equity investments		5,550
Financial assets measured at fair value	792	792
Impairment losses	-292	-292
Total	500	6,050
Other non-current investments	382	182
Impairment losses	-2	-2
Total	380	180
Total financial investments	**880**	**6,230**

4.1.7 Equity-accounted subsidiaries

(in €000)	12/31/2011	12/31/2010	12/31/09
Opening balance	1,102	1,485	
Dividends			
Changes in scope			1,591
Share in net income of equity-accounted subsidiaries	-337	-382	-106
Closing balance	**765**	**1,102**	**1,485**

Cemagid (formerly Comptanoo), the only company accounted for by the equity method in 2011, posted sales of €1,082 thousand and a net loss of €673 thousand for the year.

Its balance sheet at December 31, 2011 was as follows:

- Balance sheet total: €2,213 thousand
- Non-current assets: €1,626 thousand
- Current assets: €587 thousand
- Total shareholders' equity: €-1,402 thousand
- Total liabilities and provisions: €3,615 thousand.

4.2 Changes in current assets

4.2.1 Changes related to impairment of current assets

Changes during the period broke down as follows:

(in €000)	12/31/09	12/31/2010	Increases	Decreases	12/31/2011
Inventories and work-in-progress	5	16	3	-12	8
Trade receivables and similar accounts	9,358	9,701	3,286	-4,667	8,320
Other receivables	44	44			44
TOTAL	**9,407**	**9,761**	**3,289**	**-4,679**	**8,371**

4.2.2 Cash and cash equivalents

(in €000)	12/31/2011	12/31/2010	12/31/09
Shares of mutual funds		1,246	3,208
Cash	1,465	2,240	2,019
TOTAL	**1,465**	**3,486**	**5,227**

4.3 Financial instruments

4.3.1 Fair value of financial instruments

In accordance with the requirements of IFRS 7, paragraph 27B, the tables below present the three methods used to determine the fair value of financial instruments:

Method 1: fair value based on published price quotations in active markets,
Method 2: fair value based on price quotations on observable markets,
Method 3: fair value based on unobservable markets.

Financial assets as of 12/31/2011 (in €000)	Carrying value	Method
Financial assets measured at fair value	500	1
Other non-current financial assets	380	3
Cash	1,465	1
Total financial assets measured at fair value	2,345	

Financial liabilities as of 12/31/2011 (in €000)	Carrying value	
Acquisition-related debt	4,543	2
Total financial liabilities measured at fair value	4,543	

Financial assets as of 12/31/2010 (in €000)	Carrying value	Method
Investments in unconsolidated companies	5,550	3
Financial assets measured at fair value	500	1
Other non-current financial assets	180	3
Cash equivalents	1,246	1
Cash	2,240	1
Total financial assets measured at fair value	9,716	

Financial liabilities as of 12/31/2010 (in €000)	Carrying value	
Acquisition-related debt	3,567	2
Total financial liabilities measured at fair value	3,567	

As of 12/31/2011 (in €000)	Carrying value	Financial assets at fair value through profit or loss	Available-for-sale assets	Loans and receivables
Financial assets measured at fair value	500		500	
Other non-current financial assets	582		380	202
Loans	1,027			1,027
Deposits and guarantees	449			449
Other non-current receivables	2,493			2,493
Trade accounts receivable	71,661			71,661
Other short-term receivables	6,150			6,150
Cash	1,465	1,465		
Financial assets	**84,326**	**1,465**	**880**	**81,981**
	Carrying value	**Financial liabilities at fair value through profit or loss**	**Debt at amortized cost**	**Other liabilities**
Medium-term line of credit	63,528		63,528	
Acquisition-related debt	4,543			4,543
Trade payables	24,034			24,034
Other current liabilities	58,365			58,365
Current financial liabilities	1,746	1,330		417
Financial liabilities	**152,216**	**1,330**	**63,528**	**87,359**

As of 12/31/2010 (in €000)	Carrying value	Financial assets at fair value through profit or loss	Available-for-sale assets	Loans and receivables
Investments in unconsolidated companies	5,550		5,550	
Financial assets measured at fair value	500		500	
Other non-current financial assets	505		180	325
Loans	1,025			1,025
Deposits and guarantees	453			453
Other non-current receivables	951			951
Trade accounts receivable	66,432			66,432
Other short-term receivables	4,833			4,833
Cash equivalents	1,246	1,246		
Cash	2,238	2,238		
Financial assets	**83,732**	**3,483**	**6,230**	**74,019**

	Carrying value	Financial liabilities at fair value through profit or loss	Debt at amortized cost	Other liabilities
Medium-term line of credit	69,441		69,441	
Acquisition-related debt	3,567			3,567
Trade payables	22,309			22,309
Other current liabilities	50,628			50,628
Current financial liabilities	789	480		309
Financial liabilities	**146,734**	**480**	**69,441**	**76,813**

4.3.2 Risk management

In the course of its business, Cegid is exposed to interest-rate, liquidity and credit risks. The Group is not exposed to any significant exchange-rate risks.

4.3.2.1 Liquidity risk

Cegid has two syndicated loans:

- A €180 million syndicated loan, granted in July 2006, initially in the amount of €200 million, and repayable at maturity, under which Cegid exercised the loan agreement's extension clause in April 2008. This clause provided for an extension of the maturity date of the loan from June 30, 2011 to June 30, 2013 and an adjustment to the maximum outstanding amount. This amount has thus been reduced to €150 million, effective June 30, 2011, and to €120 million, effective June 30, 2012, and in effect until June 30, 2013.
- A syndicated loan granted in November 2010 in the amount of €20 million from the date the agreement was signed until June 30, 2011, increasing to €50 million until June 30, 2012, to €80 million until June 30, 2013 and to €200 million until June 30, 2014. At that date, it will reduce to €170 million until June 30, 2015. If the loan agreement's extension clauses are exercised, €140 million will be available until June 30, 2016 and €100 million until June 30, 2017.

  The purpose of this credit facility is to finance the Group's general and investment needs, including acquisition financing. The line has an initial term of five years, extendible to seven, and will gradually replace the syndicated loan granted in July 2006.

These lines provide a greater drawdown capacity, which the Group can use to finance its operating and investment needs in the years to come.

The loan agreements include the customary covenants and clauses regarding accelerated maturity, specifically:

- Borrowings become immediately due and payable upon voluntary or involuntary liquidation,
- Maturity may be accelerated in the event of non-payment of an amount due under the loan agreement or the bond indenture or in the event of non-payment of a tax or social welfare contribution, unless it has been contested,

Cegid Group must also adhere to the following covenants:

- Consolidated net debt / consolidated shareholders' equity less than or equal to 1,
- Consolidated net debt / average consolidated EBITDA of the past two years less than or equal to 3.

Compliance with these covenants is calculated at each annual and semi-annual earnings announcement.

To date, the Group is in compliance with these provisions. By adhering to these provisions and covenants, the Group is in a position to manage its liquidity risk under favorable conditions.

As of December 31, 2011, drawdowns under the syndicated lines of credit totaled €64 million.

Undiscounted financial liabilities broke down as follows, by maturity:

As of 12/31/2011 (in €000)	1 year or less	1 to 5 years	more than 5 years
Other non-current receivables			
Other non-current financial assets			
Medium-term line of credit		64,000	
Acquisition-related debt	250	4,429	
Financial liabilities	**250**	**68,429**	

As of 12/31/2010 (in €000)	1 year or less	1 to 5 years	more than 5 years
Other non-current receivables		1,046	
Financial assets		**1,046**	
Medium-term line of credit		70,000	
Acquisition-related debt	300	3,509	
Financial liabilities	**300**	**73,509**	

4.3.2.2 Credit risks

Commercial credit risks

The Group's Finance department has implemented a system for managing commercial credit risks. This system is centralized and is headed by a dedicated credit management team in charge of analyzing and preventing customer risk, proposing financing solutions and recovering bad debts.

As of December 31, 2011, the Group's accounts receivable included more than 20,000 unpaid balances, and no Group customer invoiced in 2011 represented more than 1.6% of 2011 consolidated sales (0.6% in 2010). The net amount of receivables more than 60 days past due and unprovisioned was €14.0 million out of a total of €20.3 million.

Signature risk

This risk involves principally transactions related to cash investments. Given the amount of cash investments (none at December 31, 2011, €1,246 thousand at December 31, 2010) and the nature of the investment vehicles, this risk was not significant (see Notes 4.3. and 2.3).

4.3.2.3 Market and interest-rate risks

Cegid has access to medium-term financing (syndicated lines of credit) which carry interest at rates based on Euribor, and it invests its available cash in investments that earn interest at variable short-term rates (Eonia and Euribor).

In this context, the Group is subject to changes in variable rates and examines this risk regularly. In 2011, Cegid Group renewed the interest rate hedging arrangement it implemented in 2009 by buying two standard zero-premium collars against one-month Euribor:

- Start January 28, 2011, floor 0.90%, Cap 2.28% for a term of two years on a notional amount of €20 million, at maturity,
- Start June 30, 2011, floor 1.30%, Cap 3.325% for a term of three years on a notional amount of €20 million, at maturity.

These hedges on a total of €40 million represented more than 60% of the amount drawn down (€64 million) as of December 31, 2011.

Given these hedges, an increase in interest rates of 1%, at constant debt levels, would lead to an increase in interest expense of around €0.3 million (€0.6 million in 2010).

The Finance department manages the Group's treasury on a daily basis, using dedicated software that interfaces with the IT system. A weekly report of net treasury is prepared and used to track changes in debt and invested cash balances and the type of cash flows.

4.4 Other changes

Breakdown of deferred tax assets and liabilities

(in €000)	12/31/2010	Other changes [1]	Impact on earnings	12/31/2011
Deferred tax assets	72	2,049	101	2,221
Deferred tax liabilities	4,420	-452	1,468	5,436

(in €000)	12/31/09	Other changes	Impact on earnings	12/31/2010
Deferred tax assets	38		34	72
Deferred tax liabilities	3,400	-12	1,032	4,420

[1] Including a tax asset of €2,049 thousand relating to 21S Ingénierie's losses recoverable in the medium term given that the company's assets are operated under a lease-management agreement.

As of December 31, 2011, unrecognized tax assets totaled €34 thousand for French subsidiaries and €2,446 thousand for foreign subsidiaries (€24 thousand and €2,317 thousand, respectively, on December 31, 2010).

4.5 Notes to shareholders' equity

4.5.1 Share capital

Changes in share capital and share premium during fiscal years 2010 and 2011 were as follows:

	Number of shares	Par value (in €)	Share capital	Share premium (in €)
As of 12/31/2009	**9,233,057**	**0.95**	**8,771,404**	**94,681,125**
Issuance of redeemable share warrants (BAAR)				560,000
As of 12/31/2010	**9,233,057**	**0.95**	**8,771,404**	**95,241,125**
As of 12/31/2011	**9,233,057**	**0.95**	**8,771,404**	**95,241,125**

Cegid aims to ensure the company's future development and to preserve investor and market confidence. Its objective is to maintain a balance between financial debt and shareholders' equity by keeping the debt to equity ratio below 100% over the long term.

As of December 31, 2011, employees held around 2% of the share capital. Cegid aims to increase this percentage, via the employee savings plan and by regular stock option purchase plans and/or bonus share plans.

The Group repurchases its own shares on the market (429,442 shares held in treasury as of December 31, 2011):

- as part of share buyback programs, under which 404,908 Cegid Group shares are held to meet the exercise of 400,000 redeemable share warrants (BAARs) issued on September 6, 2010 to employees and executive officers. One BAAR confers the right to purchase one Cegid Group share at an exercise price of €22.56. The exercise period for the warrants begins on the date the BAARs were admitted to trading on Euronext Paris. For the first tranche of 200,000 warrants (FR0010928093), this period thus began on November 5, 2010 and will end on November 5, 2015 inclusive. For the second tranche (FR0010928119), also of 200,000 warrants, it will begin on November 5, 2013 and end on November 5, 2016 inclusive.
- as part of the liquidity contract, under which 24,534 shares were held as of December 31, 2011 (see "Purchase and/or sale by the company of its own shares" in the Management Report).

4.5.2 Reserves

Cegid's undistributed consolidated reserves totaled €60,680 thousand as of December 31, 2011.

4.5.3 Earnings per share

Earnings per share, calculated on the average number of shares, are presented as follows:

	2011	2010	2009
Number of shares at end of period	9,233,057	9,233,057	9,233,057
Average number of shares during the period	8,807,171	8,810,380	8,796,328
Number of shares held in treasury at end of period	429,442	427,463	437,014
Consolidated net income			
Net income attributable to parent company shareholders (in €M)	16.18	19.29	17.87
Earnings per share attributable to parent company shareholders (in €) [1]	1.84	2.19	2.03
Fully diluted earnings per share attributable to parent company shareholders (in €) [2]	1.84	2.19	2.03

[1] Based on the average number of shares outstanding (excl. treasury shares).
[2] Based on the average number of shares outstanding plus the number of shares to be issued (excl. treasury shares). Only potentially dilutive shares enter into the calculation.

4.5.4 Dividend per share

The amount distributable on 2011 earnings totaled €8,991 thousand.

	2011 [1]	2010	2009
Total net dividend (in €M)	9.70	9.70	9.69
Net dividend per share (€)	1.05	€1.05	€1.05

[1] A dividend on 2011 earnings of €1.05 per share will be proposed to shareholders at their Annual Meeting on May 10, 2012, totaling €9,695 thousand before taking into account treasury shares.

4.6 Provisions

4.6.1 Non-current provisions

Provisions for pension obligations and employee benefits (in €000)	12/31/2011	12/31/2010	12/31/09
Present value of commitments at start of period	**9,444**	**7,480**	**6,884**
Changes in scope	261	7	
Financial costs	415	394	364
Current service costs	644	457	138
Amortization of unrecognized past service costs	69	69	69
Benefits paid during the period - long service awards	-381	-114	-95
Projected present value of commitments at end of period	**10,452**	**8,294**	**7,360**
Actuarial gains and losses / experience adjustments	-49	64	120
Actuarial gains and losses / changes in assumptions		1,085	
Present value of commitments at end of period	**10,403**	**9,444**	**7,480**

The amount of these commitments is calculated on the basis of current salaries and is equal to the amounts that will be paid to employees at the time of voluntary retirement, weighted by the following coefficients:

- expected salary increases of 2%,
- retirement age (currently set at 65),
- changes in the workforce, estimates of which are based on projected life-expectancy tables published by INSEE and on staff turnover based on statistical observations,
- a discount rate of 4.00% as of December 31, 2011 (4.00% as of December 31, 2010). This is the 10-year benchmark rate for top-ranked companies in the euro zone. The provision includes employment taxes of 45%.

4.6.2 Current provisions

(in €000)	12/31/09	12/31/2010	Increases	Used decreases	Unused decreases	12/31/2011
Labor disputes [1]	2,025	2,242	1,332	-209	-159	3,207
Customer disputes	3,998	2,570	1,114	-637	-432	2,616
Reorganization plans	1,392	418		-40	-14	364
Other	1,213	802	80	-103	-582	197
TOTAL	**8,628**	**6,032**	**2,526**	**-989**	**-1,187**	**6,383**

[1] The change in provision for labor disputes corresponds primarily to a VCS Timeless dispute, which was initiated prior to its acquisition.

4.7 Breakdown of liabilities by maturity

The breakdown of debt and other liabilities by maturity was as follows:

(in €000)	12/31/2011	1 year or less	1 to 5 years	more than 5 years
Financial debt	65,274	1,746	63,528	
Trade payables	24,034	24,034		
Tax and social security liabilities	49,778	49,778		
Payables related to acquired property, plant & equipment	5,758	1,465	4,293	
Other liabilities and unearned revenue	17,190	17,190		
TOTAL	**162,034**	**94,213**	**67,821**	

(in €000)	12/31/2010	1 year or less	1 to 5 years	more than 5 years
Financial debt	71,376	1,935	69,441	
Trade payables	22,309	22,309		
Tax and social security liabilities	44,191	44,191		
Payables related to acquired property, plant & equipment	3,582	315	3,267	
Other liabilities and unearned revenue	16,351			
TOTAL	**157,809**	**68,750**	**72,708**	

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of sales

5.1.1 By type of business

(in €000)	2011	2010	2009
Licenses	39,018	40,702	36,359
SaaS	19,903	16,269	13,432
Maintenance	99,765	96,641	95,491
Other	6,574	6,746	6,478
Total Software and software-related services (SSRS)	**165,260**	**160,358**	**151,760**
Professional services	66,980	57,307	60,323
Total SSRS and professional services	**232,240**	**217,664**	**212,083**
Hardware distribution and other	31,574	31,955	36,505
TOTAL	**263,814**	**249,619**	**248,588**

5.1.2 By industry segment

(in €000)	2011	2010	2009
Accounting profession and very small companies	67,807	68,861	71,197
Services-Trading, Cleaning, general business	81,977	77,752	77,572
Manufacturing	26,746	24,347	24,920
Fashion, Specialist retailing	45,728	43,786	40,657
Construction, hospitality, other	20,592	19,222	20,775
Public sector	20,964	15,652	13,466
TOTAL	**263,814**	**249,619**	**248,588**

5.2 Personnel costs

On September 6, 2010, Cegid Group issued 400,000 redeemable share warrants (BAARs) to 86 employees, managers and executive officers of the Company and of certain subsidiaries. Based on the terms of the issue and the conditions for exercising the BAARs, as described in the prospectus ("note d'opération", AMF visa no. 10-302), no employee benefit was recognized.

5.3 Other operating income and expense

(in €000)	2011	2010	2009
Impact of reorganization plans [1]	534	3,758	2,471
Divestments	127	50	835
Negative goodwill recognized as income [2]		1,284	
Other operating income	**661**	**5,092**	**3,306**
Impact of reorganization plans [1]	-1,378	-1,289	-4,088
Divestments	-127	-22	-834
Payments made under a partnership agreement			-350
Other operating expense	**-1,505**	**-1,311**	**-5,272**

[1] Primarily a provision for the VCS Timeless disputes.
[2] Negative goodwill related to the acquisition of Védior Front RH.

5.4 Net financial expense

(in €000)	2011	2010	2009
Financial income from equity investments	24	6	10
Income from investments	42	10	31
Income related to discounting	59	62	63
Other financial income	66	174	32
Financial income	**191**	**252**	**136**
Interest expense on loans and other borrowings	-1,484	-1,154	-1,488
Expense related to discounting	-91	-91	-91
Interest on OBSAR bonds			-550
Financial provisions	-415	-394	-383
Other financial expenses	-25	-7	-94
Financial expense	**-2,015**	**-1,646**	**-2,606**
Net financial expense	**-1,824**	**-1,394**	**-2,470**

5.5 Taxes

5.5.1 Breakdown of taxes

(in €000)	2011	2010	2009
Current tax	-8,511	-6,844	-4,136
Deferred tax	-1,367	-2,887	-1,954
TOTAL	**-9,878**	**-9,732**	**-6,090**

5.5.2 Tax reconciliation

The amount of the Group's income tax expense is different from the theoretical amount that would be derived from applying the weighted average of the tax rates applicable to the consolidated companies because of the following items:

(in €000)	2011	%	2010	%	2009	%
Pre-tax income	26,392		29,406		24,068	
Theoretical tax [(1)]	-9,527	36.10%	-10,124	34.43%	-8,287	34.43%
Effect of permanent differences	-295	1.12%	-187	0.64%	-176	0.73%
Losses of foreign subsidiaries [(2)]	-196	0.74%	55	-0.19%	1,801	-7.48%
Use of tax-loss carryforwards	17	-0.06%	32	-0.11%	33	-0.14%
Tax credits	324	-1.23%	72	-0.24%	344	-1.43%
Rate effects and miscellaneous	-201	0.76%	421	-1.43%	194	-0.81%
Income tax	**-9,878**	**-37.43%**	**-9,732**	**-33.10%**	**-6,090**	**-25.31%**

(1) The theoretical rate for 2011 includes the extraordinary contribution of 5%, implemented on January 1, 2011.
(2) In 2009, this item included principally tax savings resulting from debt forgiveness in favor of loss-making foreign subsidiaries (€1,957 thousand). The tax-loss carryforwards of these subsidiaries had not been capitalized.

6. EMPLOYEES

The average number of employees in the Group broke down as follows:

	2011	2010	2009
Management level	1,352	1,298	1,361
Non-management level	802	749	782
TOTAL	**2,154**	**2,047**	**2,143**

As of December 31, 2011 employees were distributed among Group companies as follows:

	2011	2010	2009
Cegid [(1)]	1,784	1,761	1,738
Quadratus	159	150	141
Cegid Public (formerly Civitas) [(2)]	185	121	123
Informatique et Communications	5	5	4
AXETEAM [(1)]		2	
21S Ingénierie	6		
Cegid Corporation	5	3	2
Cegid Ibérica	9	8	6
Cegid Italia	7	6	5
Cegid LTD	10	11	10
Cegid Software	15	10	7
IROISE	7		
Total - companies	**2,192**	**2,077**	**2,036**
Cemagid (formerly Comptanoo) [(3)]	13	22	21
Total - Group	**2,205**	**2,099**	**2,057**

(1) Cegid's employee numbers include the employees of Innov'Adhoc, integrated into the Group as of March 1, 2011, and whose assets and liabilities were transferred to Cegid SA on the same date. They also include the employees of Axeteam, whose assets and liabilities were transferred to Cegid SA as of December 31, 2011.
(2) Cegid Public's employee numbers include those of the GVI group, whose assets and liabilities were transferred to Cegid Public as of May 31, 2011.
(3) Accounted for by the equity method since January 1, 2009.

7. OFF-BALANCE-SHEET COMMITMENTS

7.1 Commitments received

Commitments received in connection with acquisitions

(in €000)	1 year or less	1 to 5 years	more than 5 years
Commitments subject to limitations received as asset and liability guarantees	3,302	2,440	
Guarantees received as part of company acquisitions	150	600	

Bank lines of credit

(in €000) until	12/31/2011	06/30/12	06/30/13	06/30/14	06/30/15	06/30/16 (*)	06/30/17 (*)
Drawdown authorizations	200,000	200,000	200,000	200,000	170,000	140,000	100,000
Of which 2006 line of credit	150,000	150,000	120,000				
Of which 2010 line of credit	50,000	50,000	80,000	200,000	170,000	140,000	100,000

(*) If banks agree to extend the term (see Note 4.3.2.1).

7.2 Commitments given

These commitments broke down as follows:

(in €000)	1 year or less	1 to 5 years	more than 5 years	Total 2011
Bank guarantees	895	719	298	1,912
Commitments related to leases	9,859	27,547	1,510	37,366

- Bank guarantees were principally guarantees given to cover commercial leases.
- Commitments related to leases pertain to:
  - rent on the Group's 49 sites (40 in France). The main commitments are on rents for the head office (expiring in 2015) and the Boulogne and Aix-en-Provence premises (expiring in 2013),
  - long-term leases on vehicles and computer hardware.

Commitments given in connection with bank loans

As indicated in Note 4.3.2, the Group has certain financial resources granted by banks.

The syndicated loan agreements include the customary covenants and clauses regarding accelerated maturity, specifically:

- Borrowings become immediately due and payable upon voluntary or involuntary liquidation.
- Maturity may be accelerated in the event of non-payment of an amount due under the loan agreement or the bond indenture or in the event of non-payment of a tax or social welfare contribution, unless it has been contested,
- Commitment to adhere to the following covenants:
  - consolidated net debt / consolidated shareholders' equity less than 1,
  - consolidated net debt / average consolidated EBITDA of the past two years less than 3.

Compliance with these covenants is calculated at each annual and semi-annual earnings announcement. The Group is currently in compliance with these covenants and intends to remain so.

7.3 Other commitments

- The post-employment benefits regime at Cegid (Syntec collective bargaining agreement) was changed in 2004. In accordance with the CNC recommendation, the additional commitment corresponding to this change is being amortized over the average remaining term until the corresponding rights are vested (11.5 years). The amount of this commitment at December 31, 2011 was €270 thousand.

- Individual rights to training
  The law of May 4, 2004 (no. 2004-391) on professional training instituted an individual right to training for employees on permanent contracts, totaling 20 hours p.a. Individual training rights can be accumulated over a period of six years and are limited to 120 hours. In accordance with the CNC's urgent issues committee's opinion no. 2004 of October 13, 2004, training is not provisioned and is disclosed as follows:

	Rights acquired at 01/01/2011	2011 change	Unused rights at 12/31/2011
Rights (in hours)	175,619	10,998	186,617

8. RELATED-PARTY DISCLOSURES

8.1 Transactions with related parties

For 2011, details of the relationship between Cegid Group and ICMI (52 quai Paul Sédallian, 69009 Lyon) and its subsidiaries and principal executives, as well as with Groupama (8-10 rue d'Astorg, 75008 Paris) and its subsidiaries were as follows:

(in €000)	2011	2010	2009
Trade receivables, gross	250	199	181
Operating liabilities	671	710	220
(in €000)	**2011**	**2010**	**2009**
Executive Management fees	-2,952	-3,095	-2,954
Other external expenses	-257	-453	-205
Operating expenses	**-3,208**	**-3,549**	**-3,160**
Overheads	408	409	227
Partnership revenue			150
Operating revenue	**408**	**409**	**377**

8.2 Benefits granted to executives

The executives include the members of the Board of Directors (10 members as of December 31, 2011) and the Management Committee (11 members as of December 31, 2011).

(in €000)	2011	2010	2009
Benefits granted to executives			
Short-term benefits [1]	2,159	2,002	1,921
Post-employment benefits	64	62	53
Other long-term benefits			
Share-based payments			

[1] Short-term benefits include fixed and variable compensation, collective performance bonuses, profit-sharing, benefits in-kind and director's fees.

Jean-Michel Aulas and Patrick Bertrand have been paid by ICMI since 1999. In this capacity, they receive most of their compensation from ICMI. Separately, ICMI invoices Cegid Group for management assistance services.

9. FEES PAID TO THE STATUTORY AUDITORS OF GROUP COMPANIES

	Grant Thornton				Mazars				Other auditors			
	Amount (in €000)		In %		Amount (in €000)		In %		Amount (in €000)		In %	
	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1
Audit	175	181	99	100	192	171	99	100	4	21	100	100
Auditing of consolidated and parent company financial statements												
- Issuer	80	90	45	50	80	88	41	52				
- Fully consolidated subsidiaries	95	91	54	50	112	83	58	48	4	21	100	100
Other services provided by the networks	2		1		2		1					
TOTAL	**177**	**181**	**100**	**100**	**194**	**171**	**100**	**100**	**4**	**21**	**100**	**100**

10. SIGNIFICANT EVENTS SUBSEQUENT TO CLOSING

As of January 1, 2012, Quadratus began operating the assets of 21S Ingénierie under a lease-management agreement. 21S Ingénierie was acquired by Cegid Group in April 2011. This lease-management agreement was approved by the Board of Directors of the companies involved in January 2012.

To the shareholders,

In compliance with the assignment you entrusted to us at your Shareholders' Meeting, we hereby report to you for the year ended December 31, 2011, on:

- our audit of the consolidated financial statements of Cegid Group SA, as attached to this report,
- the basis for our assessment,
- specific verifications pursuant to law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit consists of examining, on a test basis, or by other selection methods, the evidence supporting the information contained in these financial statements. It also consists of assessing the accounting principles applied, the significant estimates used in preparing the financial statements and their overall presentation. We believe that the information we have collected is sufficient and appropriate to form a basis for our opinion.

We hereby certify that the consolidated financial statements provide a true and fair view of the assets and liabilities, financial position and results of operations of the group of companies included in the consolidation, in accordance with IFRS as adopted by the European Union.

II - Basis for assessment

In accordance with the provisions of Article L.823-9 of the French Commercial Code on the justification of our assessments, we draw your attention to the following items:

- Asset impairment tests
  At each balance sheet date, the Group systematically tests goodwill and assets with an indefinite useful life for impairment and also evaluates whether there are indications of a loss in the value of long-term assets, in accordance with the methods described in Note 2.3 and Note 4.1.3 to the financial statements. We examined the methods used for implementing these impairment tests, as well as the projected cash flows and assumptions used, and we have verified that the information in the financial statements provided appropriate disclosures in this regard.
- Development costs
  Note 2.1.4 to the financial statements describes the accounting rules and methods for recognizing development costs.

  As part of our assessment of the accounting principles applied by the Group, we have reviewed the procedures for capitalizing development costs, as well as those for amortizing these costs. We have also examined the procedures for verifying their recoverable value, either by assessing projects individually if there is an indication that the asset may be impaired, or together as part of the asset impairment test. We have obtained assurance that Note 2.1.4 provides appropriate disclosures.

The assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion expressed in the first part of this report.

III - Specific verification

In accordance with professional standards applicable in France, we have also verified the information related to the Group, as provided in the management report.

We have no comment regarding the accuracy of this information or its consistency with the consolidated financial statements.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS	**GRANT THORNTON**
	French member of Grant Thornton International
Max Dumoulin	Thierry Chautant

"Parent company financial statements - 12/31/2011"

PARENT COMPANY FINANCIAL STATEMENTS

(in €000)	2011	2010
Fees and other re-invoiced items	4,899	4,668
Total sales	**4,899**	**4,668**
External expenses	4,117	4,418
Taxes other than income taxes	39	31
Salaries	60	60
Employment taxes	26	29
Other expenses	97	98
Total expenses	**4,340**	**4,636**
Operating income	**559**	**32**
Financial income	10,427	12,416
Financial expense	2,588	1,312
Net financial expense	**7,839**	**11,104**
Pre-tax income	**8,398**	**11,136**
Extraordinary gains	6,166	56
Extraordinary losses	6,434	41
Net extraordinary items	**-267**	**15**
Corporate income tax	-861	228
Net income for the year	**8,991**	**10,923**

Assets

(in €000)	Gross 12/31/2011	Amortization and provisions	Net 12/31/2011	Net 12/31/2010
Non-current financial assets				
Equity investments and related receivables	145,845	11,853	133,992	134,237
Other non-current investments	8,065	1,128	6,937	8,224
Other non-current financial assets	392		392	324
Non-current assets	**154,302**	**12,981**	**141,321**	**142,785**
Receivables				
Trade receivables and similar accounts	1,971		1,971	1,897
Supplier receivables	203		203	7
Corporate income tax receivables				72
Sales tax receivables	118		118	209
Other receivables	62,812		62,812	67,171
Cash & cash equivalents				
Marketable securities				1,246
Cash	90		90	128
Current assets	**65,194**		**65,194**	**70,730**
Accruals				
Prepaid expenses				43
Total accruals				**43**
TOTAL ASSETS	**219,496**	**12,981**	**206,515**	**213,558**

(in €000)	Net 12/31/2011	Net 12/31/2010
Share capital	8,771	8,771
Share premium	96,154	96,154
Legal reserve	877	877
Regulated reserve	18	18
Retained earnings	15,119	13,447
Net income for the year	8,991	10,923
Regulated provisions	143	86
Total shareholders' equity	**130,074**	**130,276**
Borrowing and other liabilities due to credit institutions		
Borrowings	64,000	70,000
Overdrafts, bank facilities	219	288
Borrowings and miscellaneous financial liabilities		
Group	8,898	8,771
Accounts payable and similar accounts	980	1,337
Tax and employee-related liabilities		
Personnel	4	4
Employment taxes payable	11	12
Corporate income tax payable	1,347	2,076
Sales tax payable	182	150
Other taxes and employee-related liabilities	19	7
Acquisition-related debt	680	450
Other liabilities	100	187
Total liabilities	**76,441**	**83,282**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**206,515**	**213,558**

Cash flow statement

(in €000)	2011	2010
Net income	**8,991**	**10,923**
Amortization & provisions	743	-663
Elimination of non-cash income and expenses	207	-56
Capital gains or losses	447	
Cash flow from operating activities	**10,388**	**10,204**
Change in working capital requirement	-489	-2,790
Net cash from operating activities	**9,899**	**7,414**
Acquisition of non-current financial assets	-200	
Acquisition of securities	-5,437	-5,231
Sale of securities	5,766	
Net cash from investing activities	**129**	**-5,231**
Change in shareholders' equity		418
Dividends paid to shareholders	-9,250	-9,245
New borrowings	64,000	70,000
Repayment of borrowings	-70,000	-68,000
Change in Cegid SA intercompany account	12,837	947
Net cash from financing activities	**-2,413**	**-5,880**
Opening cash and cash equivalents	**-6,059**	**-2,362**
Net change in cash and cash equivalents	**7,615**	**-3,697**
Closing cash and cash equivalents	**1,556**	**-6,059**

Cash and cash equivalents included intercompany accounts with credit balances of €8,561 thousand as of 12/31/2011 (€8,739 thousand as of 12/31/2010) and intercompany accounts with debit balances (excl. the Cegid borrowing account) of €10,027 thousand as of 12/31/2011 (€1,431 thousand as of 12/31/2010), which are repayable on demand. Cegid Group has medium-term lines of credit with undrawn balances of €136 thousand.

Detail of cash and cash equivalents (in €000)	2011	2010
Marketable securities		1,245
Cash	90	128
Loans from shareholders/subsidiaries, excl. Cegid	10,027	1,431
Overdrafts, bank facilities		-124
Intercompany accounts (credit balances)	-8,561	-8,739
Total cash and cash equivalents	**1,556**	**-6,059**

Cegid's 2011 consolidated financial statements were approved by the Board of Directors on February 29, 2012.

1. Significant events

1.1 Liquidity contract

On September 29, 2011, Cegid Group entered into a new liquidity contract with Gilbert Dupont in accordance with the AMAFI Code of Conduct. It took effect on October 3, 2011, with Cegid Group and CM-CIC terminating the liquidity contract that they had entered into on June 1, 2005.

1.2 Acquisition of 21S Ingénierie, a specialist in SaaS-based software for the accounting profession

On April 19, 2011, Cegid acquired 21S Ingénierie, a developer of fully web-based solutions for the accounting profession and their SME customers. In so doing, it acquired a technological and functional base in fully web-based solutions and fresh expertise for boosting the development of its cloud-based solutions.

1.3 GVI Holding sold to Cegid Public

On December 21, 2010, Cegid Group acquired 100% of the shares of GVI Holding, which held 100% of the shares of Visa Informatique, a developer and distributor of business management software for local authorities, and 100% of the shares of Ensemble solutions. All assets and liabilities of Visa Informatique and Ensemble solutions were transferred to GVI Holding on May 27, 2011. Cegid Group then sold GVI Holding to Civitas, transferring all its assets and liabilities on May 28, 2011.

Civitas was renamed Cegid Public on April 26, 2011.

2. Accounting principles and methods

2.1 General principles

The financial statements for fiscal year 2011 have been prepared in accordance with the standards defined by the 1999 chart of accounts. General accounting conventions were applied in accordance with the following basic assumptions:

- continuity of operations,
- consistency of accounting methods from one fiscal year to the next,
- independence of fiscal years.

The valuation method generally used was the historical cost method.

2.2. Non-current financial assets

- Equity investments

Equity investments are valued at their historical acquisition cost. Since January 1, 2007, this amount has included expenses related to the acquisition. A provision for impairment is recognized on equity investments whose valuation, based on the following criteria, is less than the balance sheet value:

- value-in-use based on the subsidiary's re-estimated net asset value and expected profitability (discounted cash flow method),
- value based on recent transactions involving companies in the same sector.

However, a provision for impairment is recognized only if the company has achieved a normal pace of operation (new company), or if the integration phase into Cegid Group has been completed (acquisition).

Costs related to acquisitions that are incorporated into equity investments are subject to special straight-line amortization over five years. At December 31, 2011, a provision for special amortization of €143 thousand was recognized.

- Liquidity contract

Items held in connection with the liquidity contract are recorded as non-current financial assets:

- €352 thousand in treasury shares,
- €192 thousand in other long-term receivables.

- Treasury shares

These shares are valued based on the average quoted price during the last month of the reporting period. A provision for impairment is recognized on treasury shares if the average quoted price during the last month of the fiscal year is less than historical cost.

2.3 Receivables

Receivables are valued at their face value.

An impairment loss is recognized if the valuation at the closing date is less than the carrying value.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand and in bank current accounts.

Marketable securities are recognized at acquisition cost. Mutual funds are valued at the redemption price on the last trading day of the reporting period.

An impairment loss is recognized if the above methods yield a value that is less than historical cost. Such impairment loss is not recognized, however, if the unrealized capital loss it represents can be offset by unrealized capital gains on securities of the same type.

In the event that several securities of the same type and conferring the same rights are sold, the cost basis of the securities sold is estimated using the "first in/first out" method.

2.5 Provisions for contingencies and losses

These provisions are recognized on a case-by-case basis after an evaluation of the corresponding contingencies and losses.

A provision is set up whenever the Company's governing bodies become aware of a legal or constructive obligation resulting from a past event that is likely to result in an outflow of resources not matched by at least an equivalent inflow.

2.6 Operating revenue

Operating revenue consists of fees for the use of Cegid Group's facilities and brand image. These fees are calculated based on the sales (excl. VAT) of the operating subsidiaries.

2.7 Extraordinary items

Extraordinary gains and losses include non-recurring items as well as items considered extraordinary by their nature (asset disposals, gain or loss on sale of treasury shares).

3. NOTES TO THE BALANCE SHEET

3.1 Non-current assets

(in €000)	12/31/2010	Increases	Decreases	12/31/2011
Intangible assets:				
- Value of businesses	447		447 [(1)]	
Non-current financial assets:				
- Equity investments	146,088	5,468	5,712	145,844
- Other non-current financial assets	8,549	200	291	8,458
Gross amounts	**155,083**	**5,668**	**6,450**	**154,302**
Intangible assets:	447		447	
Non-current financial assets:				
- Equity investments	11,851	2		11,853
- Other non-current financial assets		1,128		1,128
Amortization	**12,298**	**1,129**	**447**	**12,980**

(1) Removal of HCS business value.

3.2 Maturity of receivables

(in €000)	12/31/2011	1 year or less	1 to 5 years	more than 5 years
Current assets and prepaid expenses	65,104	15,314	49,790 [(1)]	
TOTAL	**65,104**	**15,314**	**49,790**	

(1) Cegid SA borrowing account.

3.3 Revenue accruals included in the balance sheet

Trade receivables and similar accounts: €939 thousand
Other receivables: €203 thousand

3.4 Prepaid expenses

Prepaid expenses totaled €0.2 thousand as of December 31, 2011. They pertained to normal expenses related to the ordinary operations of the Company.

3.5 Impairment

(in €000)	12/31/2010	Increases	Decreases	12/31/2011
Intangible assets (HCS business value)	447		447	
Non-current financial assets	11,851	1,129		12,980
TOTAL	**12,298**	**1,129**	**447**	**12,980**
Provisions and reversals: - operating				
- financial		1,129		
- extraordinary			447	

3.6 Asset items - related parties

(in €000)	12/31/2011	of which related parties
Non-current financial investments (gross)	154,302	146,345
Equity investments and related receivables	145,845	145,845
Other non-current investments (1)	8,065	500
Long-term receivables from the liquidity contract	392	
Impairment on non-current financial assets	-12,981	-11,853
Non-current financial assets (net)	141,321	134,492
Trade receivables (gross)	65,104	64,889
Provision for bad debts		
Trade receivables (net)	65,104	64,889
Accruals		

(1) Other non-current investments included treasury shares with a carrying value of €7,197 thousand.

3.7 Marketable securities

None.

4. NOTES ON LIABILITIES AND SHAREHOLDERS' EQUITY

4.1 Share capital

At December 31, 2011, Cegid Group's capital consisted of 9,233,057 shares with a par value of €0.95, totaling €8,771,404.15.

4.2 Changes in shareholders' equity

(in €000)	Share capital	Share premium	Reserves	Retained earnings	Net income for the year	Regulated provisions	Total
Shareholders' equity as of December 31, 2010	8,771	96,154	895	13,446	10,923	86	130,276
Allocation of 2010 net income (1)				1,673	-10,923		-9,250
Net income for the year					8,991		8,991
Sale of warrants (BAARs)							0
Other changes (2)						57	57
Shareholders' equity as of December 31, 2011	8,771	96,154	895	15,119	8,991	143	130,074

(1) According to the allocation of net income and distribution of dividends approved by shareholders at their Ordinary Meeting of May 19, 2011, after deducting the dividends on shares held in treasury, which were allocated to retained earnings (€444 thousand).
(2) Change resulting from the special amortization of costs related to the acquisition of Cegid Public and 21S Ingénierie.

4.3 Provisions for contingencies and losses

None.

4.4 Accrued expenses included in the balance sheet

(in €000)	12/31/2011
Interest on borrowings	219
Trade payables	180
Tax and employee-related liabilities	20
Other liabilities (director's fees)	100
TOTAL	**519**

4.5 Liability items - related parties

(in €000)	12/31/2011	of which related parties
Financial debt	73,117	8,898
Operating liabilities	2,544	618
Miscellaneous liabilities	780	
TOTAL	**76,441**	**9,516**

4.6 Maturity of liabilities

(in €000)	12/31/2011	1 year or less	1 to 5 years	more than 5 years
Credit lines	64,219	219	64,000	
Misc. financial liabilities	8,898	8,898		
Accounts payable and similar accounts	980	980		
Tax and employee-related liabilities	1,564	1,564		
Other liabilities	780	100	680	
TOTAL	**76,441**	**11,761**	**64,680**	

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of revenue by type of business

(in €000)	2011	2010
Fees for use of Cegid Group's brand image and facilities	4,643	4,372
Other (re-invoicing)	256	296
TOTAL	**4,899**	**4,668**

5.2 Financial income and expense

(in €000)	2011	of which related parties
Financial income		
Dividends and other income from equity investments	9,157	9,157
Capital gains on sale of marketable securities	42	
Interest on intercompany accounts	1,228	1,228
TOTAL	**10,427**	**10,386**
Financial expense		
Interest on borrowings	1,107	
Provisions [1]	1,129	
Interest on intercompany accounts	108	108
Fees	240	
Other financial expenses	3	
TOTAL	**2,588**	**108**
Net financial income	**7,839**	**10,278**

[1] Impairment of Cegid Services shares and shares held in treasury.

5.3 Extraordinary items

(in €000)	2011	of which related parties
Extraordinary gains		
On operating items [1]	5,708	
Reversals of provisions for contingencies and losses [2]	458	
TOTAL	**6,166**	
Extraordinary losses		
On operating items [3]	6,362	
Special amortization and provisions	71	
TOTAL	**6,434**	
Net extraordinary items	**-267**	

[1] Relates to the sale of GVI shares.
[2] Relating to the removal of HCS business value.
[3] Relates to income from transactions under the liquidity contract and the sale of GVI shares.

5.4 Increases and reductions of future tax liabilities

(in €000)	Amount	Corporate income tax
Reductions	8	3
Accrued expenses not yet deductible	8	3
Increases		

5.5 Breakdown of corporate income tax

(in €000)	Pre-tax income	Tax and profit-sharing	Net income
Pre-tax income	8,398	(116)	8,282
Net extraordinary items	(267)	97	(171)
Impact of tax consolidation		880	880
Net income	**8,130**	**861**	**8,991**

5.6 Tax consolidation

On January 1, 2000, Cegid Group opted for tax consolidation treatment. The following companies are included in the tax consolidation group:

- Cegid SA, Siren 410 218 010
- ASPX SARL, Siren 430 048 462
- Quadratus SA, Siren 382 251 684
- Cegid Public SA, Siren 384 626 578

As of December 31, 2011, the following companies had exited the scope of consolidation, as all their assets and liabilities had been transferred to Cegid SA without retroactive effect.

- Servant Soft SARL, Siren 318 762 192
- CGO Informatique SARL, Siren 323 872 721
- Magestel SARL, Siren 339 067 092
- FCRS SARL, Siren 412 552 317

Cegid Group is the tax consolidation group's lead company. The taxes covered under this system are corporate income tax and the "social contribution".

According to the terms of the Group's tax consolidation agreement, the parent company holds a receivable from the subsidiary of an amount equal to the tax the subsidiary would theoretically have had to pay in the absence of the agreement. The tax savings realized by the group are recognized by the parent company and recorded as non-taxable income.

Opinion 2005-B issued on March 2, 2005 by the Urgent Issues Committee concerning the recognition of a provision at a parent company benefiting from tax consolidation treatment has no significant impact on Cegid Group's financial statements.

Application of the tax consolidation agreement resulted in a tax consolidation profit of €861 thousand in fiscal year 2011 (including tax on Cegid Group income).

6. MISCELLANEOUS NOTES

6.1 Average number of employees

None.

6.2 Commitmentss

6.2.1 Commitments given

None.

6.2.2 Commitments received

Commitments received as asset and liability guarantees in connection with acquisitions

(in €000)	1 year or less	1 to 5 years	more than 5 years
Commitments subject to limitations	3,000	850	

Guarantees received as part of company acquisitions

(in €000)	1 year or less	1 to 5 years	more than 5 years
Guarantees received as part of company acquisitions		100	

Bank lines of credit

(in €000) until	12/31/2011	06/30/12	06/30/13	06/30/14	06/30/15	06/30/16 (*)	06/30/17 (*)
Drawdown authorizations	200,000	200,000	200,000	200,000	170,000	140,000	100,000
Of which 2006 line of credit	150,000	150,000	120,000				
Of which 2010 line of credit	50,000	50,000	80,000	200,000	170,000	140,000	100,000

(*) If banks agree to extend the term (see Note 4.3.2.1).

As of December 31, 2011, Cegid had medium-term financial resources composed of two syndicated lines of credit in the amount of €200 million:

- A syndicated loan, currently totaling €150 million, granted in July 2006 and repayable at maturity, under which Cegid exercised the loan agreement's extension clause in April 2008. This clause provided for an extension of the maturity date of the loan from June 30, 2011 to June 30, 2013 and an adjustment to the maximum outstanding amount. This amount will be reduced to €120 million, effective from June 30, 2012 until June 30, 2013.
- A syndicated loan currently totaling €50 million, granted in November 2010, repayable at maturity, effective until June 30, 2012, upon which date it will increase to €80 million, in effect until June 30, 2013, then to €200 million in effect until June 30, 2014. At that date it will reduce to €170 million and remain in effect until June 30, 2015. If the loan agreement's extension clauses are exercised, €140 million will be available until June 30, 2016 and €100 million until June 30, 2017.

These lines provide a significant drawdown capacity, which the Group can use to finance its investment needs in the years to come. Interest is charged at the Euribor rate for the term of the drawdown, plus a margin.

In this context, the Group is subject to changes in variable rates and examines this risk regularly. In 2011, Cegid Group renewed its interest rate hedging arrangement by buying two standard zero-premium collars against one-month Euribor:

- Start January 28, 2011, floor 0.90%, Cap 2.28%, for a term of two years, on a notional amount of €20 million, at maturity,
- Start June 30, 2011, floor 1.30%, Cap 3.325%, for a term of three years, on a notional amount of €20 million, at maturity.

These hedges on a total of €40 million represented more than 60% of the amount drawn down (€64 million) as of December 31, 2011.

6.3 Disputes

None.

6.4 Other information: compensation

For fiscal year 2011, gross compensation paid to members of the governing bodies totaled €100 thousand (director's fees).

As CEO of Cegid Group, Patrick Bertrand receives annual gross compensation of €60 thousand.

Jean-Michel Aulas and Patrick Bertrand have been paid by ICMI since 1999. In this capacity, they receive most of their compensation from ICMI. Separately, ICMI invoices Cegid Group for management assistance services.

6.5 Fees paid to the Statutory Auditors and members of their networks

	Grant Thornton		Mazars	
	Amount (in €000)	In %	Amount (in €000)	In %
Audit				
Auditing of consolidated and parent company financial statements	80	100	80	100
Other services provided by the networks	-		-	
TOTAL	**80**	**100**	**80**	**100**

6.6 Significant events subsequent to closing

As of January 1, 2012, Quadratus began operating the assets of 21S Ingénierie under a lease-management agreement. 21S Ingénierie was acquired by Cegid Group in April 2011. This lease-management agreement was approved by the Board of Directors of the companies involved in January 2012.

6.7 Information concerning subsidiaries, equity interest and schedule of securities held

Group company (in €)	Share capital	Shareholders' equity before earnings allocation	Percentage of capital held (%)	Gross carrying amount of shares held	Net carrying amount of shares held	Outstanding loans and advances granted by the Company	Sales (excl. VAT) of most recent fiscal year	Net income or loss in the most recent fiscal year	Net dividends received by the Company during the year
1. Subsidiaries (at least 50% of the shares held by the Company)									
Cegid SA 52 Quai Paul Sédallian 69279 LYON Cedex 09	18,606,860	142,794,623	100%	99,509,909	99,509,909	49,789,877	222,873,212	9,523,549	3,907,439
Cegid Services SARL 52 Quai Paul Sédallian 69279 LYON Cedex 09	37,365	368,442	100%	12,221,429	368,442			-1,670	
Quadratus SA Parc du Golf Bat. 27/29 350 avenue Gauthier de la Lauzière 13856 AIX EN PROVENCE Cedex 3	1,500,000	8,696,405	100%	18,440,000	18,440,000		23,424,749	5,540,158	5,249,286
Cegid Public SA Immeuble Le Grand Axe 10-12 bd de l'Oise 95031 CERGY PONTOISE Cedex	1,000,000	5,999,964	100%	10,235,785	10,235,785	9,283,000	17,604,632	-1,088,899	
21S Ingénierie SA 52 Quai Paul Sédallian 69279 LYON Cedex 09	912,500	-47,739	100%	5,437,402	5,437,402	744,000	372,271	-518,107	
2. Associates (between 10% and 50% of the shares held by the Company)									
None									
3. General information regarding equity investments not included in 2.									
Miscellaneous equity investments				715,314	715,314				
4. General information relating to other marketable securities									
Liquidity contract				544,206	544,206				
Treasury shares				7,197,581	6,069,764				

6.8 Related parties

For 2011, details of services rendered between Cegid Group and ICMI (52 quai Paul Sédallian, Lyon) and its subsidiaries and principal executives, as well as Groupama (8-10 rue d'Astorg, Paris) and its subsidiaries were as follows:

(in €000)	2011
Trade receivables (gross)	
Operating liabilities	618
(in €000)	**2011**
Executive Management fees	2,952
Operating expenses	2,952

To the shareholders,

In compliance with the assignment you entrusted to us at your Shareholders' Meeting, we hereby report to you for the year ended December 31, 2011, on:

- the audit of the annual financial statements of Cegid Group SA, as attached to this report,
- the basis for our assessment,
- specific verifications and information required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit consists of examining, on a test basis, or by other selection methods, the evidence supporting the information contained in these financial statements. It also consists of assessing the accounting principles applied, the significant estimates used in preparing the financial statements and their overall presentation. We believe that the information we have collected is sufficient and appropriate to form a basis for our opinion.

We certify that the annual financial statements provide, from the standpoint of French accounting rules and principles, a true and fair view of the results of operations for the fiscal year under review, as well as the Company's financial position and assets as of the end of the same year.

II - Basis for assessment

In accordance with the provisions of Article L.823-9 of the French Commercial Code on the justification of our assessments, we draw your attention to the following items:

Cegid Group SA's non-current assets include net equity investments amounting to €133,992 thousand as reported on the year-end 2011 balance sheet. They are valued at their historical cost and written down on the basis of their value in use, according to the methods described in paragraph 2.2 of the notes.

Using the information communicated to us, we assessed the data upon which these values in use were based. In particular, we reviewed the present value calculations related to projected profitability and the achievement of objectives, and we verified the consistency of assumptions with the forecasts deriving from the strategic plans approved by management.

These assessments form an integral part of our audit of the annual financial statements as a whole, and therefore provide a basis for the opinion expressed by us in the first part of this report.

III - Specific verifications and information

We have also performed, in accordance with accounting standards applicable in France, the specific verifications required by law.

We have no matters to report on the fair presentation of the information provided in the Board of Directors' management report and in the documents sent to shareholders concerning the financial situation and annual financial statements, or the consistency of this information with the annual financial statements.

Concerning the information provided in accordance with the requirements of Article L.225-102-1 of the French Commercial Code relating to compensation and benefits received by the executive officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we certify the accuracy and fair representation of this information.

As required by French law, we have verified that the information concerning new investments and the identity of the shareholders (and holders of voting rights) has been disclosed in the Management Report.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS

Max Dumoulin

GRANT THORNTON

French member of Grant Thornton International

Thierry Chautant

Cegid Group SA
Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2011

To the shareholders,

In our capacity as Statutory Auditors of your Company, we present our report on regulated agreements and commitments.

It is our responsibility to inform you, on the basis of the information provided to us, of the essential features of the agreements and commitments of which we have been advised or that we may have discovered during our audit, but not to pass judgment on their usefulness and validity, nor to search for other existing agreements and commitments. According to Article R.225-31 of the French Commercial Code, it is your responsibility to assess whether it is in your interest to enter into these agreements and commitments before approving them.

In addition, it is our responsibility to inform you, pursuant to Article R.225-31 of the French Commercial Code, of any agreements and commitments that you have already approved and that remained in force during the year under review.

We have carried out the procedures we deemed necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French society of auditors) relative to this assignment. These procedures consisted in verifying that the information provided to us corresponded to the underlying documents from which they derived.

1 Agreements and commitments submitted to shareholders

Agreements and commitments authorized during the year under review

Pursuant to Article L.225-40 of the French Commercial Code, we have been advised of the following agreements and commitments, authorized by your Board of Directors.

1.1 Agreements with 21S Ingénierie
On April 18, 2011, your Company authorized the following agreements, with effect from May 1, 2011:

- Consulting and management assistance services provided by Cegid Group to 21S Ingénierie in return for a fee equal to 0.7% of sales, excluding VAT and re-invoiced expenses.
  The amount of fees invoiced by Cegid Group for the 2011 fiscal year was €0.8 thousand.
- Centralized cash management, with the stipulation that cash advances shall bear interest on the basis of 3-month Euribor plus a margin of -0.20% or +0.50% depending on whether Cegid Group is borrower or lender.
  The balance of advances granted by 21S Ingénierie was €744 thousand at the year-end. Interest recognized in income in respect of the fiscal year totaled €5 thousand.
- 21S Ingénierie may use Cegid Group's brand image in return for a fee equal to 1% of sales, excluding VAT and re-invoiced expenses.
  The amount of fees invoiced by Cegid Group for the fiscal year was €1.2 thousand.

1.2 Agreement with Cegid Public
On April 18, 2011, your Company authorized the transfer of GVI Holding shares to Cegid Public at their book value of €5,708 thousand.

The debt relating to the acquisition of these shares was transferred to Cegid Public at their book value of €450 thousand.

2 Agreements and commitments already approved by shareholders

Agreements and commitments approved in prior years and remaining in force during the fiscal year

Pursuant to Article R.225-30 of the French Commercial Code, we have been advised that the following agreements and commitments, approved during previous fiscal years, remained in force during the fiscal year under review.

2.1 Cash management agreement
The advances granted in the context of the cash management agreement bear interest on the basis of 3-month Euribor with a margin, differentiated as follows:

- - 0.20% when Cegid Group is the borrower
- + 0.50% when Cegid Group is the lender

Advances granted by	Advances received by	Balance at 12/31/2011 in €000	Income/(expense) recognized in €000
Quadratus	Cegid Group	8,195	(92)
Cegid Services	Cegid Group	367	(4)
GVI Holding	Cegid Group	0	(12)
Cegid Group	Cegid Public	9,283	109
Cegid Group	Cegid	49,790	1,114

2.2 Management assistance agreements
Agreement for management assistance services provided by ICMI to Cegid Group. The amount of the fixed fee will be tied to changes in the Syntec index. The amount of the variable fee is equal to 5% of consolidated net income.

The amount recognized in the 2011 fiscal year broke down as follows:

- flat fee: €2,135 thousand
- variable fee: €817 thousand

2.3 Coordination, consulting, management and strategy services
Coordination, consulting, management and strategy services provided by Cegid Group to Cegid, Quadratus Cegid Public and GVI Holding.

Fees paid pursuant to these agreements totaled 0.7% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries, and by Quadratus, Cegid Public and GVI Holding.

The amounts of fees invoiced by Cegid Group for the 2011 fiscal year were:

- €1,605 thousand to Cegid
- €165 thousand to Quadratus
- €124 thousand to Cegid Public
- €17 thousand to GVI Holding

2.4 Fee for the use of Cegid Group's brand image and facilities
Fee for the use of Cegid Group's brand image and facilities by Cegid, Quadratus, Cegid Public and GVI Holding.

Fees paid pursuant to these agreements totaled 1% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries, and by Quadratus, Cegid Public and GVI Holding.

The amounts of fees invoiced by Cegid Group for the 2011 fiscal year were:

- €2,296 thousand to Cegid
- €234 thousand to Quadratus
- €177 thousand to Cegid Public
- €24 thousand to GVI Holding

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS	**GRANT THORNTON**
	French member of Grant Thornton International
Max Dumoulin	Thierry Chautant

"Corporate Governance"

Report of the Chairman of the Board of Directors on the preparation and organization of the Board's work, on any limitations applying to the powers of the Chief Executive Officer and on the internal control procedures set up by Cegid

In accordance with the requirements of Article L.225-37 paragraph 6 of the French Commercial Code, the following report explains how the work of the Board of Directors is prepared and organized, how the senior management team operates, and describes the internal control and risk management procedures the Company and its subsidiaries have put in place. Cegid refers to the AFEP/MEDEF code of corporate governance and to the registration document preparation guide for small and mid-sized listed companies for the aspects of these documents that are applicable to it. The AFEP/MEDEF code can be found (in French) on the website of the MEDEF, the French business confederation: www.medef.fr. Pursuant to paragraph 8 of Article L.225-37 of the French Commercial Code, this report specifies the AFEP/MEDEF recommendations that have not been adopted, if any, and the reasons therefor.

1. PREPARATION AND ORGANIZATION OF THE ACTIVITIES OF THE BOARD

The Board of Directors of your company has ten members, including nine individuals and one legal entity. The Board of Directors is composed of the following members:

- Jean-Michel Aulas, Chairman of the Board of Directors,
- ICMI, represented by Patrick Bertrand, Director and CEO,
- Valérie Bernis, Director,
- Franklin Devaux, Director,
- Lucien Deveaux, Director,
- Jean-Luc Lenart, Director,
- Jacques Matagrin, Director,
- Astrid Panosyan, Director,
- François Peythieu, Director,
- Michel Reybier, Director.

At its meeting of December 20, 2011, the Board of Directors took note of the resignations of Christian Collin, Thierry Martel and Benoît de Rodellec du Porzic from their positions as Directors, and appointed Astrid Panosyan, François Peythieu and Valérie Bernis respectively to replace them.

Among these ten directors, six can be considered as independent, within the meaning of the AFEP/MEDEF reports, since they do not maintain relations of any sort with the company, the Group to which it belongs or its management, that could compromise the exercise of their freedom of judgment. Non-executive directors are deemed independent as they do not occupy management positions within the Company or the Group to which it belongs, and have no particular interests (significant shareholdings, salary, family ties or other interests, etc.).

As of December 20, 2011, two women held positions on the Board of Directors.

The six independent directors are: Valérie Bernis, Franklin Devaux, Lucien Deveaux, Jean-Luc Lenart, Jacques Matagrin and Michel Reybier.

It should be noted that at its meeting on March 2, 2011, the Board agreed that for certain directors who qualified as independent, the fact that they had served on the Board for several years did not compromise their independence vis-à-vis the Board of Directors, but rather that it should be seen as a means of ensuring continuity and support in the development of the Group.

At its meeting of September 23, 2004, the Board of Directors approved a charter intended to set out the Board's rules of operation and to supplement the provisions of the bylaws, without altering them. This charter provides for the use of teleconferencing and videoconferencing under terms and conditions set forth by law. The Board of Directors meets four to ten times a year, according to events concerning the Company. In 2011, it met five times. The Statutory Auditors are invited to all meetings of the Board of Directors. Meetings are called by the Chairman of the Board via post and fax. The average time period for convening the Board is about 15 days, and a tentative annual schedule is established at the beginning of the year. Depending on the urgency of the matters to be examined by the Board of Directors, the average time period for convening the Board can be shortened from 15 to a few days. Meetings are mainly held at the head office, and the majority of directors were present at those held in 2011, either physically, by teleconference or videoconference. The average attendance rate was around 80% in 2011.

Confidential documents are distributed to directors at Board meetings and, if necessary, prior thereto, so as to present the items upon which they will be asked to decide.

During fiscal year 2011, the Board of Directors focused on the following topics:

- examining and carrying out acquisitions,
- changes in governance and the application of provisions relating to the representation of men and women on the Board of Directors,
- follow-up on the work of the "Technological Performance" groups,
- development of audit and internal control procedures.

Strategy Committee

At its meeting of March 23, 2005, the Board of Directors appointed a standing Strategy Committee.

Until the Board meeting of December 20, 2011, the committee was composed of Jean-Michel Aulas, ICMI, represented by Patrick Bertrand, Franklin Devaux and Christian Collin.

During its meeting of December 20, 2011, to take into account the resignation of Christian Collin from the Board of Directors, Valérie Bernis and François Peythieu were appointed members of the Strategy Committee.

This committee is currently composed of Jean-Michel Aulas, ICMI (represented by Patrick Bertrand), Franklin Devaux, Valérie Bernis and François Peythieu. The purpose of the Strategy Committee is to plan the Group's general orientation and its business development strategy, especially pertaining to acquisitions. To this end, it studies the business development plan, monthly management reports and forecasts prepared by the Company's management. The Committee is also consulted on proposed large transactions.

Audit Committee

In its meeting of July 22, 2009, the Board of Directors created an Audit Committee to comply with European Directive 2006/43, transposed into French law by Act 2008-649 of July 3, 2008, which includes various provisions for adapting French company law to EU law, and by Decree 2008-1278 of December 8, 2008, regarding the requirement to implement an audit committee.

The Audit Committee oversees in particular:

- the process by which financial information is prepared,
- the effectiveness of internal control and risk management systems,
- the auditing of annual financial statements and, if applicable, of consolidated statements by the Statutory Auditors.

During the meeting of December 20, 2011, Christian Collin resigned from the Board of Directors and thus was no longer able to serve on the Audit Committee, or as its Chairman.

At its meeting of December 20, 2011, the Board of Directors appointed Astrid Panosyan as a new member of the Audit Committee and appointed Jacques Matagrin as the Chairman of the Committee, replacing Christian Collin.

As of the date of this report, the Audit Committee was composed of the following members:

- Jacques Matagrin (Chairman),
- Jean-Michel Aulas,
- Franklin Devaux,
- Astrid Panosyan,

We reiterate that, in accordance with applicable regulations, all of the members of the Committee must also be members of the Board of Directors.

Finally, it should be noted that the Company has no Appointments Committee for Board members and executive officers. In accordance with the law, the Company's bylaws and the Board's charter, the Board proposes candidates for the Board to shareholders, who alone have the right to appoint directors or renew their terms, via a vote at the Annual Shareholders' Meeting. The Board chooses candidates on the basis of their skills and knowledge of a business sector in which Cegid is active.

2. Compensation and benefits granted to executive officers

Pursuant to Article L.225-37 paragraph 9 of the French Commercial Code, we must inform you of the principles and rules used by the Board of Directors to determine all compensation and benefits granted to executive officers.

In this regard, director's fees represent the only form of compensation executive officers receive from Cegid Group, except for the compensation the CEO receives with regard to his appointment, as indicated below. The Board of Directors distributes these director's fees to its members according to their presence at meetings. There is an additional weighting for the two executives and for the members of the Strategy and Audit Committees.

As Board members receive no compensation outside of the above-mentioned director's fees, there is no compensation committee. Should a stock-option plan, a bonus share plan or more generally, incentives in favor of executives on the Board be proposed, the Strategy Committee would first examine the plan. The Board, acting on an authorization granted by shareholders in a Special Shareholders' Meeting, would then make its decision.

The CEO receives fixed compensation from Cegid, as determined by the Board of Directors. Most of his compensation, however, is paid by ICMI, of which he has been a salaried employee since 1999.

The detail of compensation paid to executive officers can be found on pages 61 and 62 of this Registration Document. On December 30, 2008, the Company published a press release indicating that the Board of Directors considered the AFEP/MEDEF recommendations to be an integral part of the Company's corporate governance. In accordance with the AFEP/MEDEF recommendations of October 6, 2008 and that of the Autorité des Marchés Financiers, issued on December 22, 2008, the tables on pages 128 to 130 of this Registration Document also include information concerning the compensation of executive officers, the Chairman and the CEO.

3. Powers of the CEO

At its meeting of December 20, 2002, the Board of Directors opted, pursuant to Article 16 II of the bylaws, harmonized with the New Economic Regulations Act of May 15, 2001, to dissociate the functions of Chairman of the Board and Chief Executive Officer.

Patrick Bertrand exercises the functions of Chief Executive Officer. The Board of Directors has limited the powers of the CEO. Generally speaking, decisions that fall outside the scope of day-to-day management, as listed below, are submitted to the Board of Directors for prior authorization:

- Constitution of guarantees, mortgages, pledging of assets except for bank guarantee requests to cover payment of rent for commercial premises as well as any request for guarantee of commercial contracts pertaining to day-to-day management,
- Sale of buildings,
- Total or partial sale of a business or businesses,
- Acquisitions, new equity investments and creation of subsidiaries.

On May 24, 2006, the Board of Directors decided to amend the powers of the CEO so as to allow him to carry out acquisitions of less than or equal to two million five hundred thousand euros (€2,500,000) each, without having to convene the Board of Directors beforehand, but after obtaining approval from the Board of Directors' Strategy Committee and after having solicited, in accordance with applicable law, the opinion of the Company's Central Works Council.

4. Composition of share capital - participation in Annual Shareholders' Meetings

The composition of share capital as of December 31, 2011 is shown in the management report for fiscal year 2011, on page 60 of this Registration Document. Conditions for attending and participating in Annual Shareholders' Meetings are indicated in Articles 20-28 of the bylaws.

5. Internal control and risk management

5.1 Internal control

5.1.1 Definition of internal control and the Company's goals

Cegid defines internal control as a set of procedures determined and used by management so as to achieve the following objectives:

- ensure that corporate operations, transactions and the day-to-day work of employees comply with the guidelines set down by the Board of Directors and are carried out by the various committees in accordance with regulations, principles, standards and methods applicable to the Company,
- map, foresee and control the identified risks resulting from the company's business, in particular in the areas of accounting, finance and organization,
- ensure reliability of operational and financial information,
- protect the Company's assets,
- optimize operational activities on the basis of established procedures and by assessing performance.

5.1.2 Organization of internal control

Cegid Group's internal control is articulated around a set of principles and rules that have already existed in the Group and that have since been strengthened by the Organization department in charge of tracking all operating processes.

Cegid's Executive Committee, Expanded Executive Committee, the CEOs and Delegated/Deputy CEOs of the operating subsidiaries are responsible for implementing the strategy approved by the Board of Directors of Cegid Group and its subsidiaries, for identifying any risks inherent to the activities carried out by the companies in the Group and for ensuring that internal control procedures are properly applied. The members of the Executive Committee have specific powers delegated to them. The Executive Committee meets once per month, and also when important decisions need to be made on acquisitions, alliances, financing or labor negotiations. The broader Executive Committee meets at least twice a year for the publication of the first-half and full-year financial statements and for the presentation of the budget.

Similarly, the Cegid Management Committee, comprised of the principal operational managers at Cegid, also helps carry out the Group's strategy and high-priority action plans. The Management Committee met twice during the year. The Strategy Committees in the operating areas serve to disseminate information and implement of all the operational issues pertaining to their fields of activity. They meet regularly under the responsibility of the respective member of the Executive Committee. "Functional" committees under the responsibility of an Executive Committee member concentrate on the key drivers of the Group's activities. These committees, including Sales, Deployment, Support, Products & Services and R&D, have convened regularly since 2010.

Internal control is based on a set of procedures administered by the Organization department together with the CFO's office and all operating departments and made available to the Company's governing bodies. These procedures, covering the Purchasing, Investment, Sales, Deployment, Support, Human Resources and Research & Development cycles, as well as contractual commitments, are available on the Company's intranet or directly brought to the attention of managers and staff members.

In parallel, departmental memos or internal messages, sent regularly to the various operational managers, allow additional information to be disseminated on the implementation of these procedures. The internal control procedures currently in effect at Cegid are also progressively applied to acquired companies, primarily as they pertain to procedures for expense and investment commitments, human resources, contractual commitments and signature authorization.

Since 2010, the internal control department also developed a Risk Management software program to optimize understanding and management of, and access to the internal control system.

In 2011, work to improve the internal control system focused on the one hand on fully implementing all the controls initiated in 2010, and on the other hand on instituting the Internal Control Operating Committee, composed of operating departments and the Group's internal control department. The Committee's role is to communicate the risks and highlights during the period, on a half-yearly basis, in order to develop awareness of internal control issues among the principal managers.

Lastly, the Group pursued its IT Systems' Security Policy that will gradually be used to implement action plans leading to better management of the associated risks.

In 2012, operational managers will adopt this internal control system when they sign a representation letter covering the key elements of internal control within the Group.

5.2 Organization of Group level internal control procedures

Internal control is performed by Senior Management, the members of the Company's governing bodies, in particular the Executive Committee, the strategy committees of the operating areas, as well as the Human Resources department – given the Company's business activities – and the Finance Department.

The Internal Control department, a sub-department of Management Control and Internal Control within the Finance department, continued its activities in 2011. During the year, the department helped strengthen the degree of control over operations and develop recommendations for improving it.

The department is also responsible for managing the process of internal control and for carrying out audits scheduled by the Finance Department or unscheduled audits as requested by Senior Management. In 2011, such assignments focused on Cegid's relationships with its partners in its efforts to broaden its ecosystem and on its business development activities abroad. Furthermore, the Statutory Auditors monitor the effectiveness and usefulness of the procedures from an external point of view within the framework of their audit assignment in accordance with professional standards.

5.2.1 Accounting and management system

The accounting and management system, under the responsibility of the CFO, the Accounting Manager and the Director of Internal and Management Control includes the following features:

- budgeting and monthly variance analysis procedures, both summary and allocated,
- daily business reporting to the Executive Committee and operational managers,
- monthly reporting, prepared with a management reporting software package and submitted for examination to the Executive Committee and the Executive Committees of the operating subsidiaries. These reports contain information regarding i) the business activities of the period under review in comparison with the budget (and for information, with previous years) and on the financial position of the Company and the Group, and ii) key performance and quality indicators pertaining to the Company's business activities,
- daily reports on aspects of financial management, such as cash flow and days' sales outstanding, and on organizational items,
- rules for signature authority and for the authority to undertake contractual commitments, expenditures and investments are applied in accordance with the separation of executive functions.

5.2.2 Human resources management control system

Given the nature of the Company's business, the management and control of human resources, under the responsibility of the Human Resources Manager, is of key importance. It focuses in particular on:

- recruitment of employees, validated by the Human Resources department, the manager to whom the new employee will report and in some cases, Senior Management,
- compensation management, and in particular the variable portion, which is validated monthly by the various departmental managers with regard to the extent to which employees reached their individual and collective performance goals.
- skills management,

- employee integration and training programs with the development of career paths and associated certifications,
- regulations concerning health, safety and working conditions, for which the persons in charge of each location are responsible. These individuals have specific powers delegated to them,
- training in and enforcement of building safety and security procedures,
- relationships with personnel representatives and application of the legislative and management rules appropriate thereto.

5.2.3 Internal control at the operational level

In general, procedures have been developed in the various business activities to ensure that identified risks related thereto are monitored and that business tracking measures are developed and formalized, pertaining in particular to:

- decision-making and monitoring of research and development expenditure, initiated by the product manager and under the responsibility of the relevant division manager and of the Technical Manager,
- product releases, in accordance with the procedures developed by the Technical Department in collaboration with the product managers, and monitored by special purpose committees,
- safeguard procedures, in coordination with the departments involved and in particular regarding research and development assets that are the basis for trademark and source product registrations with the appropriate authorities,
- IT risks, in particular procedures for security, backup and monitoring of IT applications in use, internet access, hardware and hosting platforms, and more generally, procedures for remote premises dedicated to IT resources,
- customer services activities, using business tracking indicators (training and deployment, customer support hotline, maintenance, etc.).

5.2.4 Preparation of financial and accounting information

The accounting system is based on an integrated IT system complete with modules to facilitate the preparation of accounting and financial information and help ensure that this information is exhaustive and that transactions are correctly valued (monitoring of DSO, cash, travel expenses, etc.). The system operates in accordance with accounting principles and methods in effect and applied by the Company both for its parent company financial statements and its consolidated financial statements. These statements are prepared using the same software as is used for the monthly reporting mentioned above.

Within the Finance division, the Accounting department produces and verifies financial and accounting information. This information is checked by the Statutory Auditors who carry out verifications in accordance with the standards in effect. As Cegid Group is listed on Euronext Paris, accounting and financial information is disseminated regularly in several media formats (press releases, the Company's website, the Hugin site, legal publications, financial analyst meetings).

Chairman of the Board of Directors

Jean-Michel Aulas

Report of the Statutory Auditors, pursuant to Article L.225-235 of the French Commercial Code, on the report of the Board of Directors of Cegid Group SA

To the shareholders,

In our capacity as Statutory Auditors of Cegid Group SA and in accordance with the terms of Article L.225-235 of the French Commercial Code, we present to you our report on the report of the Chairman of the Board of Directors of your Company pursuant to Article L.225-37 of the French Commercial Code pertaining to the year ended December 31, 2011.

It is the Chairman's responsibility to prepare a report on the Company's internal control and risk management procedures and containing the other information required under Article L.225-37 related in particular to corporate governance, and to submit this report to the Board of Directors.

It is our responsibility to:

- inform you of our observations on the information set out in the Chairman's report on the internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and,
- certify that the report includes the other information required under Article L.225-37 of the French Commercial Code, with the proviso that it is not our responsibility to verify the fairness of this information.

We conducted our work in accordance with French professional standards.

Information on internal control and risk management relative to the preparation and processing of accounting and financial information

The standards of the profession require that we perform procedures designed to evaluate the fairness of the information contained in the Chairman's report on internal control and risk management procedures pertaining to the preparation and processing of accounting and financial information.

These procedures consist in particular in:

- examining the internal control and risk management procedures related to the preparation and processing of the financial and accounting information underlying the information presented in the Chairman's report, as well as existing documentation,
- examining the work leading up to the preparation of this information and the existing documentation,
- determining whether there is appropriate disclosure in the Chairman's report of any important deficiencies in internal control related to the preparation and processing of financial and accounting information that we may have discovered in the course of our assignment.

On the basis of our work, we have no observations to make regarding the Company's internal control and risk management procedures related to the preparation and processing of financial and accounting information, as presented in the report of the Chairman of the Board, prepared in accordance with Article L.225-37 of the French Commercial Code.

Other information

We certify that the report of the Chairman of the Board of Directors includes the other information required under Article L.225-37 of the French Commercial Code.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS	**GRANT THORNTON**
	French member of Grant Thornton International
Max Dumoulin	Thierry Chautant

Directors and Officers

As of March 31, 2012, Cegid Group's Board of Directors was composed of ten directors:

- Jean-Michel Aulas, Chairman,
- ICMI, represented by Patrick Bertrand, CEO,
- Valérie Bernis,
- Franklin Devaux,
- Lucien Deveaux,
- Jean-Luc Lenart,
- Jacques Matagrin,
- Astrid Panosyan,
- François Peythieu,
- Michel Reybier.

Of these ten directors, six can be considered independent, as defined by the AFEP and MEDEF reports, because they do not exercise any management functions in the Company or the group to which it belongs and they do not maintain any significant relationship with the Company, its group or its management that could compromise their intellectual independence, nor do they hold a significant ownership interest in the share capital. At its meeting on March 2, 2011, the Board agreed that although certain directors deemed independent had served on the Board for several years, their independence was not compromised; rather it should be seen as a means of ensuring continuity and support in the development of the Group.

The six independent directors are: Valérie Bernis, Franklin Devaux, Lucien Deveaux, Jean-Luc Lenart, Jacques Matagrin and Michel Reybier.

There are no directors elected by employees.

There was no non-voting director.

At its meeting of September 23, 2004, the Board of Directors approved a charter setting out the Board's rules of operation and supplementing the provisions of the bylaws, without altering them. The charter was amended at the Board meetings of March 23, 2005, May 24, 2006, March 20, 2007 and February 28, 2008.

Five Board meetings were held in 2011. The meetings were held at the head office, and the majority of directors were present. The attendance rate for Board members was approximately 80%.

At its meeting of March 23, 2005, the Board of Directors appointed a standing Strategy Committee. The purpose of this committee is to plan the Group's general orientation, its business development strategy and its implementation by the Board of Directors. As of March 31, 2012, the committee was composed of Jean-Michel Aulas, ICMI (represented by Patrick Bertrand), Franklin Devaux, Valérie Bernis and François Peythieu. The Strategy Committee studies the business development plan, management reports and forecasts prepared by the Company's management. The Committee is also consulted on proposed large transactions.

The Strategy Committee met twice in 2011, with a majority of Committee members in attendance.

In its meeting of July 22, 2009, the Board of Directors created an Audit Committee, in compliance with European Directive 2006/43, transposed into French law by Act 2008-649 of July 3, 2008, which includes various provisions for adapting French company law to EU law, and by Decree 2008-1278 of December 8, 2008, regarding the requirement to implement an audit committee.

The Audit Committee oversees in particular:

- the process by which financial information is prepared,
- the effectiveness of internal control and risk management systems,
- the auditing of annual financial statements and, if applicable, of consolidated statements by the Statutory Auditors.

During the Audit Committee meeting of December 20, 2011, Jacques Matagrin was appointed Chairman of the Committee, replacing Christian Collin, who having resigned from the Board of Directors was no longer able to serve on the Audit Committee or as its Chairman.

As of March 31, 2012, the Audit Committee was composed of the following members:

- Jacques Matagrin (Chairman),
- Jean-Michel Aulas,
- Franklin Devaux,
- Astrid Panosyan.

To the best of the Company's knowledge:

- There is no family relationship between the members of the Board of Directors and either the Chairman or the CEO of the Company.
- No member of the Board of Directors or executive officer has been convicted of fraud during the last five years and no member of the Board of Directors or executive officer has been incriminated or been subject to an official public sanction by legal or regulatory authorities (including by professional bodies over the last five years).
- No member of the Board of Directors nor the Chairman or CEO has been involved as a director, officer or member of a governing, management or supervisory body with a bankruptcy, receivership or liquidation during the last five years.
- No member of the Board of Directors nor the Chairman or CEO has been prevented by a court of law from acting as a member of a governing or supervisory body of an issuer or from taking part in the management or business dealings of an issuer during the last five years.

Executive Committee

The Group Executive Committee includes the senior managers of the Company's functional and operational divisions.

As of March 31, 2012, it was composed of the following members:

- Patrick Bertrand, Chief Executive Officer,
- Hélène Barrios, Executive Director,
- Nathalie Echinard, Executive Director,
- Christian Loyrion, Executive Director,
- Jean-François Marcel, Executive Director,
- Nicolas Michel-Vernet, Executive Director,
- Antoine Wattinne, Executive Director,
- Jean-Louis Decosse, Technical Director
- Pierre Dianteill, Marketing and International Director,
- Sylvain Jauze, Director of International Operations,
- Pascal Guillemin, Human Resources Director,
- Thierry Luthi, Chief Financial Officer,
- Jean-Michel Monin, Director of Organization,
- Sylvain Moussé, Director of Organization and IT systems

This Group Executive Committee is responsible for implementing the strategy decided by the Board of Directors. It meets at least ten times a year, and for important decisions such as acquisitions, financing decisions and employee-related negotiations. In addition, the Cegid Management Committee, which includes the principal managers of the Group (approximately 80 people) meets at least once a year.

Executives' percentage ownership of the Company's share capital

To the company's knowledge, as of March 31, 2012, members of the Board of Directors held 1,003,451 shares or 10.87% of the capital, representing 14.65% of the voting rights.

Conflicts of interest between members of the governing bodies

To the best of the Company's knowledge, there are no conflicts of interest between members of the Company's governing bodies.

Compensation and benefits-in-kind allocated during the most recent fiscal year

a) Director compensation

In their Ordinary Meeting, shareholders voted to allocate a total of €100,000 as director's fees to be paid to members of the Board of Directors in respect of fiscal year 2011.

The Board of Directors attributes director's fees to its members on the basis of their actual presence at meetings, with an additional weighting for the Chairman and the CEO and the members of the Strategy Committee and Audit Committee.

In 2011, the gross amounts paid in respect of fiscal year 2010 were as follows:

- Jean-Michel Aulas €15,000
- Patrick Bertrand..€15,000
- Christian Collin [1] €15,920
- Thierry Martel [2] €1,330
- Franklin Devaux €10,480
- Apax Partners, represented by Edgard Misrahi.......€3,730
- Jacques Matagrin...€11,870
- Lucien Deveaux..€6,670
- Jean-Luc Lenart..€10,670
- Benoît de Rodellec du Porzic €9,330

[1] The director's fees were paid to Groupama.
[2] The director's fees were paid to GAN.

Michel Reybier, a director, requested not to receive director's fees.

b) Compensation paid to executive officers

On December 30, 2008, the Company published a press release indicating that the Board of Directors considered the AFEP/MEDEF recommendations to be an integral part of the Company's corporate governance. As indicated on page 61 and 130 of this Registration Document, Jean-Michel Aulas and Patrick Bertrand have been paid by ICMI since 1999. As such, they receive most of their compensation from ICMI, a holding company that acts as lead shareholder. Its two principal investments are Olympique Lyonnais Groupe and Cegid Group, which represent combined proforma sales of €419 million and a combined workforce of 2,473. As ICMI plays the role of Cegid's lead shareholder, Jean-Michel Aulas and Patrick Bertrand perform duties in the various companies in the Group.

Table 1: summary of compensation, options and shares attributed to the Chairman and the CEO

(in €000)	2011	2010
Jean-Michel Aulas, Chairman		
Compensation in respect of the fiscal year (detailed in table 2)	1,176	1,231
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the date of grant	NA	NA
TOTAL	**1,176**	**1,231**
Patrick Bertrand, Chief Executive Officer		
Compensation in respect of the fiscal year (detailed in table 2)	630	627
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the date of grant	NA	NA
TOTAL	**630**	**627**

NA: Not Applicable.

Table 2: summary of the Chairman's and the CEO's compensation

(in €000)	2011		2010	
	Amounts due [1]	Amounts paid [1]	Amounts due [1]	Amounts paid [1]
Jean-Michel Aulas, Chairman				
- Fixed compensation	739	740	718	711
of which director's fees	20	21	21	19
- Variable compensation [2]	405		482	227
- Collective performance bonus and employee savings plan	19	19	17	17
- Benefits-in-kind	13	13	13	13
- Post-employment benefits: "Article 83" supplementary pension plan	NA	NA	NA	NA
TOTAL	**1,176**	**772**	**1,231**	**968**
Patrick Bertrand, Chief Executive Officer				
- Fixed compensation	448	446	416	408
of which director's fees	23	21	21	21
of which compensation for the function of Cegid Group CEO	60	60	60	60
- Variable compensation [2]	154	154	183	188
- Collective performance bonus and employee savings plan	19	19	19	19
- Benefits-in-kind	3	3	3	3
- Post-employment benefits: "Article 83" supplementary pension plan	6	6	6	6
TOTAL	**630**	**628**	**627**	**624**

[1] Corresponds to annual gross compensation before tax.
[2] Variable compensation is based principally on the consolidated earnings of Olympique Lyonnais Groupe and Cegid Group.

Table 3: director's fees paid to other executive officers of Cegid Group

(in €000)	Amounts paid in 2012 for 2011 (Gross amounts)	Amounts paid in 2011 for 2010 (Gross amounts)
Franklin Devaux	13	10
Apax Partners	NA	4
Jacques Matagrin	13	12
Lucien Deveaux	4	7
Jean-Luc Lenart	9	11
Christian Collin (paid to Groupama)	16	16
Thierry Martel (paid to Groupama)	4	1
Benoît de Rodellec du Porzic	11	9
TOTAL	**70**	**70**

Michel Reybier, a director, requested not to receive director's fees.

Director's fees paid to the Chairman and the CEO:

(in €000)	Amounts paid in 2012 for 2011 [1]	Amounts paid in 2011 for 2010 [1]
Jean-Michel Aulas, Chairman	21	21
Patrick Bertrand, CEO	23	23
TOTAL	**44**	**44**

[1] Director's fees paid by Cegid and all of its subsidiaries.

Table 4: commitments and benefits granted to the Chairman and the CEO

Chairman / CEO	Employment contract	Supplementary pension plan	Amounts or benefits due or that might be due in the event of termination or change in function	Compensation for non-competition clause
Jean-Michel Aulas Chairman of the Board of Directors Date term began 1st appointment 06/20/1983 Date term expires Shareholders' Meeting approving 2015 statements	No	No	No	No
Patrick Bertrand [1] CEO Date term began - 1st appointment PR ICMI BoD 11/14/1997 - Appointment as CEO Board meeting of 12/20/2002 Date term expires Shareholders' Meeting approving 2015 statements	No	No	No	No

[1] Patrick Bertrand is an employee of and has an employment contract with ICMI.
The details of his compensation, including his supplementary pension plan, can be found in table 2 above.

According to our assessment, the AFEP/MEDEF recommendation that the same person not have both an employment contract and an executive officer function does not apply to the situation of Patrick Bertrand, because his employment contract and executive officer function are not carried out within companies of the same group. Furthermore, (i) there is no severance pay attached to Mr.Bertrand's executive officer mandate for Cegid Group, nor to his employment contract at ICMI (with the exception of any legal severance pay that may be due) and (ii) as the Board of Directors of Cegid Group is mostly made up of independent directors (six of the ten directors), the fact that Patrick Bertrand has an employment contract with ICMI could not hinder his removal as CEO of Cegid Group.

Jean-Michel Aulas is not entitled to any benefits or compensation from ICMI should he cease or change functions, nor is he entitled to compensation relating to a non-compete clause.

The other tables mentioned in the AMF recommendation published on line on December 22, 2008 do not apply and have not been completed.

c) Compensation paid to the Chairman, the CEO and members of the Board during fiscal year 2011

Gross compensation paid by Cegid Group and its subsidiaries during fiscal year 2011 to Directors and salaried members of the Group Executive Committee totaled €2,159 thousand. Jean-Michel Aulas and Patrick Bertrand receive the main share of their compensation from ICMI, Cegid's lead shareholder (see page 61-62 and 128-129).

Agreements with the Chairman, the CEO or directors - benefits and loans

Agreements pursuant to Articles L.225-38 et seq. of the French Commercial Code are reported on pages 117 and 118 of this document.

Since the closing of fiscal year 2011, no new agreements, benefits or loans have been granted to the Chairman, the CEO or to directors.

Employee profit-sharing and bonus plans

Subsequent to the partial asset contribution between Cegid Group and Cegid, Cegid Group has had no employees since November 30, 2006. Most of the companies in the Group have a collective performance bonus plan, an employee savings plan and a statutory employee profit-sharing agreement. Matching contributions to employee savings plans totaled €0.6 million.

For fiscal year 2011, the total amount of profit-sharing paid was €0.8 million, the amount of collective performance bonuses was €1.1 million and the amount of the special profit-sharing bonus was €0.6 million.

INFORMATION ON DIRECTORS

Name of company or executive officer Professional address	Date of first appointment	Date term expires	Principal function in the company	Principal function outside the company	Other positions held in all companies in 2011	Positions held over the previous four fiscal years
Jean-Michel Aulas Cegid Group 52 quai Paul Sédallian 69009 LYON	June 20, 1983	Shareholders' Meeting approving the 2015 financial statements	Chairman	Chairman & CEO Olympique Lyonnais Groupe	Chairman ICMI, Member of Cegid Group Audit Committee, Chairman CEO Cegid, Chairman Quadratus, Director Cegid Public(1), Chairman Cegid Services, Chairman CEO Olympique Lyonnais Groupe, Chairman Olympique Lyonnais Groupe Stadium Investment Committee, Chairman CEO Olympique Lyonnais SASP, Director OL Voyages, Director Association Olympique Lyonnais, Director l'Ambassade Limited.	Chairman Cegid Group, Chairman ICMI, Chairman CEO Cegid, Chairman HCS, Chairman Cegid Services, Director Quadratus, Director Servant Soft, Director l'Ambassade Limited, Chairman CEO Olympique Lyonnais Groupe, Chairman Olympique Lyonnais Groupe Stadium Investment Committee, Chairman CEO Olympique Lyonnais SASP, Director OL Voyages, Director Association Olympique Lyonnais.
ICMI, represented by Patrick Bertrand ICMI 52 quai Paul Sédallian CS 30612 69258 LYON CEDEX 09	September 14, 1983	Shareholders' Meeting approving the 2015 financial statements	Director	Deputy CEO ICMI	**Patrick BERTRAND:** CEO Cegid Group, Delegated CEO Cegid, CEO Quadratus, Chairman Cegid Public(1), Director Expert & Finance, Perm. rep. ICMI on Olympique Lyonnais Groupe Board, Member of Olympique Lyonnais Groupe Stadium Investment Committee, Member of Olympique Lyonnais Groupe Audit Committee, Director and Vice Chairman Figesco, Member of Supervisory Board Alta Profits, Chairman l'Ambassade Limited.	CEO Cegid Group, Delegated CEO Cegid, Chairman & CEO Quadratus, Director Servant Soft, Director Expert & Finance, Director & Vice Chairman Figesco, Member of Supervisory Board Alta Profits, Director Civitas, Chairman FCRS, Chairman ASPX, Director Comptanoo, Director GTI Industrie, Director PmiSoft, Perm. rep. Figesco on Alta Profits Supervisory Board, Perm. rep. ICMI, Alternate Director l'Ambassade Limited, Perm. rep. ICMI on Olympique Lyonnais Board, Member of Olympique Lyonnais Groupe Audit Committee.
Valérie Bernis GDF SUEZ 1 place Samuel de Champlain – Faubourg de l'Arche 92930 PARIS LA DEFENSE CEDEX	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2015 financial statements	Director	Deputy CEO SUEZ	Deputy CEO GDF SUEZ - Communications and Marketing, Mb of Executive Committee GDF SUEZ, Mb of Board of Directors Suez Energy Resources NA, Director SUEZ Environnement, Director SMEG Monaco, Mb of Supervisory Board and Audit Committee Euro Disney SCA, Mb of Board of Directors & Audit Committee Bull, Mb of Cegid Group Strategy Committee.	Perm. rep of GDF SUEZ Communication on Board of Directors of Investissement Presse - Journal Libération. Director of Storengy, Director of SUEZ Tractebel (Belgium).
Astrid Panosyan Groupama 8-10 rue d'Astorg 75008 PARIS	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2013 financial statements	Director	General Secretary of Groupama	Director Amaline Assurances, Director Fondation d'Entreprise Groupama pour la Santé, Director Vaincre les Maladies Rares, Director Fondation Groupama - GAN pour le Cinéma, Mb of Cegid Group Audit Committee.	Director of Amaline Assurances.
François Peythieu Groupama 8-10 rue d'Astorg 75008 PARIS	December 20, 2011 (interim appointment)	Shareholders' Meeting approving the 2013 financial statements	Director	Director of Marketing and Distribution at Groupama	Member of Cegid Group Strategy Committee.	
Franklin Devaux	June 9, 1987	Shareholders' Meeting approving the 2015 financial statements	Director		Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate, Member Cegid Group Audit Committee.	Director Cegid Group, Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate, Chairman Ascendance SAS, Director Proteus Hélicoptères.
Lucien Deveaux	November 4, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Member of Supervisory Board Deveaux SA, Chairman of Supervisory Board Armand Thiery, Chairman of Supervisory Board Ecce SA, Chairman Devlocation, Director Lyonnaise de Banque.	Director Cegid Group, CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Member of Supervisory Board Deveaux SA, Chairman of Supervisory Board Armand Thiery, Chairman of Supervisory Board Ecce SA, Chairman devlocation, Director Lyonnaise de Banque, Chairman Sci du Foie.
Jean-Luc Lenart	November 16, 2004	Shareholders' Meeting approving the 2015 financial statements	Director	Chairman ACLAM	Vice-Chairman of the Supervisory Board Imagination SAS, Chairman of the Supervisory Board Kayentis SAS, Mb of Supervisory Board Rhapso SA, Mb of Supervisory Board Lowendalmasai SA and Lowendalmasai Développement (subsidiary and parent), Mb of Supervisory Board Telima Money SAS, Director Compario SA, Chairman Aclam e.u.r.l, Chairman Les Sources SC, Chairman AMC Lourcine SC, Chairman Lenapart SC, Director NTF RTL SAS.	Director of Cegid Group, Director & Member of Supervisory Board Imagination SAS, Chairman of Supervisory Board Kayentis SAS, Director & Member of Supervisory Board Rhapso SA, Member of Supervisory Board of Lowendalmasai SA and Lowendalmasai Développement (subsidiary and parent), Director Compario SA, Chairman Aclam SARL, Chairman Les Sources SC, Mb of Supervisory Board Clearvision, Chairman AMC Lourcine SC.
Jacques Matagrin Le Tout Lyon 41 rue de la Bourse 69002 LYON	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenêtrier Informatique	Chairman & Mb of Cegid Group Audit Committee, Chairman Tout Lyon, Director Olympique Lyonnais Groupe, Member of Olympique Lyonnais Groupe Stadium Investment Committee, Chairman Association Olympique Lyonnais, Director OL Voyages, Chairman Noirclerc Fenêtrier Informatique, Chairman SCI Duvalent, Director Bemore (Switzerland).	Director Cegid Group, Chairman Tout Lyon, Director Eurazis, Chairman Association Olympique Lyonnais, Member of Olympique Lyonnais Groupe Stadium Investment Committee, Director OL Voyages, Chairman SAS OL Restauration, Chairman Noirclerc Fenêtrier Informatique, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland).
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		Chairman Domaines Reybier, CEO MJ France, Director EIG Hélipart, Director Pebercan.	Director Cegid Group, Chairman Domaines Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan.

(1) Formerly named Civitas (until April 26, 2011).

"Shareholders' Meeting, May 10, 2012"

We have called this Shareholders' Meeting to address the following items of business:

1. ITEMS SUBMITTED TO SHAREHOLDERS IN THEIR ORDINARY MEETING

Authorization for the Board of Directors to acquire shares pursuant to Articles L.225-209 to L.225-212 of the French Commercial Code (resolution six of the Ordinary Shareholders' Meeting)

You will be asked to authorize the Board of Directors, pursuant to Articles L.225-209 et seq. of the French Commercial Code, European regulation no. 2273/2003 of December 22, 2003 and in accordance with market practices recognized by the Autorité des Marchés Financiers (AMF), with the option of sub-delegation as permitted by law, to buy or sell shares of the Company over an 18-month period beginning on the date of your Shareholders' Meeting as part of a share buyback plan at its sole discretion and at times that it will determine pursuant to the limits stated hereinafter.

Shares could be purchased so long as:

- the number of shares acquired during the duration of the buyback program does not exceed 10% of the Company's share capital at any given time. This percentage is applied to the change in capital adjusted to account for transactions taking place after the Shareholders' Meeting. For shares purchased under the liquidity contract, the number of shares included in the calculation of the 10% ceiling would correspond to the number of shares purchased, minus the number of shares sold during the authorization period, and
- the Company does not hold more than 10% of the share capital at any given time. This percentage would be applied to the share capital adjusted for transactions taking place after the Shareholders' Meeting.

This authorization would allow the Company to pursue the following objectives, subject to applicable law and regulations:

- Make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct,
- Purchase shares with an intent to hold them and offer them at a later date in exchange or in payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits set out by law,
- Allocate shares under the terms and conditions provided by law, in particular in the framework of employee profit-sharing, to the exercise of purchase-type stock options, to an employee savings plan, or as bonus shares granted to employees and executive officers pursuant to Articles L.225-197-1 et seq. of the French Commercial Code,
- Remit shares of the Company upon the exercise of rights attached to securities giving access in any way to the shares of the Company, in accordance with applicable regulations,
- Reduce share capital by canceling some or all of the shares, provided resolution one of the May 10, 2012 Special Shareholders Meeting is approved,
- Implement any market practices allowed in the future by the AMF and more generally, carry out any transactions that conform with applicable regulations.

The maximum purchase price may not exceed €40 per share (excl. acquisition costs) subject to adjustments related to any corporate actions and/or the par value of the share. The maximum amount of funds allocated to this share buyback plan would be €36,932,200, excluding brokerage costs.

By way of example, taking into account the 423,931 shares held in treasury as of January 31, 2012, the maximum number of shares that could be acquired, assuming none are resold or cancelled, would therefore be 499,374 shares.

The acquisition, transfer or exchange of shares could be carried out and paid by any means, and in any manner, on the market or over the counter, including through the use of derivative instruments, in particular via optional transactions, provided these optional transactions do not significantly increase the volatility of the share price, and in accordance with applicable regulations.

These transactions may be carried out at any time including while takeover bids are in effect on shares or securities issued by the Company or during a takeover bid initiated by the Company, subject however to the abstention periods provided for by law and the General Regulation of the AMF.

You will be asked to grant the broadest powers to the Board of Directors with the option of sub-delegation under the conditions provided for by law, to sign all deeds, conclude all agreements, make any declarations, complete all formalities and in general do all that is necessary in this regard as well as to adjust the unit price and maximum number of shares to be acquired in proportion to any change in the number of shares or their par value resulting from corporate actions undertaken by the Company.

In accordance with applicable law, shareholders would be informed in the next Management Report of purchases and sales carried out under the program, the number of shares held in treasury at the end of the year, the number of shares used for each purpose and the number of shares, if any, used for purposes other than those initially planned.

This authorization would cancel and replace the authorization granted in resolution six of the Ordinary Shareholders' Meeting of May 19, 2011.

2. ITEMS SUBMITTED TO SHAREHOLDERS IN THEIR SPECIAL MEETING

2.1 Financial authorizations

Your Board wishes to be able, if necessary, to access the capital markets so as to mobilize, quickly and flexibly, the financial resources required for the development of your Company and its Group.

As such, your Board wishes to have authorization allowing it, if necessary, for a period of 26 months, to increase the share capital and issue securities giving immediate and/or future access to the most suitable financial instruments for the development of the Group, taking into account market characteristics at the given time.

Consequently, the Board of Directors asks you in resolutions two, four and eleven at your Meeting, to grant it an overall authorization, as provided under Article L.225-129 of the French Commercial Code, for a period of 26 months, to issue securities with or without shareholders' preferential subscription rights up to a maximum par value of increased capital of €30 million.

Therefore, if you adopt resolutions two, four and eleven mentioned above, the authorization you would grant to your Board of Directors to issue, at its sole discretion, in one or more transactions, marketable securities with or without shareholders' preferential subscription rights would result in allowing at such time, primarily in the latter case, all types of securities issues, in France or abroad, and/or in international markets according to the interests of your Company and its shareholders.

You are also asked to grant the Board of Directors, for the same 26-month period, additional authorizations detailed in specific resolutions consequently required by law and constituting exceptions to the overall authorization.

The purpose of resolution three is to allow for the increase of share capital by incorporating reserves, earnings or premiums up to the same par value ceiling of €30 million.

The purpose of resolution five is to authorize the Board of Directors to increase the issue amounts in the event of surplus demand, up to 15% for each issue, at the same price as that of the initial issue and limited to the ceilings set in resolutions two, four and eleven of the Special Shareholders' Meeting.

The purpose of resolution six is to authorize the Board of Directors to issue shares and freely set their issue price.

The purpose of resolution seven is to authorize the Board of Directors to increase the capital by issuing shares or securities in order to provide valuable consideration for contributions-in-kind.

These issues could be denominated in euros, foreign currencies or any other unit of account established through reference to a currency basket depending on the type of securities issued.

In recommending that you grant it these authorizations, your Board of Directors hereby provides explanatory information, in compliance with the requirements of laws and regulations and especially those stemming from decree no. 2004-604 of June 24, 2004, on the resolutions submitted to you for approval that correspond to these authorizations. You are reminded that these authorizations would render null and void any existing authorizations having the same purpose.

2.1.1 General financial authorizations

2.1.1.1 General authorization to issue shares and securities giving access to the capital or granting entitlement to the allocation of debt securities

Resolutions two and four are the essential components of the overall authorization pursuant to Articles L.225-129, L.225-129-2, L.228-91 and L.228-92 of the French Commercial Code.

You are asked to grant the Board of Directors, for a period of 26 months, an overall authorization to issue, with or without preferential subscription rights, shares or securities giving immediate and/or future access to capital, or granting entitlement to the allocation of debt securities, including bonds convertible and/or exchangeable into new or existing shares up to a ceiling of €30 million in the par value of capital increases. Issues of debt securities, either as principal or intermediate securities, which might be carried out under resolutions two and four herein, may not exceed a limit of €200 million in par value.

2.1.1.2 Issues with maintenance of preferential subscription rights (resolution two)

In the context of the comprehensive authorization, resolution two addresses the issuance, with maintenance of preferential subscription rights, of shares (except for preferred shares) or any securities giving immediate and/or future access to a percentage interest in the share capital or to debt securities.

In the case of future access to shares, i.e. via the issuance of bonds with share warrants attached, convertible bonds or other composite securities such as bonds that are convertible and/or exchangeable into new or existing shares, or via standalone share warrants, your decision would constitute or could include, depending on the case, a waiver of your shareholder rights to subscribe to the shares that could be obtained through the initially-issued securities.

The authorization would thus give the Board of Directors the possibility to issue, up to the capital increase ceiling set by shareholders, all categories of securities that could give access to a percentage interest in the capital or to debt securities, and in particular bonds that are convertible and/or exchangeable into new or existing shares. For this purpose, you are asked to authorize the Board of Directors to use shares held in treasury as a substitute for new shares. The overall ceiling for the par value of capital increases you are asked to authorize in resolution two, for a period of 26 months, is set at €30 million. These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), before taking into account adjustments that might be applied, in accordance with the law.

Accordingly, you are requested to grant your Board of Directors the broadest powers to carry out one or more authorized issues in all markets, in all currencies and, for debt securities, in the best interest of its shareholders; to recognize completion; to take any measures required for the newly issued securities to be admitted to trading on a regulated market; to amend the bylaws accordingly; and to take any measures necessary for servicing the securities and exercising any related rights.

Under this authorization, shareholders would waive their preferential subscription rights to the shares to which these securities would give access, in favor of securities holders, and would explicitly waive their preferential subscription rights to the shares to which convertible bonds, share warrants and marketable securities indicated in Articles L.228-91 and L.228-92 of the French Commercial Code would give access.

The Board of Directors would set the terms and conditions for each issue, set the subscription price for the securities, with or without premium, the methods for remitting payment for them, their date of entitlement, the terms for exchange, conversion and redemption, or any other terms related to the allocation of securities giving access to the capital. The Board of Directors can set the issue price for shares or securities that can be created or issued through subscription, conversion, exercise of bonds or any other manner in such a way that Cegid Group receives for each share created or allocated independent to any compensation, regardless of the form, interest, issue premium or redemption, especially a sum at least equal to minimum price provided by legal or regulatory measures that are in force on the day of issue.

The Board would also set the number and issue price for the shares to be issued, the terms and conditions for subscription and their date of entitlement. It would also set the number and characteristics of the share warrants.

You are also asked to allow the Board of Directors to give shareholders a reducible subscription right and, in each case, if subscriptions have not absorbed the entire amount of the issue and provided that subscriptions received represent at least three-fourths of the issue, to limit the issue to the amount of subscriptions received or to freely distribute all or part of the unsubscribed shares or offer them to the public, in the order that it shall determine and in compliance with the law. The Board of Directors would have the option of using all or only some of the authorizations indicated above.

Finally, you are asked to allow the Board of Directors to allocate all of the issue costs incurred under resolution two to the corresponding premium account for capital increases and to bring the legal reserve up to one-tenth of the new share capital.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution two of the Special Shareholders' Meeting of May 6, 2010.

2.1.1.3 Issue with waiver of preferential subscription rights (resolution four)

In the interest of your Company and its shareholders, the Board of Directors may need to issue securities with waiver of shareholders' preferential subscription rights so as to take advantage of opportunities in the financial markets under certain circumstances.

As such, your Board requests in resolution four that you authorize it, pursuant to Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-91, L.228-92 and L.228-93 of the French Commercial Code, to issue securities giving access to the capital or granting entitlement to the allocation of debt securities provided for in resolution two with waiver of shareholders' preferential subscription rights, up to the same €30 million ceiling (this ceiling being distinct from the ceiling set under resolution two), for the same period of 26 months and under the same terms and conditions, but subject to the special points mentioned hereinafter.

These securities may be shares (except for preferred shares), bonds that are convertible or exchangeable into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a percentage interest in the capital or in debt securities. You are requested to authorize the Board of Directors to use shares held in treasury as a substitute for new shares. This ceiling is subject to adjustments required by law and regulations for the purpose of preserving the rights of holders of previously-issued securities or warrants.

Should the Board of Directors use this authorization, the issue price of the shares, which would confer the same rights as existing shares, shall be determined by the Board in such a way that for each share created or allocated, Cegid Group receives a sum at least equal to the minimum price provided for by applicable law and regulations as of the date of the issue, i.e. a price at least equal to the weighted average of the share price over the three trading days prior to the day on which the issue price is set, to which a discount of not more than 5% may be applied. The issue price for securities that cannot be assimilated with existing shares shall be such that the sum received immediately by the Company plus any sum that might be received in the future shall be, for each share issued as a result of the issuance of these other securities, at least equal to the issue price as defined above for securities that can be assimilated with existing shares. The issue price of the securities giving access to debt securities would be determined by the Board of Directors pursuant to laws and regulations, taking into account market conditions.

This authorization may be fully used to provide consideration for securities contributed to the Company in the context of an exchange offer on those securities pursuant to Article L.225-148 of the French Commercial Code.

Depending on these factors, your Board would set the issue price for the securities and if applicable, the terms and conditions of income to be paid on debt securities, in the best interests of the Company and its shareholders, taking into account all of the relevant parameters. As such, it shall take into consideration in particular the type of instrument issued, stock market trends and the market for Cegid Group shares, whether the issue is effected entirely or partially in France, the existence of any shareholder priorities that do not give rise to negotiable rights, the number of shares to which these securities would give rights, in particular the number of shares that could be subscribed to through the exercise of standalone warrants or warrants attached to these securities, the lifetime and exercise price of these warrants and the option, if any, to repurchase them in the market or to purchase or exchange securities including warrants.

Under this authorization, shareholders would waive their preferential subscription rights to the shares to which these securities would give access, in favor of securities holders, and would explicitly waive their preferential subscription rights to the shares to which convertible bonds, share warrants and marketable securities indicated in Articles L.228-91 and L.228-92 of the French Commercial Code would give access.

Your Board of Directors also requests that you allow it to use this authorization, with the option of sub-delegation and under terms provided for by law and regulations, to issue shares and securities giving access to the capital of the Company to which securities that could be issued by companies in which Cegid Group holds more than half of the share capital, either directly or indirectly, could give rights, under the conditions provided for by law.

Your Board of Directors requests, with the option of sub-delegation and under terms provided for by law, that you authorize the issue of securities giving access to the capital of companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

On this basis, you are invited to grant your Board of Directors the broadest powers to issue these shares or other securities, in one or more transactions, with waiver of shareholders' preferential subscription rights, and set the terms and conditions for each issue as indicated in this report with regard to resolution two.

The securities would be issued according to customary practices in the markets in question on the date of issue.

Finally, you are requested to authorize the Board of Directors to take all other measures required for the issues or subsequent to their realization under the terms stipulated hereinabove in resolution four and in particular to modify the bylaws and to determine, in accordance with applicable law, the terms of any adjustment necessary to preserve the rights of holders of previously-issued securities.

The Board would also be able to allocate the issue fees for the securities and warrants to the premium account related to capital increases and bring the legal reserve up to one-tenth of the new capital. To this end, we request that you grant the necessary powers to the Board.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution four of the Special Shareholders' Meeting of May 6, 2010.

2.1.1.4 Dates of exercise of rights to shares to be issued in the future and methods for allocating these shares (measures common to resolutions two and four)

To comply with regulations applicable to these securities, the date and the procedures for allocating the shares to be issued in the future must be mentioned. These are two distinct but related questions, since their date of allocation is highly dependent on the procedures. The authorization you are requested to grant would be uniformly valid for 26 months for the issuance of any security under resolutions two and four.

Concerning securities giving future access to capital, debt securities would give access, at any time, during the determined periods or on fixed dates, to the allocation of shares via conversion, redemption, exchange or any other manner during the borrowing period. For convertible bonds or bonds redeemable in shares, this borrowing period is set to a maximum of 20 years, whether or not shareholders' preferential subscription rights to the securities thus issued are maintained. The convertible period(s) may not exceed 20 years starting from their issuance or from the issuance of the originally-issued securities.

Share warrants detached from said securities may be exercised at one of the times indicated hereinabove and lead to the creation of shares, during a period not to exceed 10 years, whether or not shareholders' preferential subscription rights to the securities are maintained, starting from the issuance of the securities.

In the case of standalone share warrants, whether issued for consideration or for free, shares will be subscribed to upon exercise of the warrants, at one of the times indicated hereinabove, during a period not to exceed 10 years from their issuance, unless these warrants have been issued with waiver of preferential subscription rights. In this case, the period is reduced to five years.

2.2.1 Special financial authorizations

2.2.1.1 Authorization to increase the capital by incorporating retained earnings, reserves and share premium (resolution three)

We ask that you authorize the Board of Directors to increase the capital by incorporating earnings, reserves and share premium. Such transactions, which will not necessarily result in the issuance of new shares, are the subject of a special provision of Article L.225-130 of the French Commercial Code. It must be considered under the conditions of quorum and majority required for Ordinary Shareholders' Meetings; we therefore ask you to devote a specific resolution to it.

This authorization, which would also be granted for a period of 26 months, would allow your Board to increase the capital up to maximum amount of €30 million in one or more transactions. This ceiling would be subject to applicable adjustments, if any, in accordance with the law.

You are requested to grant your Board of Directors the necessary powers, in particular to determine the type and amounts of the sums to incorporate, as well as the procedures for carrying out the increase and to amend the bylaws as a result and bring the legal reserves up to one-tenth the amount of the new capital.

In the event new shares are allocated, the Board of Directors would be able to decide that fractional rights would not be negotiable and that the corresponding securities would be sold, pursuant to Article L.225-130 of the French Commercial Code.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution three of the Special Shareholders' Meeting of May 6, 2010.

2.2.1.2 Increase in the amount of securities issued in the event of surplus demand (resolution five)

We request that you authorize the Board of Directors to increase issue amounts in the event of surplus demand, in the context of the authorizations in resolutions two, four and eleven of the Special Shareholders' Meeting, pursuant to Articles L.225-135-1 and R.225-118 of the French Commercial Code, up to 15% for each issue. When the Board observes that there is surplus demand, the increase would take place at the same price as that of the initial issue and within the overall ceiling stipulated, depending on the situation, in resolution two or four.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution five of the Special Shareholders' Meeting of May 6, 2010.

2.2.1.3 Authorization to issue shares, securities or specific financial instruments and freely set their issue price (resolution six)

In resolution six we ask that you authorize the Board of Directors to issue shares, securities or various financial instruments with waiver of preferential subscription rights (under resolutions four and eleven) and freely set their issue price, pursuant to Article L 225-136 1°) of the French Commercial Code, for up to i) 10% of the share capital per year, and ii) the ceiling indicated in resolution four. The Board would be free to set the price, as long as it is not less than, at the Board's option, either (a) the average price of shares traded over the 20 trading days preceding the setting of the issue price, weighted by volume, or (b) the average price of shares traded in the trading session immediately preceding the setting of the issue price, weighted by volume, with the stipulation that in both cases, the price may be reduced by a discount of up to 5%, provided that the amount received for each share is at least equal to par value.

This authorization would be granted for a period of 26 months and would cancel and replace the authorization granted to the Board of Directors in resolution two of the Special Shareholders' Meeting of May 6, 2010.

2.2.1.4 Authorization for the Board of Directors to increase the capital by up to 10% to provide valuable consideration for contributions-in-kind (resolution seven)

In resolution seven we propose that you authorize the Board of Directors to carry out capital increases of up to 10% of the share capital by issuing shares or securities so as to provide valuable consideration for contributions-in-kind, pursuant to Article L.225-147 of the French Commercial Code, with the option of sub-delegation to any person authorized by law, for a period of 26 months.

The 10% ceiling is independent of all other ceilings stipulated in the other resolutions of the Special Shareholders' Meeting.

In resolution seven, you will be asked to authorize the Board of Directors to approve the valuation of contributions and grant special benefits, increase the capital or issue securities giving access to the capital and constituting valuable consideration for the contributions-in-kind, recognize the completion thereof, allocate the fees and expenses generated by the capital increase to the share premium account, if applicable, withdraw from the share premium account the amount required for a full allocation to the legal reserve, and amend the bylaws accordingly.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution seven of the Special Shareholders' Meeting of May 6, 2010.

2.2.1.5 Authorization for the Board of Directors to issue share warrants to be allocated free of charge to shareholders of the Company (resolution eight)

You will be asked to delegate the necessary powers to the Board of Directors, with the option of sub-delegation, to issue share warrants to be allocated free of charge to shareholders of the Company, in accordance with laws and regulations pertaining to commercial companies and in particular Articles L.225-129 to L.225-129-6, L.233-32 and L.233-33 of the French Commercial Code. These warrants could be issued only during a takeover bid on the Company's securities, and only those shareholders who are shareholders of the Company before the expiration of the takeover bid would be able to benefit from this free allocation of share warrants. The maximum par value of the capital increase that could be carried out in the future under this authorization could not exceed €15 million, with this ceiling being independent from the ceilings provided for in resolutions two and four of this Shareholders' Meeting.

In addition, the number of warrants that could be issued under this resolution could not exceed the number of shares comprising the Company's capital on the day of the decision to issue warrants.

In resolution eight, you will be asked to authorize the Board of Directors to determine the beneficiaries, the number, characteristics and terms for exercising the warrants, the dates and procedures for issue, to set the entitlement date, including retroactively, for the securities to be issued and the terms for their repurchase, if applicable, to suspend the rights attached to the securities to be issued, if applicable, for a period not to exceed three months, to set the procedures ensuring that the rights of holders of securities giving future access to Company shares are preserved, if applicable, in accordance with legal, regulatory and contractual terms, to apply any and all amounts to the share premium account and in particular issuance fees and to deduct from this account the amounts needed to bring the legal reserve to one-tenth of the new capital after each increase, to take in general all necessary measures and conclude all necessary agreements to ensure the completion of the planned issue, to recognize the capital increase or increases resulting from any issue carried out pursuant to this authorization and to amend the bylaws accordingly.

This authorization would be granted for a period of 18 months starting from its adoption at the Special Shareholders' Meeting. It would cancel and replace the authorization granted under resolution eight of the May 6, 2010 Special Shareholders' Meeting.

2.2.1.6 Authorization for the Board of Directors to use its powers to increase or reduce share capital when the shares of the Company are subject to a public takeover offer (resolution nine)

You will be requested to decide, pursuant to Articles L.233-32 and L.233-33 of the French Commercial Code, that all of the Board's authorizations to increase the capital of the Company through the issuance of shares and other securities as well as its authorizations to reduce the capital of the Company may be used even while a takeover bid or tender offer is in effect on the securities of the Company, provided that the corresponding resolutions are approved at this Special Shareholders' Meeting, and that the legal and regulatory conditions allowing them to be used are met.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution three of the Special Shareholders' Meeting of May 19, 2011.

2.2.1.7 Authorization for the Board of Directors to use the shares acquired under the share buyback program (resolution twelve)

You will be asked to authorize your Board of Directors, subject to approval of resolution six of the Ordinary Shareholders' Meeting called for May 10, 2012, to use the shares acquired within the framework of the share buyback program as follows:

- allocate them as a result of the issuance of marketable securities giving access to the Company's capital, under the authorizations of resolutions two, four, five, six, seven, eight, ten and eleven of the Special Shareholders' Meeting called for May 10, 2012, and
- distribute them as a result of the exercise of stock options or as bonus shares, pursuant to resolutions five and six of the May 19, 2011 Special Shareholders' Meeting.

2.2.1.8 Authorization to use the powers granted under resolutions four, five, and six of the May 10, 2012 Special Shareholders' Meeting, subject to their approval, pursuant to Article L.225-136 of the French Commercial Code, to issue equity securities in one or more transactions with waiver of preferential subscription rights via private placement, as allowed under II of Article L.411-2 of the Monetary and Financial Code (resolution eleven)

At the Special Shareholders' Meeting on May 10, 2012, you will be asked to delegate authority to the Board of Directors to increase share capital through public offerings of shares with waiver of preferential subscription rights, or by issuing shares (excluding preferred shares) or securities granting entitlement to the allocation of debt securities.

We hereby inform you that Decree no. 2009-80 of January 22, 2009 regarding public issues facilitated recourse to a simpler, quicker method of financing than a capital increase via public offering. The decree allows companies to raise capital, with waiver of preferential subscription rights, from qualified investors or from a restricted group of investors and in this case within the limit of 20% of their share capital per annum (Article L.225-136 of the French Commercial Code).

Accordingly, under the terms of the resolution now being presented to you and in application of the above Decree, we propose that you authorize the Board of Directors, pursuant to Article L.225-136 of the French Commercial Code, to use the powers granted to it under resolutions four, five and six of the May 10, 2012 Special Shareholders' Meeting, provided they are approved, to issue equity securities with waiver of preferential subscription rights, in one or more transactions via one or more private placements, as described in II of Article L.411-2 of the Monetary and Financial Code.

Issues of equity securities carried out under this authorization could not, in accordance with applicable regulations, exceed 20% of the Company's share capital per annum.

For all capital increases that might be carried out immediately or in the future under this authorization, the issue price could be set in accordance with resolution six of the May 10, 2012 Shareholders' Meeting, provided it is approved, within the limit of 10% of share capital per annum.

We ask you to decide that for all capital increases that might be carried out under this authorization, immediately or in the future, the Board of Directors may, in accordance with the terms of resolution five of the May 10, 2012 Special Shareholders' Meeting, provided it is approved, increase the number of securities to be issued, at the same price as that applied to the initial issue and within the time periods and limits stipulated in regulations applicable on the date of the issue, up to 15% of the initial issue, should the Board of Directors recognize surplus demand.

We also ask you to decide that the par value of capital increases that might be carried out immediately or in the future under this authorization shall be attributed to the €30 million ceiling set under resolution four of the May 10, 2012 Special Shareholders' Meeting, subject to its approval, and that the par value of debt securities that could be issued under this authorization shall be attributed to the €200 million ceiling set under resolution four of the May 10, 2012 Special Shareholders' Meeting, subject to its approval.

This authorization would take effect as of the date of your Shareholders' Meeting, provided it is approved, and would remain in effect for as long as the authorizations granted under resolutions four and six of the May 10, 2012 Special Shareholders' Meeting are valid, provided these resolutions are approved.

The Board of Directors would also have full powers, with the option of sub-delegation as permitted under applicable laws and regulations, to use the present authorization in accordance with the terms of resolutions four, five and six of the May 10, 2012 Special Shareholders' Meeting, provided they are approved.

3. Complementary report in the event the authorizations are used

Should the Board of Directors use the authorizations granted by shareholders, it will prepare a complementary report when it makes its decision, in accordance with laws and regulations. This report will describe the definitive terms of the proposed issue, indicate its impact on the shareholders and on the holders of other securities giving access to capital, in particular regarding their share of the Company's shareholders' equity, and the theoretical impact on the market value of the share.

This report and the Statutory Auditors' report would be made immediately available to shareholders, then brought to their attention at the following Shareholders Meeting.

4. Authorization for the Board of Directors to reduce the share capital by the cancellation of shares held in treasury (resolution one)

We request that you authorize the Board of Directors for a period of eighteen months, subject to approval of resolution six of the Ordinary Shareholder's Meeting, to cancel, at its sole discretion, in one or more transactions, within the limit of 10% of the share capital in any 24-month period, the shares acquired under resolution six of the May 10, 2012 Ordinary Shareholders' Meeting (provided it is approved) and all prior authorizations of a similar nature, and to reduce the share capital by a corresponding amount.

5. Authorization to the Board of Directors to increase share capital by issuing shares reserved for members of an employee savings plan within the provisions of Article L.3332-18 et seq. of the French Labor Code (resolution ten)

Pursuant to Articles L.225-129-6 and L.225-138-1 of the French Commercial Code and owing to the other authorizations you are being asked to approve to enable the Board of Directors to increase share capital, we are submitting a resolution to you concerning the issuance of shares reserved for employees of the Company and of French or foreign companies or groups of companies, as defined in Article L.233-16 of the French Commercial Code, who are enrolled in an employee savings plan pursuant to Article L.3332-18 of the French Labor Code.

This resolution would allow share capital to be increased by up to 3% for a period of 26 months in one or more transactions, and on the sole deliberations of the Board of Directors. This resolution would not allow the issue of preferred shares, with or without voting rights.

The subscription price could not be greater than the average quoted price over the 20 trading days preceding the day on which the Board of Directors sets the opening date for subscriptions, nor more than 20% less than this average or 30% less than this average when the minimum holding period specified in the plan, in accordance with Article L.3332-25 of the French Labor Code, is greater than or equal to 10 years.

The shareholders would grant full powers to the Board of Directors to implement this authorization. However, since such a transaction is incompatible with the Company's current best interests, the Board of Directors does not recommend this resolution be passed and suggests that you reject it.

6. Modifications to the articles of incorporation

In order to harmonize the bylaws with the amendments to the French Commercial Code on invitations and access to shareholders' meetings, you will be asked to amend Article 20 "Invitation to Shareholders' Meetings" and Article 22 "Access to Shareholders' Meetings".

7. Powers

We ask that you grant the broadest powers to the members of the Board of Directors of the Company, with the option of sub-delegation under legal and regulatory conditions, so as to perform all necessary formalities.

The draft resolutions attached to this report cover the above-mentioned items in more detail.

Your Statutory Auditors will read their reports.

We invite you to vote on the resolutions.

The Board of Directors

Summary of disclosures

Disclosure by the issuer of transactions carried out on its own shares between April 1, 2011 and March 31, 2012.[1]

[1] The period under review begins on the day following the date of the report on the previous program and ends on the day the program description is published.

Percentage of shares held in treasury, either directly or indirectly: 4.67% [1]

Number of shares canceled during the last 24 months: 0 [2]

Number of shares held in portfolio: 430,776 [1]

Book value of portfolio: €7,649,763.97 [1]

Market value of portfolio: €7,069,034.16 [1]

[1] As of March 31, 2012.
[2] The 24 months preceding the date of publication of the program description.

Gross transaction amounts [1]*			Open positions on the day of publication of the program description **			
	Purchases	Sales/ transfers	Open long positions		Open short positions	
			Call options purchased	Forward purchases	Call options written	Forward sales
Number of shares	232,028	220,583				
Maximum average maturity [2]						
Maximum average maturity [3]	€18.28	€17.95				
Average exercise price [4]						
Amounts	**4,240,487.33**	**3,959,584.84**				

[1] The period under review begins on the day following the date of the report on the previous program and ends on March 31, 2012.
Specify whether the transaction is a block trade or a transaction under the liquidity contract (in this case, add the issuer's percentage).
[2] Period remaining as of the date of publication of the program description.
[3] Cash transactions.
[4] For cumulative gross changes, indicate the average exercise price of exercised options and matured forward transactions.

* Cumulative gross changes include cash purchases and sales transactions as well as optional and forward transactions that have been exercised or have matured.
** Open positions include forward purchases or sales that have not matured as well as unexercised call options.

Description of the share buyback program to be submitted for shareholder approval at the May 10, 2012 Ordinary Shareholders' Meeting

In accordance with Article 241-2 of the General Regulation of the Autorité des Marchés Financiers as well as European Commission regulation 2273/2003, dated December 22, 2003 effective October 13, 2004, the purpose of this description is to present the objectives and procedures pertaining to the Company's program of buying back its own shares, subject to authorization by shareholders at their May 10, 2012 Ordinary Shareholders' Meeting.

This description is available to shareholders on the Company's website (www.cegid.com) as well as on the website of the Autorité des Marchés Financiers (www. amf-france.org). A copy may also be obtained free of charge by mail at the following address: Cegid Group, 52 quai Paul Sédallian, 69009 Lyon, France.

Percentage of share capital and breakdown of shares held by the Company, by purpose, as of March 31, 2012

As of March 31, 2012, the Company held, owing to the mandate given to Gilbert Dupont for the share buyback program, to the liquidity contract managed by Gilbert Dupont, and to the mandate given to Exane, 430,776 of its own shares, representing 4.67% of the share capital, allocated to the following purposes:

- 0.28% to make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct,
- 4.39% as part of the issue of redeemable share warrants to certain employees of the Company, of other companies in the Group, of ICMI and to an executive officer of the Company (authorized by shareholders at their December 22, 2009 Special Meeting).

Objectives of the buyback program

The objectives of the program are as follows, in decreasing order of importance:

- Make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct,
- Purchase shares with an intent to hold them and offer them at a later date in exchange or in payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits set out by law,
- Allocate shares under the terms and conditions provided by law, in particular in the framework of employee profit-sharing, to the exercise of purchase-type stock options, to an employee savings plan, or as bonus shares granted to employees and executive officers pursuant to Articles L.225-197-1 et seq. of the French Commercial Code,
- Remit shares of the Company upon the exercise of rights attached to securities giving access in any way to the shares of the Company, in accordance with applicable regulations,
- Reduce share capital by canceling some or all of the shares, provided resolution one of the Special Shareholders' Meeting called for May 10, 2012 is approved,
- Implement any market practices allowed in the future by the AMF and more generally, carry out any transactions that conform with applicable regulations.

Terms and conditions

Maximum percentage of share capital and maximum number of shares the Company proposes to buy

As previously, the program shall pertain to a variable number of shares, such that the Company does not hold, taking into account shares it holds in treasury, more than 10% of the existing share capital on the day of the Ordinary Shareholders' Meeting, called for May 10, 2012.

For information, based on the number of shares comprising the share capital on March 31, 2012, this would represent a maximum of 492,530 Cegid Group shares.

Maximum purchase price and maximum amount of funds that can be committed to the program

The maximum purchase price is set at sixty euros (€60).

The maximum amount of funds that can be committed to the share buyback program is set at €29,551,800.

These amounts do not include brokerage costs. The price mentioned above shall be adjusted by the Board of Directors in the event subscription or allocation rights are used or in the event of transactions on the share capital having an impact on the value of the shares.

These transactions to acquire, sell or exchange shares may be carried out and settled by any means, and in any manner, on the stock exchange or otherwise, including through the use of derivative instruments, in particular via optional transactions as long as such options do not significantly increase the volatility of the share price, and in accordance with applicable regulations. These transactions may be carried out at any time including while takeover bids are in effect on shares or securities issued or initiated by the Company, subject however to the abstention periods provided for by law and the General Regulation of the Autorité des Marchés Financiers.

Characteristics of the shares covered by the buyback program

Cegid common shares are listed for trading on Eurolist by Euronext Paris, Compartment C.

ISIN code: FR0000124703.

Duration of the buyback program

The program shall be valid for 18 months, starting from the date of the Meeting, i.e. until November 9, 2013.

Statutory Auditors' report on the reduction of capital (resolution one)

To the shareholders,

In our capacity as Statutory Auditors of your Company, and in execution of our assignment pursuant to Article L.225-209 of the French Commercial Code in the event of capital reductions through the cancellation of shares held in treasury, we have prepared the present report to inform you of our opinion of the reasons for and terms of the proposed capital reduction.

Your Board proposes that you grant it full authority, for 18 months starting on the date of this Shareholders' Meeting, to cancel the shares purchased, subject to a maximum of 10% of the Company's capital per 24-month period, under an authorization for your Company to purchase its own shares in accordance with the provisions in the above-mentioned article.

We have carried out the procedures we deemed necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French society of auditors) relative to this assignment. These procedures consisted in examining whether or not the reasons for and terms of the proposed reduction in share capital, which is not intended to jeopardize shareholder equality, are legitimate.

We have no observations to make on the reasons for and terms of the proposed reduction in share capital.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS

Max Dumoulin

GRANT THORNTON

French member of Grant Thornton International

Thierry Chautant

STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND VARIOUS FINANCIAL INSTRUMENTS WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS (RESOLUTIONS TWO, FOUR, FIVE, SIX, SEVEN, NINE AND ELEVEN)

To the shareholders,

In our capacity as Statutory Auditors of your Company and in execution of our assignment pursuant to Articles L.228-92 and L.225-135 of the French Commercial Code, we hereby submit our report on the proposal to authorize the Board of Directors to issue shares and/or various financial instruments. You will be asked to vote on these transactions.

Based on its report, your Board of Directors proposes:

- to authorize it, with the option of sub-delegation, for a 26-month period, the power to decide upon the following transactions and set the definitive terms for these issues and, where applicable, propose a waiver of your preferential subscription rights:
  - issue of ordinary shares and securities giving access to the Company's share capital or giving the right to allocate debt securities while maintaining preferential subscription rights (resolution two).
  - issue of ordinary shares and securities giving access to the Company's share capital or, in accordance with Article L.228-93 of the French Commercial Code, to the share capital of any company that directly or indirectly holds more than half of its share capital or in which your Company either directly or indirectly holds more than half the share capital, or giving the right to allocate debt securities with waiver of preferential subscription rights via public takeover bids (resolution four). These securities may be issued as valuable consideration for securities that the Company may receive through a public exchange offer on securities in line with the terms set forth in Article L.225-148 of the French Commercial Code,
  - issue of ordinary shares and securities giving access to the Company's share capital or, in accordance with Article L.228-93 of the French Commercial Code, to the share capital of any company that directly or indirectly holds more than half of its share capital or in which your Company either directly or indirectly holds more than half the share capital, or giving the right to allocate debt securities with waiver of preferential subscription rights via offers as indicated in II of Article L.411-2 of the French Monetary and Financial Code and limited to 20% of share capital per year (resolution eleven),
- to authorize, pursuant to resolution six and as part of the implementation of the authorizations covered in resolutions four and eleven, to set the issue price within the annual legal limit of 10% of share capital,
- to grant, with the option of sub-delegation, for a 26-month period, the power to set the terms of the issuance of ordinary shares and securities giving access to ordinary shares so as to provide valuable consideration for contributions-in-kind given to the Company and composed of share capital or securities giving access to the capital (resolution seven), within the limit of 10% of the capital.

Your Board of Directors also proposes, in resolution nine, that you authorize it to use this authorization in the event of a takeover bid on the securities of your Company, provided that the first paragraph of Article L.233-33 of the French Commercial Code is applicable.

The total par value of capital increases that might be carried out immediately or in the future would not be allowed to exceed €30 million under resolution two, and €30 million under resolutions four and eleven. The total par value of debt securities that might be issued shall not exceed €200 million under resolution two, and €200 million under resolutions four and eleven.

These ceilings take into account the additional securities to be created under the authorizations of resolutions two, four and eleven, in accordance with the terms set forth in Article L.225-135-1 of the French Commercial Code, should you approve resolution five.

Your Board of Directors must establish a report in accordance with Articles R.225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fair presentation of the quantitative information drawn from the financial statements, on the proposal to waive preferential subscription rights and on certain other information concerning the issue, as set forth in the report.

We have carried out the procedures we deemed necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French society of auditors) relative to this assignment. These procedures consisted in verifying the content of the Board of Directors' report relative to these transactions, and the procedures for determining the price of the shares to be issued.

Subject to a subsequent review of the terms and conditions of the proposed issues, we have no observations to make concerning the procedures for determining the issue price of future equity securities, as indicated in the Board of Directors' report in line with resolutions four, six and eleven.

Furthermore, as this report does not detail the terms for setting the issue price of new securities carried out in line with resolutions two and seven, we are unable to give our opinion on the choice of elements used to calculate the issue price.

As the definitive terms under which issues will be carried out are not set, we do not express our opinion on them, and consequently on the proposal to waive preferential subscription rights in resolutions four, six and eleven.

In accordance with Article R.225-116 of the French Commercial Code, we will issue an additional report should your Board of Directors use these authorizations to issue securities giving access to the capital or giving permission to allocate debt securities and for any issue with waiver of preferential subscription rights.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS

Max Dumoulin

GRANT THORNTON

French member of Grant Thornton International

Thierry Chautant

Statutory Auditors' report on the proposal to issue free share warrants in the event of a takeover bid on the Company (resolution eight)

To the shareholders,

In our capacity as Statutory Auditors of your Company, and in execution of our assignment pursuant to Article L.228-92 of the French Commercial Code, we present our report on the proposal to issue share warrants free of charge in the event of a takeover bid on the Company. You will be asked to vote on this transaction.

Your Board of Directors, based on its report, requests that you authorize it, for a period of 18 months from this Shareholders' Meeting, with the option of sub-delegation and within the framework of Article L.233-32 II of the French Commercial Code, to:

- issue warrants subject to Article L.233-32-II of the French Commercial Code and allowing holders to subscribe, under preferential terms, to one or more shares of the Company, and to allocate them free of charge to all shareholders who are shareholders of the Company before the expiration of the takeover bid,
- set the exercise terms and the features of such warrants.

The maximum par value of shares that could be issued in this way cannot exceed the ceiling of €15 million and the maximum number of warrants that could be issued cannot exceed the number of shares that comprise the capital on the day of the decision to issue.

Your Board of Directors must establish a report in accordance with Articles R.225-113 et seq. of the French Commercial Code. It is our responsibility to provide our opinion on the fair presentation of the quantitative information drawn from the financial statements and on certain other information concerning the issue, provided in this report.

We have carried out the procedures we deemed necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French society of auditors) relative to this assignment. These procedures consisted in verifying the content of the Board of Directors' report relative to this transaction.

We have no observations to make concerning the information provided in the report of the Board of Directors on the planned transaction to issue share warrants in the event of a takeover bid on at the Company.

Should your Board of Directors use this authorization, we will issue an additional report for the purpose of confirmation via a Shareholders' Meeting, as provided for in Article L.233-32 III of the French Commercial Code, and in accordance with Article R.225-116 of the French Commercial Code.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS	**GRANT THORNTON**
	French member of Grant Thornton International
Max Dumoulin	Thierry Chautant

AUDITORS' REPORT ON THE INCREASE IN CAPITAL RESERVED FOR MEMBERS OF A COMPANY SAVINGS PLAN (RESOLUTION TEN)

To the shareholders,

In our capacity as Statutory Auditors of your Company and in execution of our assignment pursuant to Articles L.225-135 et seq. and L.228-92 et seq. of the French Commercial Code, we hereby submit our report on the proposal to authorize the Board of Directors to increase the capital by issuing ordinary shares or marketable securities giving access to the capital, with waiver of preferential subscription rights, for a maximum amount of 3% of the share capital. You will be asked to vote on this transaction.

This capital increase is submitted for your approval in accordance with Articles L.225-129-6 of the French Commercial Code and L.3332-18 et seq. of the French Labor Code.

Your Board of Directors proposes, on the basis of its report, that you authorize it to carry out a capital increase with waiver of preferential subscription rights to the shares to be issued, for a period of 26 months. Should the authorization be used, it will be the Board's responsibility to set the definitive terms of the issue.

Your Board of Directors must establish a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code. Our role is to express an opinion on the fair presentation of the quantitative information drawn from the financial statements, on the proposal to waive preferential subscription rights and on certain other information concerning such capital increases, as set forth in the report.

We have carried out the procedures we deemed necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French society of auditors) relative to this assignment. These procedures consisted in verifying the content of the Board of Directors' report relative to this transaction, and the procedures for determining the price of the shares to be issued.

Subject to a subsequent review of the terms and conditions of the proposed capital increase, we have no observations to make concerning the procedures for determining the issue price of future equity securities, as indicated in the Board of Directors' report.

As the terms under which the capital increase would be carried out have not been set, we do not express an opinion on them, nor, consequently, on the proposal made to you for the waiver of preferential subscription rights.

Should your Board of Directors use this authorization, we will issue an additional report, in accordance with Article R.225-116 of the French Commercial Code.

Lyon and Villeurbanne, April 12, 2012

The Statutory Auditors

MAZARS

Max Dumoulin

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Thierry Chautant

1. Resolutions proposed at the Ordinary Shareholders' Meeting

RESOLUTION ONE

(Approval of annual financial statements, ratification of Board performance)

The shareholders, having reviewed the reports of the Board of Directors and the Statutory Auditors, approve the consolidated financial statements for the period ended December 31, 2011 including the income statement, balance sheet and notes as presented, resulting in net income attributable to parent company shareholders of €8,991,149.36, along with the operations reflected in these statements or summarized in these reports.

In consequence, they fully and unconditionally ratify the performance of the Company's Board of Directors in the execution of their duties.

RESOLUTION TWO

(Approval of the consolidated financial statements)

The shareholders, having reviewed the reports of the Board of Directors and the Statutory Auditors, approve the consolidated financial statements for the period ended December 31, 2011 including the income statement, balance sheet and notes as presented, resulting in net income attributable to parent company shareholders of €16,178,353, along with the operations reflected in these statements or summarized in these reports.

RESOLUTION THREE

(Approval of agreements pursuant to Articles L.225-38 et seq. of the French Commercial Code)

The shareholders, having reviewed the special report of the Statutory Auditors, approve the transactions that took place during the fiscal year, as described in the Statutory Auditors' special report on the agreements pursuant to Articles L.225-38 et seq. of the French Commercial Code, and the terms of this report.

RESOLUTION FOUR

(Allocation of net income for the year ended December 31, 2011 and payment of dividend)

The shareholders, upon the proposal of the Board of Directors and after recognizing that the financial statements for the year ended December 31, 2011 resulted in net income of €8,991,149.36, which after addition of retained earnings of €15,119,464.57 makes a distributable total of €24,110,613.93, decide to allocate this amount as follows:

- Payment of a dividend of €1.05 per share Totaling, for 9,233,057 shares,	€9,694,709.85
- Retained earnings	€14,415,904.08
Total	€24,110,613.93

The shareholders hereby decide that in the event the Company holds some of its own shares when dividends are to be paid, the portion of net income corresponding to the unpaid dividends on these shares shall be allocated to the "Retained earnings" account.

The dividend will be paid on May 18, 2012. The shareholders acknowledge that the amount distributed as dividends to individual shareholders shall be fully eligible for the 40% exclusion pursuant to Article 158 of the French Tax Code.

In accordance with Article 243 bis of the French Tax Code, the table below shows dividends paid on earnings of the three previous financial years:

Fiscal year	2010	2009	2008
Number of shares	9,233,057	9,233,057	9,232,679
Net dividend per share (€)	1.05	1.05	1
TOTAL PER SHARE (€)	**1.05**	**1.05**	**1**
TOTAL NET DIVIDEND (€)	**9,694,709.85**	**9,694,709.85**	**9,232,679**
Dividend eligible for the 40% exclusion (€)	9,694,709.85	9,694,709.85	9,232,679

RESOLUTION FIVE

(Amount of director's fees to be paid with respect to the current year)

The shareholders, having reviewed the report of the Board of Directors, and given the increase in number of directors, decide to allocate director's fees to the Board of Directors with respect to the current year in the amount of €120,000.

RESOLUTION SIX

(Authorization for the Board of Directors to acquire shares pursuant to Articles L.225-209 to L.225-212 of the French Commercial Code)

The shareholders, having reviewed the report of the Board of Directors and the information contained in the Company Registration Document, authorize the Board of Directors with the option of sub-delegation as permitted by law, in accordance with Articles L.225-209 et seq. of the French Commercial Code, Regulation 2273/2003 of the European Commission dated December 22, 2003, and market practices recognized by the Autorité des Marchés Financiers, to repurchase shares of the Company in one or several transactions, at its own discretion, at times it will determine and up to the limits stipulated hereafter.

Shares shall be able to be purchased so long as:

- the number of shares acquired during the duration of the buyback program does not exceed 10% of the Company's share capital at any given time. This percentage shall apply to the share capital adjusted for transactions taking place after this Shareholders' Meeting. For shares purchased under the liquidity contract, the number of shares included in the calculation of the 10% ceiling shall correspond to the number of shares purchased, minus the number of shares sold during the authorization period, and
- the Company does not hold more than 10% of the share capital at any given time. This percentage shall apply to the share capital adjusted for transactions taking place after the Shareholders' Meeting.

Shares may be purchased for the following reasons:

- Make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct,
- Purchase shares with an intent to hold them and offer them at a later date in exchange or in payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits set out by law,

- Allocate shares under the terms and conditions provided by law, in particular in the framework of employee profit-sharing, to the exercise of purchase-type stock options, to an employee savings plan, or as bonus shares granted to employees and executive officers pursuant to Articles L.225-197-1 et seq. of the French Commercial Code,
- Remit shares of the Company upon the exercise of rights attached to securities giving access in any way to the shares of the Company, in accordance with applicable regulations,
- Reduce share capital by canceling some or all of the shares, provided resolution one of the present Special Shareholders' Meeting is approved, or
- Implement any market practices allowed in the future by the AMF and more generally, carry out any transactions that conform with applicable regulations.

The acquisition, transfer or exchange of shares may be carried out and paid by any means, and in any manner, on the market or otherwise, including through the use of derivative instruments, in particular via optional transactions provided these optional transactions do not significantly increase the volatility of the share price, and in accordance with applicable regulations. These transactions may be carried out at any time including while a takeover bid is in effect on the shares or other securities issued by the Company, or during a takeover bid initiated by the Company, subject to the abstention periods provided for by law and the General Regulation of the AMF.

The amount of capital purchased or transferred through block trades may reach the total amount of the program.

The maximum purchase price may not exceed €40 per share (excl. brokerage fees) subject to adjustments related to any corporate actions and/or the par value of the share.

The maximum amount under the program is therefore €36,932,200 (excl. brokerage fees).

By way of example, taking into account the 423,931 shares held in treasury as of January 31, 2012, the maximum number of shares that may be acquired, assuming none are resold or cancelled, is therefore 499,374 shares.

The shareholders grant full powers to the Board of Directors with the option of sub-delegation as permitted by law, to sign all deeds, conclude all agreements, make any declarations, complete all formalities and in general do all that is necessary in this regard. The shareholders grant the Board of Directors full powers to adjust the unit price and maximum number of shares to be acquired in proportion to the change in the number of shares or their par value resulting from corporate actions undertaken by the Company.

This authorization is granted for eighteen (18) months starting with the present Meeting.

For the unused amount, this authorization shall cancel and replace the authorization granted in resolution six of the Ordinary Shareholders' Meeting of May 19, 2011.

Shareholders acknowledge that if the Board of Directors were to use this authorization, it would include information relative to the execution of this share buyback program in the report to shareholders stipulated in Article L.225-100 of the French Commercial Code and in accordance with Article L.225-211 of the same code.

RESOLUTION SEVEN

(Ratification of the appointment of Valérie Bernis as Board member)

Having reviewed the report of the Board of Directors, shareholders hereby ratify the interim appointment of Valérie Bernis during the Board meeting on December 20, 2011, replacing Benoît de Rodellec du Porzic, who has resigned from the Board. Ms. Bernis will serve out her predecessor's remaining term, which ends at the Shareholders' Meeting called to approve the financial statements of the year ending December 31, 2015.

RESOLUTION EIGHT

(Ratification of the appointment of Astrid Panosyan, as Board member)

Having reviewed the report of the Board of Directors, shareholders hereby ratify the interim appointment of Astrid Panosyan during the Board meeting on December 20, 2011, replacing Christian Collin, who has resigned from the Board. Ms. Panosyan will serve out her predecessor's remaining term, which ends at the Shareholders' Meeting called to approve the financial statements of the year ending December 31, 2013.

RESOLUTION NINE

(Ratification of the appointment of François Peythieu as new Board member)

Having reviewed the report of the Board of Directors, shareholders hereby ratify the interim appointment of François Peythieu during the Board meeting on December 20, 2011, replacing Thierry Martel, who has resigned from the Board. Mr. Peythieu will serve out his predecessor's remaining term, which ends at the Shareholders' Meeting called to approve the financial statements of the year ending December 31, 2013.

RESOLUTION TEN

(Appointment of Florence Poivey as new Board member)

The shareholders, having reviewed the report of the Board of Directors, hereby appoint Florence Poivey, residing at 15 rue Justin Godart, Lyon (69004), as a new Board member for a period of six years, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2017.

RESOLUTION ELEVEN

(Appointment of Quitterie Lenoir as new Board member)

The shareholders, having reviewed the report of the Board of Directors, hereby appoint Quitterie Lenoir, residing at 212 boulevard Franklin Roosevelt, Bordeaux (33800), as a new Board member for a period of six years, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2017.

RESOLUTION TWELVE

(Powers to accomplish legal formalities)

The shareholders grant full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal filings, publications and other formalities.

2. RESOLUTIONS PROPOSED AT THE SPECIAL SHAREHOLDERS' MEETING

RESOLUTION ONE

(Authorization for the Board of Directors to reduce the share capital through cancellation of shares held in treasury)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the Statutory Auditors' special report, authorize the Board of Directors with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Article L.225-209 of the French Commercial Code, to cancel, at its own discretion, in one or more transactions, within the limit of 10% of the share capital in any 24-month period, shares repurchased under the authorization granted by resolution six of the Ordinary Shareholders' Meeting, provided it is approved, or any similar resolution approved by shareholders at previous shareholders' meetings, and to reduce the share capital in due proportion by the cancellation of shares.

The shareholders grant this authorization for 18 months from the date of this Meeting, and vest all powers in the Board of Directors, with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Article L.225-209 of the French Commercial Code, to determine the definitive amount of the capital reduction within the limits provided by law and this resolution, to determine the procedures, record its completion, allocate the difference between the purchase price of the shares and their par value to the reserve or share premium accounts of their choosing, carry out all actions, formalities or representations required to finalize the reductions of capital carried out by virtue of this authorization and to amend the bylaws accordingly.

This authorization shall cancel and replace the unused amount of the authorization granted in resolution one of the May 19, 2011 Special Shareholders' Meeting.

RESOLUTION TWO

(Authorization for the Board of Directors to issue shares or securities with the maintenance of preferential subscription rights)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the Statutory Auditors' special report and the report of the Board of Directors, authorize the Board of Directors with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Articles L.225-129, L.225-129-2, L.228-91 and L.228-92 of the French Commercial Code, for a period of 26 months, to increase the share capital and to issue marketable securities giving access to the capital or providing entitlement to the allocation of debt securities. This authorization shall be valid for use on one or more occasions, in amounts and at times deemed appropriate by the Board, both in France and abroad and/or on the international market.

These securities may be shares (except for preferred shares), bonds that are convertible or exchangeable into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a portion of share capital or of debt securities.

Use of this authorization shall not result in an increase in the capital, nor provide entitlement to the allocation of shares exceeding a par value of €30 million of share capital (or equivalent value), not including adjustments that might be applied, in accordance with the law.

These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), not including adjustments that might be applied, in accordance with the law.

The shareholders have a preferential subscription right on securities giving access to the capital and issued pursuant to this authorization. This right shall be exercised irreducibly, and should the Board so decide, reducibly. Shareholders hereby waive, in favor of the holders of securities giving access to the capital, their preferential subscription rights to the shares or to the securities giving access to the capital to which these securities would provide entitlement.

If subscription is insufficient, the Board of Directors can decide, in the order that it shall determine, to either limit the amount of the issue of securities to the amount of the subscriptions received, provided that the received subscriptions represent at least three-fourths of the issue decided, or to offer to the public all or a part of the unsubscribed securities, or to freely distribute all or a part of the unsubscribed securities, the Board of Directors can use all of the facilities mentioned above or only some of them.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

The shareholders grant full powers to the Board of Directors, with the option of sub-delegation under the conditions provided for by law, to issue the securities of its choosing, with payment in cash and/or by offset of debt securities, determine the characteristics thereof, set the terms and conditions for their issue and for payment thereof, recognize the completion thereof and amend the bylaws as required by any capital increase, allocate the issue costs to the share premium account if it so desires and bring the reserve account to one-tenth of the new capital.

The Board of Directors may in particular:

- set the characteristics for the planned share issue, in particular, the issue price (with or without issue premium/discount) the subscription terms and conditions and their date of entitlement,
- set the number and the characteristics of the redeemable share warrants and decide, if the Board deems it advantageous to do so, at the terms and conditions it shall establish, that the warrants may be redeemed or repurchased, or that they shall be allocated free of charge to shareholders in proportion to their rights in the share capital,
- more generally, set the characteristics of all securities and, in particular, the terms and conditions for allocating shares, the maturity of bond issues, whether or not they are subordinated, the currency in which they are denominated, the procedures for repayment of the principal, with or without a premium, amortization methods and early repayment, if applicable, fixed or variable interest rates and the remittance date. Remuneration on the securities may include a variable portion calculated with respect to revenues and earnings of Cegid Group and a deferred payment in the absence of distributable earnings,

- set the issue price for shares or securities that might be created pursuant to the previous paragraphs so that Cegid Group receives for each share created or allocated independently of any remuneration, including interest, issue premium or discount, an amount at least equal to the minimum price provided by laws and regulations in force on the day of issuance,
- decide, in accordance with resolution six of the Ordinary Shareholders' Meeting (provided it is approved), relating to the authorization for the Board of Directors to acquire shares of the Company and in the context of previous share buyback programs, to use the shares acquired to allocate them as a result of the issuance of securities issued pursuant to this authorization,
- take all measures intended to preserve the rights of the owners of securities issued, as required by laws and regulations,
- suspend the exercise of the rights attached to these securities during a fixed period of time in accordance with legal and regulatory measures,
- take all measures and perform all formalities required for the rights, shares, securities and warrants created to be admitted to trading on a regulated market.

Pursuant to current laws and regulations, the Board of Directors shall determine the adjustment rules to be applied if Cegid Group were to carry out new financial transactions that would require such adjustments in order to preserve the rights of the holders of previously-issued securities, the authorization contained in this resolution to increase the capital by €30 million may be further increased by the par value of the additional securities to be issued so as to preserve the rights of the holders of such previously-issued securities.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution two of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION THREE

(Authorization for the Board of Directors to increase share capital by incorporating reserves, retained earnings or premiums)

The shareholders, having reviewed the report of the Board of Directors, voting according to the conditions of quorum and majority required for Ordinary Shareholders' Meetings, hereby authorize the Board of Directors - with the option of sub-delegation under legal and regulatory conditions - within the framework of the authorization granted in resolution two of this Special Shareholders' Meeting (provided it is approved), for a period of twenty-six (26) months and within the amount of €30 million provided for in that resolution, to increase the share capital in one or more transactions to be determined by the Board, by incorporating reserves, earnings or premiums, then creating and allocating shares free of charge or increasing the par value of existing shares or a combination of these two methods as determined by the Board.

This ceiling is subject to the consequences of adjustments applicable to share capital, if any, in accordance with the law.

In the event of an increase in capital resulting in the allocation of new shares, the Board of Directors may decide that the rights representing fractional shares are not negotiable and that the corresponding shares will be sold, in accordance with Article L.225-130 of the French Commercial Code.

The Board of Directors shall be able to take all measures necessary to amend the bylaws accordingly.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution three of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION FOUR

(Authorization for the Board of Directors to issue shares or securities with waiver of preferential subscription rights)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the Statutory Auditors' special report and the report of the Board of Directors, authorize the Board of Directors with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-91, L.228-92 and L.228-93 of the French Commercial Code, for a period of twenty-six (26) months, to increase the share capital and to issue marketable securities giving access to the capital or providing entitlement to the allocation of debt securities. This authorization shall be valid for use on one or more occasions, in amounts and at times deemed appropriate by the Board, both in France and abroad and/or on the international market with waiver of preferential subscription rights via a public offering.

These securities may be shares (except for preferred shares), bonds that are convertible or exchangeable into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a portion of share capital or of debt securities.

Use of this authorization shall not result in an increase in the capital, nor provide entitlement to the allocation of shares representing a percentage interest in the capital exceeding a par value of €30 million (or equivalent value), not including adjustments that might be applied, in accordance with the law, it being stipulated that this ceiling is distinct from the €30 million ceiling applicable to share increases with maintenance of preferential subscription rights set in resolution two of this Special Shareholders' Meeting.

These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), not including adjustments that might be applied, in accordance with the law, it being stipulated that this ceiling is different to the €200 million ceiling set in resolution two.

The shareholders hereby waive their preferential subscription rights to shares and securities to be issued under this authorization, up to the amount defined above. Shareholders hereby waive, in favor of the holders of securities giving access to the capital, their preferential subscription rights to the shares or to the securities giving access to the capital to which these securities would provide entitlement.

If the issue is carried out in France in full or partially, or for the portion of the issue for the French market, the Board of Directors can confer to the shareholders, on all or a part of the securities issued under this resolution, a period of priority for which it shall set the methods and conditions of exercise within the limit of current regulations and legislation; this subscription priority cannot result in the creation of negotiable rights.

Should the Board of Directors use this authorization, and subject to resolution six below (provided it is approved), the issue price for the securities that can be assimilated with shares admitted for trading on a regulated market, to be issued immediately or in a deferred manner, shall be determined by the Board of Directors in such a way that the Company receives an amount at least equal to the minimum price provided by laws and regulations in force on the day of issuance. The issue price for securities that cannot be assimilated with traded securities shall be such that the sum received immediately by the Company plus any sum that might be received in the future shall be, for each share issued as a result of the issuance of these other securities, at least equal to the issue price as defined above for securities that can be assimilated with traded securities. The issue price of the securities giving access to debt securities would be determined by the Board of Directors pursuant to laws and regulations, taking into account market conditions.

The Board of Directors may, if subscriptions have not absorbed the total amount of the issue of securities, limit the issue to the amount of the received subscriptions, in accordance with the law (provided that in the event the Board of Directors should decide to issue new common shares the amount of received subscriptions must be at least 75% of the amount of the planned increase), or freely distribute the unsubscribed securities. The Board of Directors may use in the order of its choosing some or all of the options mentioned above.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of the Company to which securities that could be issued by companies in which Cegid Group holds more than half of the share capital, either directly or indirectly, could give rights.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

This authorization to issue securities could be used in full to provide valuable consideration for securities that might be contributed to the Company during a public exchange offer on securities meeting the conditions pursuant to Article L.225-148 of the French Commercial Code.

The shareholders grant full powers to the Board of Directors, with the option of sub-delegation under the conditions provided for by law, to issue the securities of its choosing, with payment in cash and/or by offset of debt securities, determine the characteristics thereof, set the terms and conditions for their issue and for payment thereof, recognize the completion thereof and amend the bylaws as required by any capital increase, allocate the issue costs to the share premium account if it so desires and bring the reserve account to one-tenth of the new capital.

The Board of Directors may in particular:

- set the characteristics for the planned share issue, in particular, the issue price (with or without issue premium/discount) the subscription terms and conditions and their date of entitlement,
- set the number and the characteristics of the redeemable share warrants and decide, if the Board deems it advantageous to do so, at the terms and conditions it shall establish, that the warrants can be redeemed or repurchased,
- more generally, set the characteristics of all securities and, in particular, the terms and conditions for allocating shares, the maturity of bond issues, whether or not they are subordinated, the currency in which they are denominated, the procedures for repayment of the principal, with or without a premium, amortization methods and early repayment, if applicable, fixed or variable interest rates and the remittance date. Remuneration on the securities may include a variable portion calculated with respect to revenues and earnings of Cegid Group and a deferred payment in the absence of distributable earnings,
- decide, in accordance with resolution six of the Ordinary Shareholders' Meeting, related to the authorization for the Board of Directors to acquire shares of the Company (provided it is approved) and in the context of previous share buyback programs, to use the shares acquired to allocate them as a result of the issuance of securities issued pursuant to this authorization,
- take all measures intended to preserve the rights of the owners of securities issued, as required by laws and regulations,
- suspend the exercise of the rights attached to these securities during a fixed period of time in accordance with legal and regulatory measures,
- take all measures and perform all formalities required for the rights, shares, securities and warrants created to be admitted to trading on a regulated market.

Pursuant to current laws and regulations, the Board of Directors shall determine the adjustment rules to be applied if Cegid Group were to carry out new financial transactions that would require such adjustments in order to preserve the rights of the holders of previously-issued securities, the authorization contained in this resolution to increase the capital by €30 million may be further increased by the par value of the additional securities to be issued so as to preserve the rights of the holders of such previously-issued securities.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution four of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION FIVE

(Authorization for the Board of Directors to increase the amount of securities issued in the event of surplus demand)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorize the Board of Directors, with the option of sub-delegation under legal and regulatory conditions, and in the context of the authorizations granted in resolutions two, four and eleven of this Special Shareholders' Meeting (or any similar resolutions that might replace them while this authorization is in force) and within the limit of the ceilings set, to increase the number of securities to be issued pursuant to Articles L.225-135-1 and R.225-118 of the French Commercial Code, up to 15% of each issue and at the same price as that of the initial issue, when the Board of Directors shall recognize surplus demand.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution five of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION SIX

(Authorization to issue shares, securities or other financial instruments and freely set their issue price)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, within the framework of Article L.225-136 1°) of the French Commercial Code and up to the limit of 10% of the capital per annum and the ceiling indicated in resolution four of this Special Shareholders' Meeting, authorize, for a period of twenty-six (26) months, the Board of Directors to issue any shares or securities giving access to the capital or entitlement to the allocation of debt securities and to set their issue price in the event of a public issue or private placement without preferential subscription rights, at an issue price different from that of issues authorized by resolution four and eleven above (or any similar resolutions that might replace them while this authorization is in force). Such price shall not be less than, at the option of the Board, either (a) the average price, weighted by the volume of shares traded over the twenty (20) trading days preceding the setting of the issue price, or (b) the average price, weighted by the volume of shares traded in the trading session immediately preceding the setting of the issue price, with the stipulation that in both cases, the price may be reduced by a discount of up to 5%, provided that the amount received for each share is at least equal to par value. In this case, the Board of Directors shall issue an additional report, certified by the auditors, describing the final conditions for the transaction and providing the elements to assess the actual impact on the shareholder's situation.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution six of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION SEVEN

(Authorization for the Board of Directors to carry out capital increases up to 10% of capital, to provide valuable consideration for contributions-in-kind)

The shareholders, having read the report of the Board of Directors and the Auditors' special report, voting according to the conditions of majority required for Special Shareholders' Meetings and in accordance with the measures of Article L.225-147 of the French Commercial Code, authorizes the Board of Directors with facility to delegate under legal and regulatory conditions and when the measures of Article L.225-148 of the French Commercial Code do not apply, for a period of twenty-six (26) months starting from this Shareholders' Meeting, to increase the capital and issue any securities that give access to the capital (except for preferred shares), up to 10% of its share capital, to compensate contributions-in-kind granted to the company and comprised of capital securities or securities giving access to the capital.

Shareholders hereby note that this authorization serves to waive their preferential subscription rights to the shares and marketable securities giving access to the capital that would be issued on the basis of this authorization.

The 10% ceiling provided for above is independent from all of the other ceilings provided for in the other resolutions of this Special Shareholders' Meeting.

The shareholders grant full powers to the Board of Directors to approve the valuation of contributions and the granting of special benefits, increase the capital or issue securities giving access to the capital and constituting valuable consideration for the contributions-in-kind, recognize the completion thereof, allocate the fees and expenses generated by the capital increase to the share premium account, if applicable, withdraw from the share premium account the amount required for a full allocation to the legal reserve, and amend the bylaws accordingly.

This authorization shall cancel and replace the unused amount of the authorization granted by shareholders in resolution seven of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION EIGHT

(Authorization for the Board of Directors to issue share warrants free of charge to Company shareholders)

The shareholders, voting according to the conditions of quorum and majority required for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Auditors, and in accordance with the legal and regulatory measures governing commercial companies and in particular those of Articles L.225-129 to L.225-129-6, L.233-32 and L.233-33 of the French Commercial Code, delegate to the Board of Directors, with the option of sub-delegation as permitted by applicable laws and regulations, the power to decide to issue, in France or abroad, share warrants allocated free of charge to the Company's shareholders.

The shareholders hereby decide that the warrants indicated in this resolution may be issued only during a takeover bid on the Company's securities, and only those shareholders who are shareholders of the Company before the expiration of the takeover bid shall benefit from this free allocation of share warrants.

The shareholders hereby decide that the maximum par value of the capital increase that might be carried out in the future pursuant to this resolution shall not exceed €15 million or its equivalent value in foreign currency or in composite monetary units, with this limit being increased by the par value of capital increases pertaining to adjustments that might be made, in accordance with applicable laws and regulations, to preserve the rights of holders of securities giving access to the Company's share capital. The ceiling of €15 million indicated above shall be independent of the total of all ceilings stipulated in resolutions two and four that shareholders shall be called to vote upon during this Special Shareholders' Meeting.

The number of warrants that may be issued shall not exceed the number of shares comprising the Company's capital on the day of the decision to issue warrants.

The shareholders acknowledge that, as needed, they hereby waive their preferential subscription rights to the new shares to which these securities grant entitlement in favor of the holders of share warrants that might be issued pursuant to this resolution.

The shareholders decide that the Board of Directors shall have full powers, with the option of sub-delegation under conditions provided for by law, to implement this authorization, in particular to determine the beneficiaries, the number, characteristics and terms for exercising these warrants, the dates and procedures for issue, to set the entitlement date, including retroactively, for the securities to be issued and the terms for their repurchase, if applicable, to suspend the rights attached to the securities to be issued, if applicable, for a period not to exceed three months, to set the procedures ensuring that the rights of holders of securities giving future access to Company shares are preserved, if applicable, in accordance with legal, regulatory and contractual terms, to apply any and all amounts to the share premium account and in particular issuance fees and to deduct from this account the amounts needed to bring the legal reserve to one-tenth of the new capital after each increase, to take in general all necessary measures and conclude all necessary agreements to ensure the completion of the planned issue, to recognize the capital increase or increases resulting from any issue carried out pursuant to this authorization and to amend the bylaws accordingly.

The authorization thus granted to the Board of Directors shall be valid for a period of eighteen (18) months starting from this Meeting and shall cancel and replace the unused amount of the authorization granted in resolution two of the May 19, 2011 Special Shareholders' Meeting.

RESOLUTION NINE

(Authorization for the Board of Directors to use its authorizations to increase or reduce share capital when the shares of the Company are subject to a public takeover offer)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the measures of Articles L.233-32 and L.233-33 of the French Commercial Code, decide that all the authorizations to increase the capital of the Company by issuing shares and other securities as well as the authorizations for reducing the capital, that the Board of Directors has available by virtue of the resolutions approved at this Meeting may be used even during a period of a takeover bid or tender offer on the Company's securities, as long as legal and regulatory conditions are complied with.

This authorization shall cancel and replace the unused amount of the authorization granted in resolution three of the May 19, 2011 Special Shareholders' Meeting.

RESOLUTION TEN

(Powers granted to the Board of Directors to issue shares and/or securities that give immediate and/or future access to the capital of the Company reserved for members of an employee savings plan pursuant to the French Commercial Code and Articles L.3332-18 et seq. of the French Labor Code)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorize the Board of Directors, pursuant to Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, to carry out, at its own discretion, under the terms of Articles L.3332-18 et seq. of the French Labor Code, one or more capital increases reserved for employees of the Company and French and foreign companies or groups of companies, as defined in Article L.233-16 of the French Commercial Code, who are enrolled in an employee savings plan and have seniority of at least three months in one or another of these entities.

This authorization is granted for a period of twenty-six (26) months starting from this day.

The total number of shares thus subscribed shall not exceed 3% of the share capital on the day of the decision to issue pursuant to this resolution, it being stipulated that this ceiling is independent of the ceiling associated with the preceding capital increase authorizations.

The subscription price shall not be greater than the average quoted price over the twenty (20) trading days preceding the day on which the Board of Directors sets the opening date for subscriptions, nor more than 25% less than this average or 20% less than this average when the minimum holding period specified in the plan, in accordance with Article L.30-3332 et seq. of the French Labor Code, is greater than or equal to ten years.

The shares thus subscribed to can be paid for either in cash or via offset, according to the terms set by the Board of Directors.

The shareholders hereby decide that the Board of Directors may also, in application of this authorization, allocate free of charge to employees shares or other securities giving access to the capital of the Company under the terms specified in Article L.3332-18 et seq. of the French Labor Code, or any security that would come to be authorized by applicable law or regulations.

The shareholders grant full powers to the Board of Directors to implement this authorization and in particular to:

- set the number of new shares to be issued and their date of entitlement,
- set the subscription price, as well as the timeframe granted to the employees to exercise their rights,
- set the timeframe and procedures for the payment of shares subscribed,
- recognize the completion of the capital increase or increases and amend the bylaws accordingly, and in general, decide and carry out, either by itself, or via proxy, all transactions and formalities, and take all appropriate steps to effect the capital increase or increases.

The shareholders hereby decide to waive, in favor of the above-mentioned beneficiaries, their preferential subscription rights to shares issued under this authorization and also renounce any rights to shares or other securities giving access to the capital that might be issued by virtue of this resolution.

RESOLUTION ELEVEN

(Authorization to the Board of Directors to use the powers granted under resolutions four, five and six of the present Special Shareholders' Meeting, subject to their approval, pursuant to Article L.225-136 of the French Commercial Code, to issue equity securities in one or more transactions without preferential subscription rights, via private placement as allowed under II of Article L.411-2 of the Monetary and Financial Code)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to Articles L.225-225-1 et seq. of the French Commercial Code, and particular Articles L.1-129-2, L.2-135 and L.135-136:

- authorize the Board of Directors, with the option of sub-delegation as permitted by law, to use the powers granted to it under resolutions four, five and six of this Special Shareholders' Meeting, provided they are approved, (or any resolutions of the same type that might replace them while this authorization is in force), to issue equity securities in one or more transactions in accordance with Article L.225-136 of the French Commercial Code, without preferential subscription rights, through one or more offers as described in II of Article L.411-2 of the Monetary and Financial Code,
- hereby decide that this authorization shall take effect on this day and remain in force for the duration of the authorization granted in resolutions four and six of the present Special Shareholders' Meeting,
- hereby decide that the maximum par value of capital increases resulting from implementation of the present resolution shall not exceed 20% of the share capital per annum,

- hereby decide that for all capital increases that might be carried out immediately or in the future under this authorization, the issue price shall be set in accordance with resolution six (or any similar resolutions that might replace them while this authorization is in force) of the present Special Shareholders' Meeting, provided it is approved, within the limit of 10% of share capital per annum, with the stipulation that amount of such capital increases shall be attributed to the ceiling set in resolution six of the present Special Shareholders' Meeting,
- hereby decide that for all capital increases that might be carried out, immediately or in the future, under this authorization, that the Board of Directors shall be able, with the option of sub-delegation as permitted by applicable laws and regulations and in accordance with the terms of resolution five of the present Special Shareholders' Meeting, provided it is approved, to increase the number of securities to be issued, at the same price as that applied to the initial issue and within the deadlines and limits stipulated in applicable regulations on the date of the issue, up to 15% of the initial issue, when the Board of Directors recognizes surplus demand,
- hereby decide that (i) the par value of capital increases that might be carried out immediately or in the future under this authorization shall be attributed to the €30 million ceiling set under resolution four of the present Special Shareholders' Meeting, provided it is approved, and that (ii) the par value of debt securities that could be issued under this authorization shall be attributed to the €200 million ceiling set under resolution four of the present Special Shareholders' Meeting, provided it is approved,
- hereby decide that the Board of Directors shall have all powers, with the option of sub-delegation as permitted by applicable laws and regulations, to implement this authorization, in accordance with the terms of resolutions four, five and six of the present Special Shareholders' Meeting, provided they are approved or any similar resolutions that might replace them while this authorization is in force).

This authorization shall cancel and replace the unused amount of the authorization granted in resolution eleven of the May 6, 2010 Special Shareholders' Meeting.

RESOLUTION TWELVE

(Authorization for the Board of Directors to use the shares acquired under the share buyback program)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and subject to the adoption of resolution six of the Ordinary Shareholders' Meeting, hereby decide to grant full powers to the Board of Directors, with the option to sub-delegate as permitted under applicable laws and regulations, to use the shares acquired under the share buyback program (by virtue of resolution six of the Ordinary Shareholders' Meeting or any other prior authorization) as follows:

- within the framework of the powers granted under resolutions two, four, five, six, seven, eight, ten and eleven of this Special Shareholders' Meeting, provided they are approved (or any similar resolutions that might replace them while this authorization is in force), so as to allocate them as a result of the issuance of marketable securities conferring access to the Company's capital,
- pursuant to resolutions five and six of the May 19, 2011 Special Shareholders' Meeting (or any similar resolutions that might replace them while this authorization is in force), so as to allocate them as a result of the granting of purchase-type stock options or bonus shares.

RESOLUTION THIRTEEN

(Amendment of Article 20 of the bylaws)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors, hereby amend Article 20 of the Company bylaws to comply with Article R.225-69 of the French Commercial Code relating to notice periods for convening Shareholders' Meetings.

The last paragraph of Article 20 shall now read as follows:

"Article 20: Invitation to Shareholders' Meetings" [...]

"When it has not been possible to hold a Shareholders' Meeting due to the quorum having not been met, the second Shareholders' Meeting, and, if necessary, the reconvened second meeting, are convened ten days at least in advance according to the same terms as the first meeting. The notice of and invitations to the second meeting replicate the date and agenda of the first meeting."

The remainder of Article 20 is unchanged.

RESOLUTION FOURTEEN

(Amendment of Article 22 of the bylaws)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors, hereby amend Article 22 of the Company bylaws to comply with Article L.225-106 of the French Commercial Code on the terms governing representation at Shareholders' Meetings.

The second paragraph of Article 22 shall now read as follows:

"Article 22: Access to Meetings - Powers" [...]

"Any shareholder may be represented, in accordance with the law, by another person or legal entity of his/her choice."

The remainder of Article 22 is unchanged.

RESOLUTION FIFTEEN

(Powers to accomplish legal formalities)

The shareholders grant full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal filing, publication and other formalities.

The Board of Directors

NAME AND TITLES OF PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

CEO

STATEMENT OF RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

We hereby certify, having taken all reasonable measures in this regard, that the information contained in this Registration Document is, to the best of our knowledge, accurate and that no information has been omitted that would be likely to alter its substance.

We hereby certify that, to the best of our knowledge, the financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets and liabilities, financial condition and earnings of the Company and of the companies included in its scope of consolidation, and that the Management Report beginning on page 39 of this document presents a true and fair view of the business, earnings and financial condition of the Company and of the companies included in the scope of consolidation, as well as a description of the principal risks and uncertainties with which they are confronted.

We have obtained a comfort letter from our Statutory Auditors, wherein they indicate that they have verified the information regarding the financial position and financial statements included in this Registration Document and that they have read this entire document.

This letter does not contain any observations. The Statutory Auditors' reports on the historical financial information presented in this document can be found on pages 101 and 116 of the present document, and those incorporated by reference for 2009 and 2010 can be found on pages 90 and 103 respectively of this Registration Document and on pages 98 and 111 of the 2010 Registration Document. In their report on the consolidated financial statements for the fiscal year 2009, the Statutory Auditors noted that Cegid Group had applied new accounting standards as of January 1, 2009. In their report on the consolidated financial statements for the fiscal year 2010, the Statutory Auditors noted that Cegid Group had applied new accounting standards as of January 1, 2010.

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

CEO

Lyon, April 17, 2012

INFORMATION POLICY

Patrick Bertrand

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NAMES AND ADDRESSES OF STATUTORY AUDITORS

Principal Statutory Auditors

MAZARS

131, boulevard Stalingrad
69624 Villeurbanne Cedex

Date of first appointment: Combined Shareholders' Meeting of June 18, 1992.

Date appointment expires: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2015.

GRANT THORNTON

42 avenue Georges Pompidou
69442 Lyon Cedex 03

Date of first appointment: Combined Shareholders' Meeting of May 22, 1996.

Date appointment expires: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2013.

Alternate Statutory Auditors

Pierre Sardet

Exaltis, 61 rue Henri Regnault
92075 Paris la Défense

Date of first appointment: Shareholders' Meeting of June 4, 2004.

Date appointment expires: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2015.

IGEC

Member of the Grant Thornton network,

3 rue Léon Jost
75017 Paris

Date of first appointment: Combined Shareholders' Meeting of May 7, 2008.

Date appointment expires: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2013.

To make the Registration Document easier to read, the following table arranged by topic and in accordance with Appendix I of European Regulation 809/2004 shows the principal information required by the Autorité des Marchés Financiers under its applicable instructions and regulations.

CORRESPONDENCE WITH THE ANNUAL FINANCIAL REPORT [1]

[1] (1) Pursuant to Articles L.451-1-2 of the Monetary and Financial Code and 222-3 of the AMF's General Regulation.
NA: Not Applicable.

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