EVERY MORNING

YOU WANT

TO CONQUER

THE WORLD.

SO DO WE.

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

Annual Report 2008

Cegid

"Recession? Corporate flexibility is back."

Recession. Every day over the last few months has brought more bad news, sometimes contradictory, but in each case accompanied by the announcement of a series of measures intended to halt the consequences of the crisis, whose origins lie outside the corporate world. Despite these strong headwinds, some people are starting to suggest that calmer times are around the corner. "The recession will be over in June", or "New business is starting to come in again." But who can really put forward a reliable forecast?

Whatever the outcome of the profound upheaval in the financial sphere, with its serious consequences for non-financial companies, one thing is clear: nothing will ever be the same again. At the highest levels, economic leaders have been asking the right questions and the resulting orientation shows it.

Companies are undergoing similar soul-searching.

In the technology sector and particularly in information technology, massive, long-term, monolithic investment is out. Every project undertaken must have an immediate solution. Cegid has always put priority on supplying flexible, agile, progressive solutions offering a rapid return on investment. Small and mid-sized companies have known this for a long time. Today, all business leaders, regardless of the size of their companies, must act and react as entrepreneurs. This crisis will serve as an opportunity for many large groups and their subsidiaries to analyze their IT orientation and investments from a qualitative point of view and make the decisions that will enable the company to get through the downturn. Quickly.

Cegid's objective for 2009 will be to work with company executives as they prepare for the inevitable recovery, in the knowledge that the growth phase will not wait and that they must be ready.

With its agnostic technologies, ultra-modern, fluid concepts and solutions with highly-responsive, industry-specific functionality, Cegid has catapulted its customers and all companies, regardless of their size, into a new economic era, where optimization and the flexibility of its products will foster and accelerate corporate growth.

Jean-Michel Aulas
Chairman

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“Investment in software for strength after the downturn”

Patrick Bertrand, how do you explain Cegid’s favorable results in 2008, in today’s uncertain economic context?

Corporate resilience in the face of adversity is never a chance event, but the direct result of the quality of the fundamentals the company has put in place during good times. Over the last several years, our strategy has been to strengthen our positions in our areas of expertise, to develop our installed base - which has boosted recurrent revenue to more than 45% of our top line -, to extend our reach to mid-sized and large companies, even while intensifying our presence among small companies. Finally, we intend to become a provider with compelling IT solutions developed and operated in SaaS (Software as a Service) mode.

We have also enhanced our ability to address our target markets, by diversifying our distribution methods. We have implemented a "multi-channel" strategy including a direct network, telesales teams and reseller-integrators. We have launched an aggressive program to create and develop an ecosystem open to Cegid solutions, featuring a network of consultants, agreements with major integrators, and so on.

Last - and far from least in a business characterized by significant investment in R&D - we decided back at the beginning of the decade, in contrast to many of our competitors, to launch a new generation of products. Thus, our strategy of constant investment in technology has put us in a favorable position during this time of crisis, whereas many other companies are having to redevelop their product lines. With an innovative and mature range of products and services, we can offer our customers solutions with a rapid, measurable return on investment, because their deployment is based on an easily-integratable technology, even in a heterogeneous environment.

2008 was very satisfying. The contribution of companies acquired in the last quarter boosted EBITDA and brought net profit nearly to the level of 2007.

Our product mix is now more oriented toward licenses and integration services to the detriment of hardware sales, where steady price declines are squeezing margins inexorably. As the mix continues to improve, it reflects positively in our gross profit.

What is Cegid’s strategic vision in the current context?

The core of our strategy, since the founding of Cegid, has been "Be a specialist". We are convinced that in the years to come, many companies will demand applications that address the specific characteristics of their line of business and will turn away from generalist software.

This strategic vision has prompted Cegid to develop specific expertise to meet the needs expressed in certain corporate functions such as HR/payroll, Accounting-Finance, Taxation and in businesses whose specificity has a strong impact on the way the company is organized (Retail, Manufacturing, Hospitality, CPA firms, Public sector, etc.).

We are also convinced that companies will continue to invest heavily in their information systems, but will shun the "big bang" approach.

Our solutions offer evolution, not revolution. This is in phase with the expectations of companies of all sizes, including large enterprises, who are looking for an alternative to restrictive, monolithic applications whose ROI is too far off in the future.

In the same vein, we believe that companies and the infrastructure are mature enough to allow greater recourse to online software services such as SaaS. In the current period of slower growth, these services enable the enterprise to continue investing in its information system. By leasing its software, the company converts an investment budget into an operating budget, freeing up the related financing. Thanks to the investments we have made since the beginning of the decade, we occupy leading positions in this area today.

Finally, to ensure further expansion, Cegid must remain committed to holding strong market positions in each of the functional and industry-specific areas in which it is present.

"We are convinced that companies will continue to invest heavily in their information systems, but will shun the 'big bang' approach."

Patrick Bertrand
Chief Executive Officer

In this context, acquisitions are an integral part of Cegid's strategy. To exist in today's market, and especially to continue growing, a provider must be able to carry out successful acquisitions. Accordingly, in 2008 Cegid strengthened its expertise with acquisitions in the Hospitality and Retail industries (GD Informatique and VCSTIMELESS) and also brought in related know-how with Civitas and its software for the public sector. This latter acquisition dovetails with our efforts to develop clear, potential synergies with our CPA clients and Groupama, our strategic partner since the end of 2007.

Our strategic partnership with Groupama also reflects our conviction that software developers must not only have strong partnerships with technology providers but also with content providers. Customers today want their software not only to process data but also to provide useful information for their line of business.

Technological quality, ease of use and the relevance of application functions will determine whether a software solution is a hit or a dud with users.

How can software provide a company with a potential response to the downturn?

Periods of slower growth force companies to be more agile and to improve their internal processes so as to reduce their costs and increase their productivity. **What better tool than software to address these objectives and constraints?**

The productivity gains that naturally result from deploying more efficient software solutions better suited to the specific line of business optimize corporate operations and constitute immediate savings.

Numerous corporate functions can be directly optimized in this way, from production management and logistics to all aspects of human resources management to a more fine-tuned knowledge of the enterprise's cost structure.

Companies must also work on their sales generation ability, in particular with existing customers, at times when landing new ones is more difficult. Software solutions such as sales management and CRM are important sources of growth.

We have the feeling that companies understand the need for high-performance software and continued investment in this area. In the current recession, however, they will choose their targets carefully, investing in software solutions that address an immediate need and are certain to provide a rapid return on investment.

With its strategy offering specialized solutions, developed with state-of-the-art technologies around a modular architecture, Cegid is well positioned to confront the months ahead and pursue its business development objective, just as it has in recent years.

"Cegid, provider of enterprise solutions"

With technologies that integrate naturally and meet users' industry-specific requirements, information available "everywhere" and "every time", Cegid has opened a new dimension in information technology: **VALUE CREATION FOR THE ENTERPRISE AND THOSE CONTRIBUTING TO ITS GROWTH.**

SOLUTIONS FOR EVERY FUNCTIONAL DEPARTMENT IN THE ENTERPRISE

Accounting and fixed asset management, taxation, financial management and reporting, human resources management/payroll

Companies are now very demanding of their IT partners. They want dedicated, complete, state-of-the-art products, and they want the provider to be fully versed in the specific characteristics of their job.

Dedicated entirely to corporate performance and development, Cegid solutions have a wealth of functions, affording executives a comprehensive view of their enterprise.

INDUSTRY-SPECIFIC SOLUTIONS FOR EVERY SECTOR

Retail, Manufacturing, Hospitality, Services, Wholesaling, CPAs, Public sector

At Cegid, every solution addresses a specific challenge and takes into account the unique character of each business or function. **We are specialists acting in our areas of expertise. This expertise derives as much from the hard work of our internal research and development teams as from the integration of industry-specific solution providers who have joined the Group through Cegid's active acquisition strategy.**

EXTENSIVE INTERNATIONAL PRESENCE

Satish Warrier, Cegid Consultant

With branch offices in **Paris, New York, Barcelona, Madrid, Milan, London, Casablanca, Shenzhen, Tokyo and Singapore**, Cegid also relies on distribution agreements throughout the world in order to support its customers in their international growth.

"A specialist providing every customer with a solution tailored to its line of business."

2,000 DEVELOPERS OF EXPERTISE

Cegid's **2,000 employees** cultivate dual skillsets, not only technically but also in terms of their knowledge of the customer's business, so as to offer customers the best fit. They are **consultants, developers, salespeople and advisors**, and their high level of training gives them the edge they need to provide high-quality service.

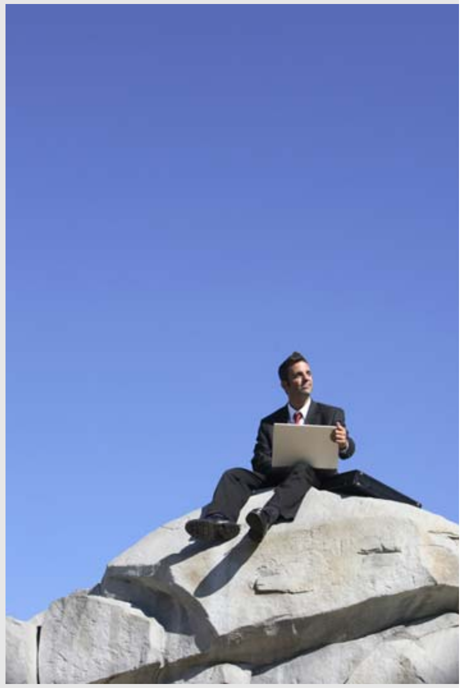
Cegid's ability to integrate a rich and varied array of people and cultures, deriving as much from our organic growth as from our successive acquisitions, gives the Group's human resources the stability needed to maintain close relationships with customers and win their loyalty.

EXPERTISE FOCUSED ON PROVIDING SOFTWARE

With more than 80,000 customers and 350,000 users, **Cegid achieved sales of €248 million in 2008, of which 44.6% derived from the Licenses and Integration services business.** This business orientation ensures Cegid's position as leader in the French enterprise software market.

LEADERSHIP POSITIONS

Top 5 French providers/hosts (Source: PAC 2009) **Top 3** French providers of HR software (Source: PAC 2008) **Top 3** French providers of financial management software (Source: PAC 2007) **Top 3** French providers for companies with 100-500 employees (Source: IDC 2007) **No. 1** provider to CAC 40 companies (96 of the top 100 French companies use Cegid tax solutions) **No. 1** French provider to non-food retailing companies (Cegid internal sources) **Top 10** French provider to the public sector with Civitas (2006 Pac/Afdel index).



Sophie Andreu, Cegid telephone hotline advisor

KEY FIGURES

- €248 million in sales
- 2,000 employees
- 80,000 customers
- 40 sales offices
- 180 resellers
- 3,500 international customer sites
- 20,000 points of sale use Cegid solutions
- 1,000 store banners

“A solution for every functional department in the enterprise”

ACCOUNTING AND FIXED ASSET MANAGEMENT, TAXATION, FINANCIAL MANAGEMENT AND REPORTING, HUMAN RESOURCES MANAGEMENT: leveraging the flexibility of its integrated, modular approach, Cegid is able to offer corporate executives functional solutions that "communicate" or that can be used on a standalone basis.

ACCOUNTING AND FIXED ASSET MANAGEMENT

Cegid solutions provide a comprehensive, user-oriented information system that facilitates decision-making and helps manage the enterprise on a daily basis - be it a small firm with only a handful of employees or a large corporate entity. They include operating dimensions (from detailed financial and cost accounting to cash management and fixed asset management), business intelligence and a personalized, collaborative approach, all in the same enterprise software package.

TAXATION

Cegid Etafi, a standard in the market for many years already, offers a complete and robust solution, tailored to the needs of companies, for tax returns and financial publications (Etafi and Profin), tax consolidation, other tax statements (EDITaxe and Etafi TVA) and EDI filings (Etafi.fr). Cegid Etafi also offers additional functions that organize and manage corporate taxation, for better traceability and visibility (Fisc'Archives

and Etafi Supervision), for anticipating risks and for optimizing the tax burden (Pré Revue Fiscale).

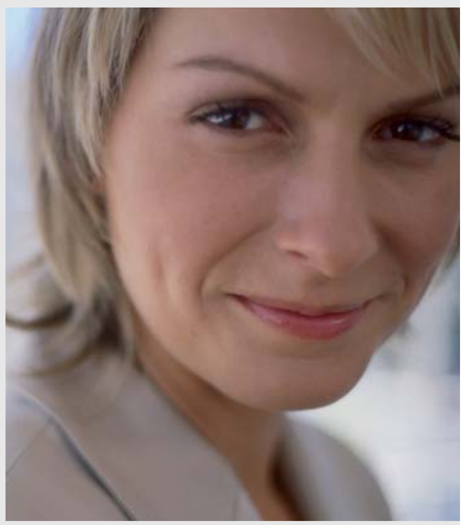
FINANCIAL MANAGEMENT AND REPORTING

Cegid's products are designed to respond to **a company's need for analysis and strategic orientation.** Thus, Cegid Etafi Conso and Cegid FCRS offer consolidation solutions, while the budgeting and reporting tools of Cegid Planning and Cegid Open Executive enable the enterprise to manage financial performance.

HUMAN RESOURCES

Payroll, function, time management, training, skills, careers, recruiting, HR reporting and KPIs, personnel cost planning, professional expenses, HR portal and self-services.

Cegid's HR solutions enable companies to refocus on what's most important to them: **maximizing the economic potential of their human capital and innovating in their HR policy.**



Human Resources: Cegid is committed to quality in integration, maintenance that reflects changes in legislation and outsourcing on an ongoing basis.

A benchmark in its market, Cegid HR delivers software and related services, including outsourcing, that ensure HR processes are optimized and reliability is strengthened.

For a company with a specified budget and a limited timeframe, Cegid HR is positioned as one of the most operational solutions on the market.

Cegid ERP IS NOT ONLY "INTEGRATED"

Cegid Business ERP addresses all of a company's management needs: Accounting, fixed assets, cash flow, sales management, contract management, CRM, production management, human resources management. It is **integrated**, in that it is deployed module by module, without a "big bang". It adapts to the company's pace of change.
Owing to its open and agnostic development platform, it **integrates** and communicates with other market solutions, regardless of customers' technology choices. Finally, it is **integratable**. It adopts the functionalities of specialized software developers or content providers to deliver the perfect solution to the user.
As the information is now more critical than the technology, as essential part of Cegid Business is the way it shares information among employees, partners, customers and their environment.
Essential and effortless.

New generation ERP On Demand. The world has changed. Cegid has changed ERP. *Software As A Service*

IN THEIR OWN WORDS:

Pierre Audoin Consultants
"Cegid has successfully built a mixed business model combining software and services and is well positioned in the integration market." "In 2007 Cegid created a business unit dedicated to the HR function, now strategic for the Group, and has strengthened its partnerships with the market's leading integrators."
2008 HR study: the French market for HR software and services - July 2008

CXP (Consulting firm)
"Cegid Planning supplies a packaged response to the needs of companies in terms of budget preparation, simulation and follow-up."
CXP profile of Cegid Planning - June 2008

"The Cegid Business Place ERP is easy to use, without taking away from the quality of its main functions. Because it is easy to configure and use, implementation lead times are more controllable and the training phase is shorter." "The functional reach of Cegid Business Place is very broad."
Evaluation of Cegid Business Place ERP – June 2008

"Cegid no longer needs to prove itself in the area of financial management. Its range is so complete that it covers all aspects of a company's financial management, in the broad sense."
CXP profile of Cegid Business Servantissimmo - February 2008

"Cegid's vertical solutions: one for every professional"

RETAIL, HOSPITALITY, MANUFACTURING, SERVICES, WHOLESALING, CPA, PUBLIC SECTOR: every sector has its special characteristics, and for 20 years Cegid has been integrating an industry dimension into its products.

Cegid **has long had expertise** in vertical market solutions, owing to the significant work of our research and development teams and to the numerous, targeted acquisitions we have carried out over the years. Finally, **Cegid has an in-depth knowledge of the peculiarities of each business sector, tailored solutions and services and fully-dedicated sales, technical and support teams.** Cegid leverages these advantages to offer solutions that match the needs of business professionals.

Our customers' business is to sell. Ours is to help their operations run smoothly.

RETAIL

Cegid's recent acquisitions in this market reinforce our position as leader in IT solutions for specialist retailing and strengthen our presence abroad. Cegid is now one of the world's major players in this market space.

Cegid retail solutions cover the needs of the entire distribution chain, from **creating the product line, to manufacturing & sourcing, sales management, SCM, store management, customer loyalty and business intelligence.** They are designed to improve the competitiveness, productivity and profitability of specialist retail chains. Today more than 1,000 chains and 20,000 points of sale in 64 countries use Cegid Retail solutions to manage their business and their performance.

HOSPITALITY

From independent hotels to large groups, and from the traditional restaurant to large food-service chains, Cegid meets the needs of all professionals in the hospitality sector.

Cegid solutions handle online reservations, distribution channels, catering chains and centralized management of restaurant sites, making it possible to support industry players as they face the challenges of today's market.

MANUFACTURING

From the smallest workshops to mid-sized manufacturing companies, Cegid **Manufacturing** meets the needs of all users with the following solutions: Pack PMISOFT (for companies with less than 50 employees), Cegid PMI (for companies with 40 to 150 employees) and Cegid Business Manufacturing (for companies with more than 100 employees).

SERVICES

Cegid allows companies that need to track their business on a per-contract basis to implement a single solution, giving them a holistic view of each contract and enabling them to focus on its productivity and profitability.

WHOLESALING

Cegid Business Négoce offers a complete, integrated solution **to operate seamlessly over the entire purchase-sale chain** and meet the demands of all companies that must manage a supply chain.

CPAS

Cegid's faithful ties to the public accounting profession ensure our expertise in their operational needs while optimizing their productivity and the synergies between CPAs and their corporate clients.

Cegid is the leading supplier of IT solutions for CPA firms, with Cegid Expert, Quadra Expert and Ccmx Expert.

Above and beyond the operational tools, Cegid offers solutions for the accounting profession's other assignments, including Cegid Audit Commissariat, Cegid Juri RF and Cegid Etafi Conso. We now also have a suite of products called Cegid Expert Agricole tailored to the accounting services offered by France's rural economy centers.

Also available in On Demand (SaaS) mode, solutions dedicated to the accounting profession have been enhanced with eWS, the platform for online transfer of data enabling CPAs and their clients to work together most efficiently via a set of online services.

PUBLIC SECTOR

With the recent integration of Civitas, Cegid has expanded its product range and demonstrated its determination to become a major player in management solutions for the public sector. Specialized in local authorities and public services, **Civitas develops and distributes business management software in four functional areas: finance, human resources, technical services and general services.**

An eye for everything. At all times. Hotels and restaurants always need to be attentive to detail.

"Cegid has always based its expertise on in-depth 'industry' and 'functional' knowledge and used it to provide appropriate information systems."

“A solution for every size company”

Cegid’s CUSTOMERS INCLUDE SMALL, MID-SIZED, LARGE COMPANIES AND CORPORATE GROUPS. THEY ALL HAVE DIFFERENT NEEDS AND EXPECTATIONS, but common objectives. Economic entities, they are constantly striving to expand their activities and grow. With a structure tailored to each of them, Cegid supports them on a day-to-day basis.

The diversity of our customers has prompted us to build solutions that correspond to each of them. **Our solutions take account of each company's size and budget,** offering products and services that respond to the specific needs of each sector. In this way, Cegid accompanies its customers on their path to growth, with the same commitment and with scalable solutions, from the independent contractor to the large corporate group.

WHO ARE Cegid’s CUSTOMERS?

53,000 "VERY SMALL" COMPANIES

These business people - individual entrepreneurs, craftspeople, small business owners - must have light, simple solutions that enable them to quickly increase productivity and responsiveness.

Often recommended by their CPAs and available in On Demand (SaaS) mode, **these packaged solutions from Cegid address the primary functions of the enterprise,** both administrative (accounting, payroll, invoicing, etc.) and industry-specific (Hospitality, Manufacturing, point of sale, etc.). Sales and inventory management modules are also available for those who want to take the system one step further.

Pack PMISOFT. For very small companies with large ambitions.

23,000 SMALL AND MID-SIZED COMPANIES (SMEs)

SMEs want solutions that are productive immediately, but at the same time scalable and with services tailored to their size and expectations. **The solution they choose, intended to meet an immediate operational need and boost profitability, must also stay the course while they grow.** Companies initially view the accounting, CRM and payroll functions as indispensable, but very soon thereafter they want to take advantage of more sophisticated analytical functions offered by decision-support and human resource tools so as to control the strategic orientation of their business. The close relationship we have always maintained with the corporate world has enabled us to design solutions integrating the specific needs of professionals and their line of business.

4,000 LARGE COMPANIES AND CORPORATE GROUPS

Corporate executives, CFOs and human resources directors all want solutions with proven expertise and supported by a provider that can accompany them in the deployment of larger, more complex projects.

The functional applications are thorough and the business intelligence applications are state-of-the-art.

In these large companies and groups, Cegid proposes value-added solutions in finance, taxation and human resources, and their modular design and flexibility ensures quick implementation and faster return on investment than do standard market products.

THE FIGURES SPEAK FOR Cegid SOLUTIONS

350,000 users

1 of every **2** CPAs opts for Cegid solutions dedicated to the accounting profession

14,000 customer sites use Cegid ERP

18,000 enterprises use our HR solutions

205,000 employees managed in "On Demand" (SaaS) mode

4 million private sector employees receive a Cegid-prepared pay slip each month, as do **450,000** public sector employees via the Civitas range.

160,000 income tax and VAT forms transmitted every year through the Etafi.fr submission portal

96 of the 100 leading French companies and **70%** of the companies required to make online declarations use a Cegid tax solution

25 years of expertise in producing financial statements

1,000 store chains and **20,000** points of sale in **64** countries

4,500 manufacturing professionals

2,800 hotels

4,800 restaurants

200 caterers

SATISFIED Cegid CUSTOMERS

"Cegid, a local presence in France and abroad"

Through its sales offices, subsidiaries and international network of partners, Cegid solutions are deployed in more than 60 countries. The Group's recent acquisitions have significantly altered Cegid's PRESENCE AROUND THE GLOBE.

IN FRANCE

Since Cegid was founded it has built **an extensive sales network** for the distribution of its solutions and has **placed priority on a personalized approach based on strong expertise in advisory, support and other services.**

40 LOCAL SALES OFFICES AND A NETWORK OF PARTNERS

Spread over all of France, the Group's sales offices and the network of partners maintain a local relationship with their customers. Our sales force of nearly 420 people and 155 reseller-partners 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.

Cegid, Head Office.

March 11, 2009 – Cegid Retail Forum in Barcelona

THE OFFICE-BASED SALES STAFF IS ALWAYS AVAILABLE

60 office-based sales people field calls from 80,000 Cegid customers and are in direct, daily contact with them.

ABROAD

In 2008, Cegid strengthened its presence in Europe, North America, North Africa and the Asia-Pacific region. **Through a combination of new offices, new strategic partnerships and acquisitions,** Cegid is capitalizing on new vectors for expansion and is stepping up the rate of its international business development.

Our three objectives:

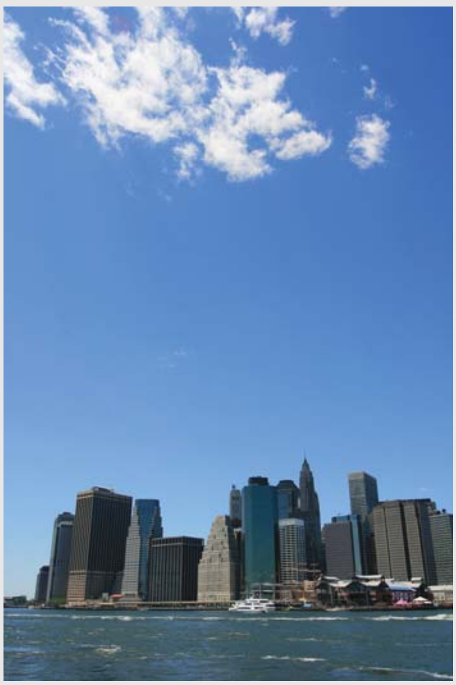
- Be a world-class player in enterprise solutions for the Retail sector.
- Enable our French customers to deploy their enterprise software system throughout the world.
- Become the leading provider of solutions for the accounting profession in French-speaking countries.

SUBSIDIARIES CLOSE TO THEIR CUSTOMERS

To cultivate the 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, Tokyo and Singapore.** These subsidiaries can offer all of Cegid's products and manage both local and global customers.

25 RESELLER-PARTNERS

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



January 11-14, 2009: Cegid was in New York for NRF 2009 - Retail's big trade show.

KEY FIGURES

64 countries

Solutions in 25 languages

A hotline for every country

7,000 international points of sale use Cegid

"An ecosystem that adds expertise and brings us closer to customers"

Leveraging partnerships and developing a robust economic and business environment are now among Cegid's strategic objectives. Allied with Cegid's own sales efforts, this multi-channel approach to the distribution of the Group's solutions **STRENGTHENS THE EXPERTISE THAT CUSTOMERS DEMAND AND SUPPORTS Cegid's GROWTH.**

Today's environment demands openness, alliances and partnerships. To handle today's increasingly complex projects, we must rely on a sound network of partners capable of enriching and adding value to our products.

A NETWORK OF 180 RESELLERS IN FRANCE AND ABROAD ENSURE LOCAL DISTRIBUTION

Complementing Cegid's industry-specific solutions and direct presence in local markets, **110 Cegid Business Partners,** specialized in enterprise software and Cegid-certified, make their expertise available to the small and mid-sized businesses in their regions. These partners are chosen on the basis of their skills. They advise customers in the choice of a personalized solution based on the Cegid Business suite and accompany them in deployment.

45 Cegid Partners, structures created by CPA firms, propose and sell Cegid solutions and train and assist their small-company clients in the use of the software.

Finally, a network of **25 international partners**, prominent in enterprise software in their geographical region, participate actively in Cegid's international business development strategy.

350 INDEPENDENT CONSULTANTS, EXPERTS IN THE DEPLOYMENT OF Cegid SOLUTIONS

350 consultants now apply their skills to deploying Cegid Business solutions. Members of the Cegid Club Conseil (C3), or formerly from IT service companies and consulting firms, **these consultants master the advantages of Cegid products** and promote them to their customers.

APPLICATION AND INTEGRATION PARTNERS

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 **an enriched vertical solutions.** Through the development of centers of excellence in IT service company partners, Cegid relies on the market's major integrators to put Cegid solutions into production at customer sites.

Cegid/GROUPAMA - GAN, A STRATEGIC AGREEMENT FOR AN INNOVATIVE RANGE OF PRODUCTS AND SERVICES

Synergies are now being harnessed between Cegid and Groupama/Gan. The Comptanoo joint venture is the link between the two groups and offers innovative and comprehensive solutions to CPAs to help them in their advisory role. Tools and related services are already available to the public accounting profession. The first two of these is "Owner-executive status" and "CPA Contract".
"Owner-executive status" ("statut du dirigeant") automatically segments the customer base and simulates the impact of a change in status over five years. "CPA contract" ("Conventions Experts"), in addition to sending reminders of changes in collective bargaining agreements, offers suggestions in terms of social welfare benefits, employment & labor law news and technical information.

STRATEGIC PARTNERSHIP WITH PUBLIC ACCOUNTING FIRMS (CPAS)

More than 7,000 accounting firms use Cegid solutions and can also advise their corporate customers in the choice 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 brings immediate productivity gains.

Cegid EDUCATION, MORE THAN 400 PARTNERS TO FACILITATE EMPLOYMENT OF YOUNG PEOPLE

Launched in 2004, the Cegid Education program offers **vocational high schools, universities, business schools and other graduate schools** the opportunity to put management solutions tailored to the needs of business in the hands of tomorrow's professional users.

With Cegid Business officially recognized by the French government since 2005 as an important teaching tool, **Cegid Education has already attracted more than 260 secondary schools, 90 institutions of higher learning and 35 professional training centers and trains more than 10,000 students per year. Fifteen specific partnerships have been signed with universities. In addition to the training of students they call for the creation of a specific course of study, research program or the endowment of a chair.**

Since 2007, the Cegid Education forum has been a magnet drawing together the academic and corporate worlds. Every year more than 150 participants assemble, discuss and debate, in an effort to foster the employability of young people. Numerous public figures (Claude Allègre in 2008, Luc Ferry in 2009) share their experiences and support the forum's efforts.

"Cegid technology supporting Cegid content"

OPEN so as to federate all environments, **AND AGNOSTIC** so as to integrate itself into all database models, the technology developed by Cegid is also **COMMUNICATIVE AND MOBILE**, with access everywhere, every time. It is also **DYNAMIC**, taking into account the most recent changes and innovations. Its purpose is to enhance the value of the content and make the user's life easier.

OPENNESS

The Cegid development platform is open to all operating systems. Conversely, Cegid application modules can operate with any relational database available on the market. In this way, the application **respects the customer's technology decisions** and **preserves its existing technological orientation.**

FLEXIBILITY

The **Cegid Web Access application server, based on a rich client architecture offers self-administered deployment** of Cegid solutions on the customer's computers, eliminating the need to visit each workstation to install a new version or update.

"Everywhere, every time"

COMMUNICATION

The same Web Access architecture makes all **Cegid solution components available for use in shared mode,** on several **remote sites** or on a **hosted platform** outside the company's premises.

Data, servers and the skills needed to administer them are thus centralized for enhanced security and greater economies of scale.

MOBILITY

Cegid anticipated that professionals would change the way they use software and designed solutions to respond to these changes. All solutions take advantage of new **high-speed, real-time services** and can now be accessed remotely on netbooks and laptop PCs. The architecture also makes a large number of land-line, cellphone, PDA or smartphone based services available **everywhere, every time.**

"Today's companies want what's flexible, modular, open and simple. Information technologies must adapt to the needs of the enterprise and not the reverse."

ENHANCEMENT

Owing to the technological choices we have made, we can now take part, without having to break with our existing technologies, in all major market trends: **virtualized environments** to reduce the number of servers, **multi-core** use to take full advantage of the power of the latest generation of hardware and meet processing requirements, **cloud-computing** to federate randomly distributed resources, content and services.

Cegid's SaaS* EXPERTISE HAS BEEN VALIDATED BY CUSTOMERS

We have long sought to offer remote information processing together with value-added services in subscription form to allow customers a freer, technically less restrictive way of using our products, and this was one of the motivations that prompted us to invest in SaaS as early as 2001.

The tense, unpredictable economic environment of 2008 drove many companies to adopt this new business model and they quickly discovered its intrinsic virtues:

- part of the investment budget is shifted to the operating budget;
- expenditure is scheduled, based on real application usage and adjusted monthly;
- the burden of administration, updates and security is transferred, enabling the company to concentrate on its core business;
- the information system evolves and enriches itself with value-added services and content.

Cegid's provider/host approach is unique in the French market today. Our technology platform offers an open and fully-reversible approach in that identical solutions can be deployed internally in the company or used as part of a remotely-accessed SaaS-mode package.

Numerous customers have already chosen SaaS:
205,000 pay slips per month
8,000 "very small" companies online
650 points of sale
1,000 CPA firm employee.

* Software As A Service

“Social responsibility fostering sustainable investment”

For a company that is a leader in its market, power is meaningless if it is not shared. As part of its effort to make a lasting impact on its environment, Cegid is constantly investing in regional and national initiatives, all with the same objective: BRINGING PEOPLE AND COMPANIES CLOSER TOGETHER.

WITH OL FONDATION, TANGIBLE INITIATIVES IN EDUCATION, EMPLOYMENT, FINANCIAL SUPPORT

OL Fondation is a corporate foundation created by OL Groupe on August 25, 2007. It has identified six associations and made a long-term commitment to each of them. Among these, Cegid has chosen to participate in Sport dans la Ville and Handicap International.

Sport dans la Ville uses sports as a vehicle to give individual attention to young people in difficulty, helping them to open up and guiding them towards training and **landing their first job.** Cegid has participated in this project for several years, both financially and through the dedicated commitment of Cegid employees acting as "sponsors", who provide support to many young people. 2008 was filled with dialog, advice, internships at Cegid and regular opportunities to meet people.

Ties formed through Sport dans la Ville: Dimitri Imache and his "sponsor", Yannick Touillon Renaud (Cegid)

In partnership with **Handicap International,** Cegid displayed an exhibit called "Liberté, Egalité, Handicapés" in its head office in Lyon from June 2 to 6, 2008, then in its Parisian premises from June 30 to July 4. Impertinent and humorous, with the French cartoon and comic strip hero Titeuf carrying the day, the exhibit was evocative, thought-provoking and rich in lessons about our everyday behavior and **the way we look at people with disabilities.**

Titeuf in residence at Cegid - June/July 2008

EMPLOYMENT FOR ALL

12TH ANNUAL DISABLED EMPLOYMENT WEEK

Cegid participated in the 12th annual disabled employment week, organized by ADAPT, an association that promotes employment and social integration for people with disabilities, which took place between November 17 and 22, 2008.

Cegid was especially involved in **the program, "Un jour, un métier en action" (another day, another profession) aimed at introducing a handicapped jobseeker to a company and a profession.** Cegid welcomed three people with disabilities and difficulty finding employment into its head office in Lyon.

Cegid also participated in a **jobs forum** held on November 18 that enabled candidates with recognized disabilities and potential employers to meet.

Finally, **"Job dating"** took place throughout the week. Twelve minutes to communicate and convince, change a company's view of people with disabilities and open up the possibility of working together.

"NES ET CITÉ" MEETINGS, TO CREATE TIES BETWEEN COMPANIES AND JOBSEEKERS

The objective of these meetings is to foster contact between the corporate world, through a network of companies seeking to hire new employees, and candidates from disadvantaged neighborhoods.

On May 14, 2008, **Gerland stadium VIP areas were turned into a recruiting center.** On November 12, 2008, **the Stade de France was used for the "Jobs & Cité Stadium" operation.** December 18, 2008: **the first National Diversity Day** presenting the initiatives of various enterprises in terms of diversity.

OPERATION "PHENIX": HELP IN STARTING A PROFESSIONAL CAREER

This program aims to help young people with higher education in non-technical fields break into the job market. Cegid has agreed to promote the program by taking on several young people, to be trained in Cegid's ways of doing business. In particular, Cegid's office-based sales division hired a new employee from this program.

THE "SENIOR COMPÉTENCE" RECRUITING FORUM: BENEFITING FROM THE KNOWLEDGE OF THE MOST EXPERIENCED WORKERS

Now more than ever, the employment of seniors is an important issue for us at Cegid, and will remain so in the years to come. For this reason, Cegid decided to participate in the "Senior Compétence" recruitment forum on November 20, 2008 at the Paris stock exchange building.

During the forum, 144 companies and other employers offered more than 1,000 jobs to people over 50 with experience in management.

LE PETIT MONDE, AN ASSOCIATION DEDICATED TO THE WELL-BEING OF SICK CHILDREN

This association is dedicated to **improving the quality of life for hospitalized children and their families at Lyon's new pediatric hospital.** Cegid has not only supported this project financially since its inception, but also works together with Le Petit Monde in its innovative and compassionate approach to the hospital stay.

On December 10, 2008, the Maison du Petit Monde was inaugurated in the presence of numerous institutions and corporate partners and now provides housing for the families of hospitalized children. Three computers were donated to the association in 2008 and made available to families staying at the Maison du Petit Monde, enabling them to continue their professional activities while remaining at their children's side.

le petit monde

"Créé pour l'Enfant et sa Santé"

THE FONDATION PAUL BOCUSE SAVORS CULINARY TRADITIONS

Founded in 2004 by people close to Paul Bocuse, the aim of the Fondation Paul Bocuse is to preserve and transmit the expertise of the hospitality professions. Cegid was one of the founding members of the foundation, which brings together not only men and women in the hotel and restaurant businesses, but also celebrities, corporate leaders and others, all of whom are passionate about the culinary arts.

FONDATION Paul Bocuse

"Acquisitions, alliances and partnerships continued apace in 2008"

Looking beyond the consolidation of Cegid's presence in its flagship sectors, entry into new markets and the development of technology and business partnerships are also **AVENUES FOR NEW OPPORTUNITIES AND GROWTH FOR THE GROUP.**

STRENGTHENED PRESENCE IN THE HOTEL SECTOR WITH GD INFORMATIQUE

Excellence down to the smallest detail.

With the integration of this solutions provider for the hotel and restaurant industry and its 350 customers, **Cegid has enriched the menu of products it offers to the Hospitality** sector (hotels, restaurants and caterers) and strengthened its expertise and its position as a major player in this market segment.

THE FIRST CFO SURVEY

In partnership with consulting company CSC, Cegid has launched the first "Phi survey". **To understand and analyze how the chief financial officer function is evolving,** Cegid is now conducting an annual survey, with the help of TNS Sofres, into the priorities of CFOs. The objective is to equip them with the best tools for success.

Cegid'S LEADERSHIP IN THE RETAIL SECTOR WITH VCSTIMELESS

With its broad international presence, VCSTIMELESS has strengthened Cegid's position as leader in **IT solutions for the Retail industry** and made the Group one of the world's principal players in this market.

WITH CIVITAS, Cegid ENTERS A NEW MARKET: THE PUBLIC SECTOR

Cegid has acquired 100% of Civitas, a provider of business management software for **local authorities and other public entities.** Through this transaction, Cegid has expanded its product range and demonstrated its determination to become a major player in management solutions for the public sector.

A NEW "ALLIANCES AND PARTNERSHIPS" ENTITY

As part of its open strategy efforts to create an ecosystem, Cegid has created an entity dedicated to accelerating the development of alliances and partnerships around four themes: **a closer relationship with consulting companies** to enable them to get to know Cegid better; an ambitious program of building up the competencies of IT service companies **in IT system integration;** application partnerships **with specialized providers and strengthening the network of international partners.**

PARTNERSHIP WITH ARTEM NANCY

Chaire Innovation Entrepreneuriale

Cegid is a founding partner of the Chair for Entrepreneurial Innovation at ARTEM. Since 1983, Cegid has been committed to facilitating the growth of companies and in particular small French companies. We have now reaffirmed that commitment by participating in the ARTEM Chair for Entrepreneurial Innovation (ARTEM is a group of three prestigious schools in the city of Nancy: **ICN Business School, the École Nationale Supérieure des Mines de Nancy and the École Nationale Supérieure d'Art de Nancy).**

TEACHING PARTNERSHIP WITH EMLYON BUSINESS SCHOOL

Cegid and EMLYON Business School have signed a strategic partnership covering the next three years. Cegid and EMLYON Business School will work together along three avenues: train future graduates of the school on new technological tools; **encourage research** into information and communication technologies and innovation in the software industry; help graduates make **their first career move.**

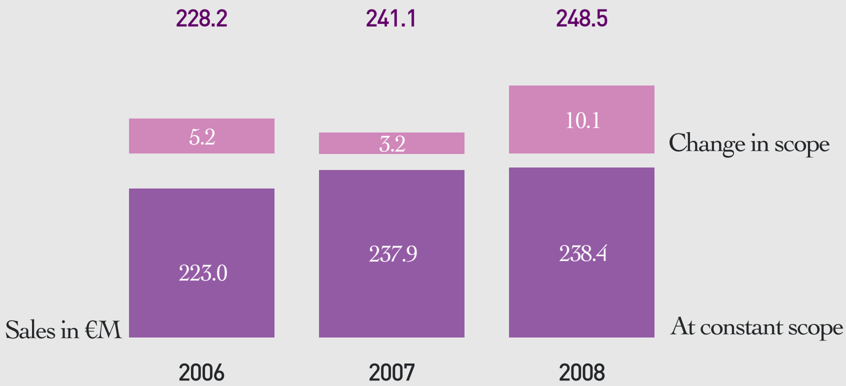
Jean-Michel Aulas to speak at EMLyon Business School - February 5, 2008

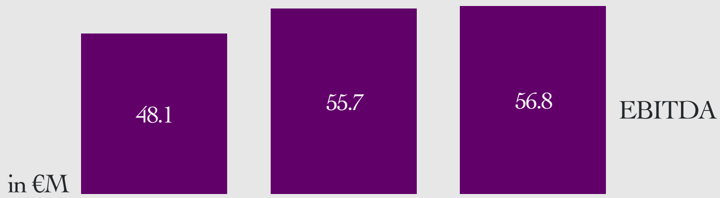
"CPA COMMUNITY", THE NEW LABEL FOR THE JOINT GROUPAMA-Cegid SUITE OF SOLUTIONS

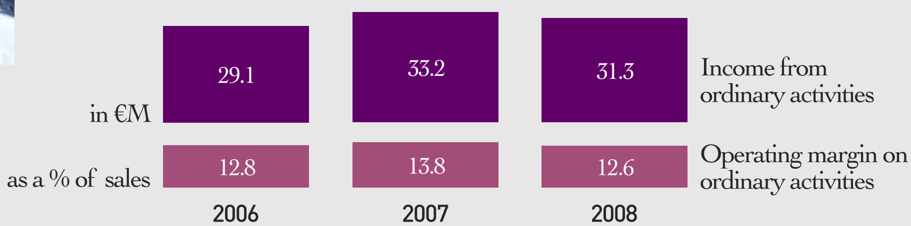
In the context of their strategic partnership, signed at the end of 2007, Groupama and Cegid created a joint venture in November 2008. Comptanoo, now held 50-50 by Cegid and Groupama-Gan Assurances, is the company that embodies this partnership. The objective of this agreement is to make innovative, technological solutions available to CPAs under the "CPA Community" label. www.communaute-experts.com

communauté-experts

SALES AND EARNINGS



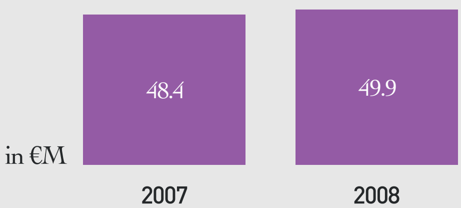




FINANCIAL STRUCTURE

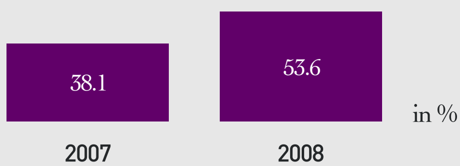
INCREASE IN CASH FLOW*

** After interest and taxes paid*

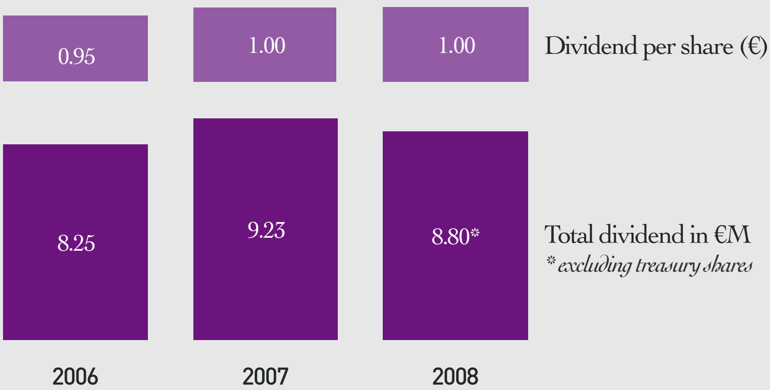


GEARING

Gearing, the ratio of net debt (€83.2 million) to consolidated shareholders' equity (€155.1 million) is 53.6% (38.1% at December 31, 2007).

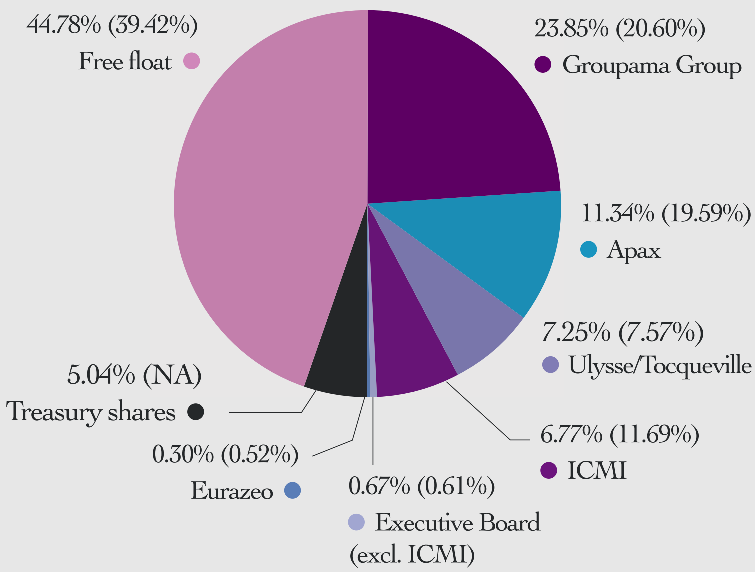


DIVIDENDS



DISTRIBUTION OF SHARE CAPITAL AS OF MARCH 31, 2009

Number of shares (number of voting rights)



Stock market:
Euronext Paris Compartment C

ISIN code:
FR 0000124703

Reuters: CEGI.PA

Bloomberg: CGD FP

ICB: 9537 Software

Indices: Small 90, Mid and Small 190, ITCAC, SBF 250

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

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

Fiscal year 2008

Management report
Financial statements
Legal information

“Table of contents”

2008 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, sales and research activity related to electronic and information technology products; including in particular the manufacture, purchase, sale, trade and maintenance of such products and equipment and, more generally, provide any service in the electronic and information technology fields;
- purchase, sell and operate any kind of information system, both hardware and software;
- trade any kind of information technology equipment and all 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, all industrial and commercial establishments or other premises, production or construction sites, as well as moveable property and equipment;
- obtain or acquire all production patents, licenses, processes and brands, use, sell or contribute them or grant any operating licenses in all countries;
- 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 purposes or facilitate the fulfilment thereof.

Companies register and codes

LYON RCS 327 888 111 NAF code: 6201Z

ISIN code: FR 0000124703

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 financial year commences January 1 and ends December 31 every year.

Distribution of earnings according to the bylaws (article 31)

"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 can 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 21-29 of the bylaws)

Notice of meeting (article 21)

A notice of meeting is published in the BALO (Bulletin of Mandatory Legal Announcements) thirty-five days before the Meeting date and in a journal of legal announcements in the département where the head office is located and in the BALO fifteen days before the Meeting date.

Access to Meetings - Powers (article 23)

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, on the third business day preceding the meeting at midnight, Paris time, either in a registered shares account held by the Company or in a bearer shares account held by the accredited intermediary.

Article 21: Invitation to shareholders' meetings

A notice of meeting is published in the BALO (Bulletin of Mandatory Legal Announcements) at least thirty-five days before the Meeting date and in a journal of legal announcements in the département where the head office is located and in the BALO at least fifteen days before the Meeting date. However, when shareholders are notified through the procedures described in article L.233-32 of the French Commercial Code, the notice must appear in the BALO only fifteen days prior to the Meeting date rather than thirty-five and in a journal of legal announcements in the département and in the BALO only six days prior to the Meeting date.

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 fifteen days by registered letter with return receipt sent 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 time needed to benefit from a double voting right from two years to four years.

Article 25 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 cancelled 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

Following the exercise of Cegid Group redeemable share warrants (BSARs), share capital as of the March 3, 2009 Board of Directors meeting was increased by a par value of €2.85 through the issuance of 3 new shares with a par value of €0.95 each. This increase brought share capital from €8,771,042.20 to €8,771,045.05, divided into 9,232,679 shares with a par value of €0.95 each, and fully paid up.

Un-issued authorized capital

At their May 7, 2008 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 incorporation of reserves, earnings or share premiums, limited to a maximum par value ceiling of €30 million.
- Issue marketable securities without 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.
- Grant subscription-type and/or purchase-type stock options for the benefit of employees and/or executive officers of the companies in the Group.
- Use its authorization to increase or reduce share capital when the shares of the Company are subject to a public takeover offer.

Securities not representing capital

None.

Pledges of "pure" registered Cegid Group shares

As of March 31, 2009, no Cegid Group shares were pledged.

Assets pledged as security

As of March 31, 2009, no Cegid Group assets were pledged.

Securities giving access to share capital

1 - Bonds with Redeemable Share Warrants ("OBSARs")

On March 3, 2009, Cegid Group repaid its outstanding bonds with redeemable share warrants (OBSARs). These represented 2,004,546 bonds with a value of €44.1 million.

Of the 1,519,846 redeemable share warrants (BSARs) in circulation as of March 3, 2009, 360 have been exercised (exercise price: €28.44 per BSAR, giving the right to 1.05 shares). The remaining 1,519,486 BSARs have expired and lost all value.

2 - Cegid Group bonus share plans

- On July 21, 2006, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a Cegid Group bonus share plan.
  The plan initially involved 139,000 Cegid Group shares to be issued to 53 beneficiaries. Given the extent to which the plan's grant criteria had been achieved and the fact that certain persons had lost their beneficiary status, 81,880 shares were granted to 41 beneficiaries at the end of the vesting period, i.e. on July 21, 2008. These beneficiaries met the criteria specified in the plan.
- The Board of Directors, during its meeting of March 20, 2007, making use of the authorization granted by the Special Shareholders' Meeting of June 8, 2005, decided to set up two new Cegid Group bonus share plans. There are two beneficiaries of these two plans, which involve a maximum of 4,000 Cegid Group shares. In early 2008, as one individual no longer met the conditions for beneficiary status, one of the two plans implemented in 2007 became null and void. The second plan, implemented on March 20, 2007, initially involved 2,500 Cegid Group shares to be granted to a single beneficiary. As of the Cegid Group Board of Directors' meeting of March 3, 2009, this beneficiary no longer met one of the conditions of the plan, namely that he be an employee or corporate officer of the Company or of one of its subsidiaries at the vesting date, i.e. on March 20, 2009. As a result, this second plan also became null and void.

In 2008, the Board of Directors of Cegid Group did not use the authorization given by shareholders in the eleventh resolution of their May 7, 2008 Special Meeting to grant new or existing Cegid Group shares.

Consequently, as of March 31, 2009, there was no Cegid Group bonus share plan with unvested shares.

3 - Total potential dilution

As of March 31, 2009, only the exercise of 360 BSARs on March 3, 2009, giving entitlement to 378 Cegid Group shares and not recognized by the Board of Directors as an increase in share capital, can give rise to dilution. As of March 31, 2009, the share capital after the exercise of BSARs yet to be recognized by the Board of Directors would be €8,771,404.15 divided into 9,233,057 shares with a par value of €0.95.

As of March 31, 2009, 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	Incorporation of reserves or premiums	Par value per share	Number of shares	Total number of shares	Total share capital
1983	Creation	F250,000			F100	2,500	2,500	F250,000
	Issuance	F1,250,000			F100			
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 incorporation of share premiums			F14,553,600	F100	145,536	163,728	F16,372,800
	4 for 1 share split				F25	9,950	654,912	F16,372,800
	Employee subscription (stock option plan)	F248,750	F3,825,775		F25	9,950	664,862	F16,621,550
	Issuance	F831,075	F55,682,025		F25	33,243	698,105	F17,452,625
1987	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

CURRENT SHAREHOLDERS AND THEIR VOTING RIGHTS

Shareholders as of March 31, 2009

Shareholder	Number of shares	% of capital	Number of votes	% of voting rights
Groupama group [1]	2,202,531	23.85	2,202,531	20.60
Apax (private equity fund)	1,047,123	11.34	2,094,246	19.59
Ulysse/Tocqueville Dividende/Odyssée [2]	669,458	7.25	809,458	7.57
ICMI [3]	625,138	6.77	1,250,278	11.69
Eurazeo	27,808	0.30	55,616	0.52
Executive Board [4]	62,039	0.67	65,178	0.61
Treasury shares [5]	465,288	5.04	NA	NA
Free float	4,133,672	44.78	4,215,266	39.42
TOTAL	**9,233,057**	**100.00**	**10,692,573**	**100.00**

(1) Groupama corresponds to the following entities: Groupama SA, GAN Assurance Vie, Compagnie Française d'Assurance 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 S.L.C, F.C.P Sphynx Finance).
(3) ICMI, Cegid's lead holding company, is 98.73%-held by Jean-Michel Aulas.
(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, is listed separately in the table. Among the companies comprising the Apax mutual fund, Apax Partners is the Cegid Group Board member and holds only one director's share.
(5) Shares held by Cegid Group in connection with the liquidity contract and the share buyback program.

As of March 31, 2009, there were a total of 10,692,573 exercisable voting rights.

The Company requested a study of identifiable shareholders, which was carried out on January 30, 2009. The results of the study showed that 9,597 shareholders held their shares in bearer form and 951 in nominative form.

SHAREHOLDING CHANGES OVER THE PAST THREE YEARS

Shareholder	% of shares as of 12/31/2006	% of voting rights	% of shares as of 12/31/2007	% of voting rights	% of shares as of 12/31/2008	% of voting rights
Groupama group [1]	NA	NA	17.23	15.84	23.86	20.59
Apax (private equity fund)	17.26	14.40	13.00	11.95	11.34	19.58
Ulysse/Tocqueville Dividende/Odyssée [2]			8.08	8.82	7.33	7.64
Eurazeo	9.19	7.67	6.93	6.37	0.30	0.52
ICMI [3]	20.31	32.91	6.77	12.45	6.77	11.69
Executive Board [4]	0.63	0.55	0.59	0.57	0.67	0.61
Treasury shares [5]	0.28		0.23		4.91	NA
CPAs	0.29	0.50	0.80	0.95	0.79	0.94
Free float	52.04	43.97	46.37	43.05	44.03	38.43
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

This composition of share capital reflects BSAR exercises up to December 31, 2008.

(1) Groupama corresponds to the following entities: Groupama SA, GAN Assurance Vie, Compagnie Française d'Assurance 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 S.L.C, F.C.P Sphynx Finance).
(3) As of 12/31/2008, Jean-Michel Aulas held 98.73% of ICMI.
(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, is listed separately in the table. Among the companies comprising the Apax mutual fund, Apax Partners is the Cegid Group Board member and holds only one director's share.
(5) Shares held by Cegid Group in connection with the liquidity contract and the share buyback program.

No significant variation has occurred between the date the table was prepared and the date the Annual Report was filed.

At March 31, 2009, to the best of the Company's knowledge, the Company's governing bodies held 8.35% of the capital representing 13.09% of the voting rights.

Individuals and legal entities that can exercise direct or indirect control over the Company as of March 31, 2009

To the best of the Company's knowledge, and in view of the current shareholders and their voting rights, as detailed on page 40 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

- On January 7, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 2, 2008 the number of voting rights it held had increased beyond the 5% threshold. At that date, Richelieu Finance Gestion Privée held 553,656 shares, representing 6% of the share capital and 5.49% of the voting rights.
- On January 11, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 9, 2008 its ownership interest had increased beyond the 6% threshold. At that date, Richelieu Finance Gestion Privée held 554,656 shares, representing 6.01% of the share capital and 5.51% of the voting rights.
- On January 25, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 23, 2008 its ownership interest had decreased below the 6% threshold. At that date, Richelieu Finance Gestion Privée held 547,629 shares, representing 5.93% of the share capital and 5.44% of the voting rights.
- On January 29, 2008, Tocqueville Finance informed Cegid Group that the number of voting rights it held had declined below the 8% threshold specified in the bylaws. At that date, Tocqueville Finance held 795,436 Cegid Group shares, representing 7.9% of the voting rights.
- On February 4, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 31, 2008, the number of voting rights it held had decreased below the 5% threshold. At that date, Richelieu Finance Gestion Privée held 497,906 shares, representing 5.39% of the share capital and 4.95% of the voting rights.
- On February 15, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on February 12, 2008 its ownership interest had decreased below the 5% threshold. At that date, Richelieu Finance Gestion Privée held 461,456 shares, representing 4.99% of the share capital and 4.58% of the voting rights.
- On March 3, 2008, Richelieu Finance Gestion Privée informed the Autorité des Marchés Financiers that on February 28, 2008, the number of shares it held had increased beyond the 5% threshold and that it held, for the account it the mutual funds it manages, 461,906 Cegid Group shares, representing 5.03% of the share capital and 4.59% of the voting rights.
- On March 19, 2008, Richelieu Finance Gestion Privée informed the Autorité des Marchés Financiers that on March 14, 2008, the number of shares it held had decreased below the 5% threshold and that it held, for the account it the mutual funds it manages, 456,000 Cegid Group shares, representing 4.94% of the share capital and 4.53% of the voting rights.
- On June 3, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on May 30, 2008, the number of voting rights it held had decreased below the 4% threshold. At that date, Richelieu Finance Gestion Privée held 400,000 shares, representing 4.33% of the share capital and 3.97% of the voting rights.
- On June 10, 2008, the Caisse des Dépôts et Consignations (CDC) informed Cegid Group that its ownership interest had increased beyond the 4% threshold. At that date, CDC held 384,752 shares and voting rights, representing 4.16% of the share capital and 3.82% of the voting rights.
- On June 24, 2008, the Caisse des Dépôts et Consignations (CDC) informed Cegid Group that its voting rights had increased beyond the 4% threshold. At that date, CDC held 410,551 shares and voting rights, representing 4.44% of the share capital and 4.07% of the voting rights.
- On June 26, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on June 24, 2008 its ownership interest had decreased below the 4% threshold. At that date, Richelieu Finance Gestion Privée held 365,000 shares, representing 3.95% of the share capital and 3.63% of the voting rights.
- On October 7, 2008, KBL Richelieu Gestion informed Cegid Group that on October 6, 2008 its ownership interest had decreased below the 2% threshold. At that date, KBL Richelieu Gestion held 177,207 shares, representing 1.92% of the share capital and 1.76% of the voting rights.
- On November 24, 2008, Eurazeo sent a letter to the Autorité des Marchés Financiers, informing it that the number of voting rights it held had increased beyond the 10% threshold and that it held 639,432 Cegid Group shares, representing 1,278,864 voting rights, or 6.93% of the share capital and 10.88% of the voting rights. This threshold disclosure reflected the granting of double voting rights, because Eurazeo held Cegid Group shares in nominative form for four years.
- On November 21, 2008, Apax Partners SA, acting in concert with Altamir Amboise and Apax Parallel Investment I, informed the Autorité des Marchés Financiers that on November 17, 2008, the number of voting rights it held had increased beyond the 15% threshold and that it held in concert 1,047,123 Cegid Group shares, representing 2,094,246 voting rights, or 11.34% of the share capital and 17.82% of the voting rights.
- On December 15, 2008, Eurazeo informed the Autorité des Marchés Financiers that on December 12, 2008 its holdings had decreased below 10% of the voting rights and below 5% of the shares and voting rights, and that it held 27,808 Cegid Group shares, representing 55,616 voting rights, or 0.30% of the share capital and 0.50% of the voting rights. This change came about because Eurazeo sold Cegid Group shares to Groupama in an off-market transaction, which resulted in turn from Groupama exercising the right of first refusal it has under the December 19, 2007 agreements.
- On December 12, 2008, Groupama SA, acting in its own name and on behalf of its subsidiaries, informed Cegid Group that its ownership interest had increased beyond the 18%, 20% and 22% thresholds specified in the by-laws. Its ownership interest and voting rights increased beyond the legal thresholds of 20%. As of December 12, 2008, Groupama and its subsidiaries held 2,202,533 Cegid Group shares.

- In a letter to the Autorité des Marchés Financiers dated December 15, 2008, supplemented by a letter dated December 17, 2008, Groupama made a declaration of intent, indicating that Groupama, Gan Assurances Vie and Gan Eurocourtage Vie, acting as a concert group, did not intend to increase their holding, except for the transfer of free shares under the shareholders agreement (December 19, 2007) and the agreements signed with ICMI, Apax and Eurazeo.
- On March 17, 2009, Tocqueville Finance informed Cegid Group that the number of voting rights it held had declined below the 8% threshold specified in the bylaws. At that date, Tocqueville Finance held 729,601 shares for the mutual funds it manages, representing 7.9% of the share capital.

Agreements between shareholders (article L.233-11 of the French Commercial Code)

Shareholder agreement, signed December 19, 2007, between ICMI SAS [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	% of 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 would 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 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].

Subsidiary agreement, signed December 19, 2007, between ICMI SAS, Groupama SA and Apax (4) and Eurazeo SA

In general, Apax and Eurazeo (the cedants) agree not to sell their Cegid Group shares to an identified third party that would be a competitor of Groupama SA without Groupama's express prior consent.

In the event the cedants plan (i) to sell 3% or less of the shares of Cegid Group to an identified fund whose fund manager is controlled, directly or indirectly, by the same insurance company or same credit institution for a period of six consecutive months, or (ii) to sell more than 3% of the shares of Cegid Group to an unidentified third party, Groupama SA and ICMI shall be notified of the planned sale.

Groupama SA and ICMI would then have a right of first refusal and could, within 48 hours, offer in writing to buy from the cedants all of the shares planned to be sold at a price per share equal to the closing price on the trading day immediately prior to the notification. Such offer shall constitute an irrevocable offer to acquire the block of shares at such price.

Any identified third party that acquires at least 3% of the shares of Cegid Group shall declare that he does not intend to use his shareholder rights to abrogate the strategic partnership [3] and shall obtain the same commitment from any other third party to whom he might sell his shares. This commitment shall remain associated with the Cegid shares for 10 years.

[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.
[4] Specifically the venture capital funds Apax France IV, Apax France VA and Apax France VB, the Delaware law limited partnership Apax Parallel Investment I and the limited share partnership Altamir Amboise SCA, acting separately.

Shareholders are reminded that Eurazeo informed the Autorité des Marchés Financiers that on December 12, 2008 its holdings had decreased below 10% of the voting rights and below 5% of the shares and voting rights, and that it held 27,808 Cegid Group shares, representing 55,616 voting rights, or 0.30% of the share capital and 0.52% of the voting rights. This change came about because Eurazeo sold Cegid Group shares to Groupama in an off-market transaction, which resulted in turn from Groupama exercising the right of first refusal it has under the December 19, 2007 agreements.

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 7, 2008 Shareholders' Meeting.

A new share buyback plan will be proposed to shareholders at their Ordinary Shareholders' Meeting on May 12, 2009. The terms of the plan are presented on page 142 of this Annual Report. Since passage of the " Law for the confidence and modernization of the economy " (N° 2005-842 of July 26, 2005), the approval procedure for the buyback plan prospectus has been eliminated.

TRADING IN THE COMPANY'S SECURITIES

On March 3, 2009, Cegid Group repaid its 2,004,546 outstanding bonds with redeemable share warrants (OBSARs).

The 1,519,486 outstanding redeemable share warrants (BSARs) that were not exercised by March 3, 2009 have expired worthless.

The Cegid Group share (ISIN Code 0000124703) is listed on Euronext Paris Compartment C and is included in the Small 90, Mid and Small 190, ITCAC and SBF 250 indices.

Month	2007				2008				2009			
	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)
January	36.62	33.50	205,867	7.20	31.66	17.51	527,322	11.53	9.05	6.80	107,471	0.85
February	36.00	31.50	141,573	4.90	27.95	20.00	497,869	11.45	7.90	5.95	91,332	0.64
March	35.65	31.20	179,840	6.03	25.23	20.80	169,057	3.87	9.02	6.04	297,605,	2.38
April	37.95	35.25	215,330	7.93	24.60	19.52	208,829	4.66				
May	40.10	37.15	327,853	12.77	22.00	20.02	218,876	4.56				
June	39.00	35.99	252,514	9.41	20.78	18.45	339,936	6.56				
July	48.00	37.45	1,289,435	56.81	19.05	14.25	274,588	4.64				
August	45.40	39.10	277,926	11.84	17.48	16.25	125,124	2.08				
September	43.05	38.78	510,446	21.03	17.00	13.45	229,627	3.41				
October	41.98	38.00	477,029	18.87	14.80	9.31	417,359	4.84				
November	37.71	29.32	607,489	21.01	10.32	8.00	93,655	0.86				
December	32.21	26.00	1,930,700	97.24	8.98	7.80	179,424	1.51				
TOTAL			**6,416,002**	**275.04**			**3,281,666**	**59.96**			**496,408**	**3.87**

Source: Euronext.

The bonds with redeemable share warrants (ISIN Code 0010061846) - March 2004 - are listed on Euronext Paris until March 3, 2009.

Month	2007				2008				2009			
	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)
January	98.60	98.00	6,682	0.145	na	na	-	-	-	-	-	-
February	99.15	98.60	4,837	0.105	96.15	95.20	770	0.074	-	-	-	-
March	98.50	97.54	806	0.017	95.50	95.50	451	0.043	-	-	-	-
April	97.72	97.61	800	0.017	95.51	95.51	25	0.002				
May	98.00	98.00	20	0.000	96.45	96.45	35	0.003				
June	98.50	98.50	250	0.005	97.40	97.40	34	0.003				
July	98.40	98.40	8	0.000	97.95	97.00	352	0.034				
August	98.40	94.55	277	0.006	97.00	97.00	17	0.002				
September	98.40	98.00	256	0.006	97.00	97.00	6	0.001				
October	98.00	97.60	808	0.017	98.00	98.00	242	0.024				
November	97.71	95.70	284	0.006	97.50	97.50	300	0.029				
December	99.00	97.71	276	0.006	98.03	98.03	450	0.044				
TOTAL			**15,304**	**0.331**			**2,682**	**0.260**			**-**	**-**

Source: Euronext.
(1) As a percentage of par (€22).

The redeemable share warrants (BSARs) (ISIN Code 0010061853) - March 2004 - are listed on Euronext Paris until March 3, 2009.

Month	2007				2008				2009			
	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)	Highest €	Lowest €	Volume (shares)	Volume (€ M)
January	8.90	7.03	116,336	0.93	6.10	1.65	144,353	0.392	0.28	0.01	27,548	0.006
February	8.09	6.50	82,979	0.63	4.23	3.00	167,119	0.586	-	-	-	-
March	7.59	6.51	71,246	0.51	2.51	3.70	91,317	0.284	-	-	-	-
April	8.37	7.00	151,952	1.18	2.16	3.09	62,769	0.173				
May	9.45	8.10	200,754	1.79	1.79	2.41	47,860	0.103				
June	9.80	7.90	164,981	1.47	0.90	1.76	58,512	0.070				
July	21.90	9.45	430,917	6.72	0.55	1.10	28,794	0.022				
August	18.75	13.50	124,608	1.97	0.62	0.75	21,978	0.015				
September	16.40	12.00	97,029	1.36	0.43	0.65	41,497	0.020				
October	15.00	11.02	104,247	1.37	0.20	0.43	21,753	0.006				
November	12.39	5.00	86,697	0.63	0.02	0.03	17,836	0.000				
December	6.49	4.55	65,955	0.38	0.01	0.03	13,878	0.000				
TOTAL			**1,697,701**	**18.94**			**717,666**	**1.67**			**27,548**	**0.006**

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/share
On 2004 earnings (1)	€0.80
On 2005 earnings (1)	€0.85
On 2006 earnings (1)	€0.95
On 2007 earnings (2)	€1.00
On 2008 earnings (2)	€1.00

(1) Pursuant to the rules in force since January 1, 2005, this dividend was not accompanied by a tax credit. However, it gave individual shareholders the right to exclude 50% of dividends received from taxable income.
(2) The proposed dividend will be submitted for shareholder approval at the May 12, 2009 Shareholders' Meeting. The amount distributed to individual shareholders as a dividend 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, it provides information after the Board of Directors meets to approve the annual and semi-annual financial statements and through publication of quarterly sales figures, press conferences, SFAF (French Society of Financial Analysts) meetings and press releases. The company also publishes legally required notices in the Bulletin des Annonces Légales Obligatoires (Bulletin of Mandatory Legal Announcements or "BALO").

In 2008 Cegid Group participated in the following events:

- Information meetings: February 29, 2008 and July 23, 2008.
- Meetings organized throughout 2008 by CM-CIC Securities, registrar and transfer agent, and by various brokers who cover the information technology sector and medium-sized companies.

Cegid Group's management has numerous individual contacts on an ongoing basis in the form of meetings and/or telephone interviews with French and foreign financial analysts and money managers.
Press releases and other financial notices are available, in French and English, on Cegid Group's website:
http://www.cegid.com/societe_investisseur.asp

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, 2008.

Against an uncertain economic background, which deteriorated significantly during the second half, your Group demonstrated its ability to generate a favorable level of earnings and pursue its business development strategy, in particular with respect to acquisitions.

The contribution of companies acquired in the third quarter (VCSTIMELESS and Civitas) enabled Cegid to post growth in revenue from "Licenses and integration services" of 6.7% and 6.3% in the fourth quarter and full year 2008, respectively, before adjusting for changes in scope (down 8.7% and up 0.5%, resp. at constant scope).

In addition, initial moves were undertaken in the context of the strategic partnership with Groupama - Gan Assurances and a significant change occurred in our shareholding structure, with Groupama purchasing the stake in the share capital of Cegid Group previously held by Eurazeo.

At €56.8 million, EBITDA was up slightly, while income from ordinary activities totaled €31.3 million and net income of €17.4 million was equivalent to that of 2007.

HIGHLIGHTS OF THE YEAR

2008: Cegid confirms its ability to generate earnings, despite a difficult context

Consolidated 2008 sales up 3.1%

After a fourth quarter sales increase of 6.6% (down 6.2% at constant scope) during which Cegid recorded the positive impact of acquisitions initiated in September 2008 (€9 million) in the Retail (VCSTIMELESS) and public sectors (Civitas), sales over all of 2008 totaled €248.5 million, vs. €241.1 million in 2007, representing growth of 3.1% (decline of 1% at constant scope after taking into account the decline in "Hardware & installation" sales of nearly 17% or €4.2 million).

Despite a slowdown in corporate investments, revenue from "Licenses and integration services" advanced by more than 6% (stable at constant scope). Compared with the previous year it was especially small companies (up 16%) and payroll/HR solutions (up 13%) that drove this favorable sales performance (excl. revenue from recurrent contracts).

Revenue from recurrent contracts (€112 million over all of 2008) represented 45% of total sales, up nearly 6.3% from 2007 (up 3% at constant scope). On Demand (SaaS) contracts alone rose 8%.

The annual portfolio of recurrent contracts totaled more than €120 million as of January 1, 2009.

Favorable Group earnings performance

High value added sales rose, and operating expenses before depreciation, amortization and provisions were kept under control. These factors, together with the contribution of companies acquired in the fourth quarter of 2008, led to consolidated EBITDA of €56.8 million, slightly ahead of the 2007 figure of €55.7 million.

This good control of operating expenses and overheads together with a wider gross margin kept a lid on the breakeven point of sales. As a result, income from ordinary activities was €31.3 million (€33.2 million in 2007), and the margin on ordinary activities was 12.6%, vs. 13.8% in 2007.

Before taking into consideration the impact of the IFRS 2 restatement related to bonus share plans (€0.6 million in 2008 and €1.3 million in 2007) and the impact of the change in capitalized development expenses net of corresponding amortization (€-2.1 million), income from ordinary activities thus restated would have been €34.0 million, a level comparable to that of 2007 (€34.4 million).

Cash flow and net cash from operating activities in line with operating requirements

Cash flow generated by the business rose from €52.5 million in 2007 to €56.5 million. After interest and tax paid, cash flow totaled €49.9 million, vs. €48.4 million in 2007.

After taking into account the increase in working capital requirements of €6.7 million (decrease of €6.9 million in 2007), of which €5.2 million reflected acquisitions in September 2008, net cash from operating activities stood at €43.2 million.

Partnership between Cegid and Groupama - Gan Assurances

Implementation of the strategic agreement between Cegid and Groupama - Gan Assurances

Signed in December 2007, this agreement, designed to address the needs of advisory firms, and in particular of CPAs and their 2.5 million small and mid-sized business clients, was implemented in 2008, with the achievement of certain milestones.

The project is articulated around the joint development and distribution of innovative, collaborative tools to meet corporate needs and expectations in the fields of property, health and life insurance.

Specifically, Cegid and Groupama - Gan Assurances, by combining their respective skillsets, have developed and launched the first decision-support tool, intended for CPAs and used to determine the legal status an business owner-executive should adopt.

This first decision-support tool automatically integrates the accounting data and corporate structure information that CPAs already have regarding their clients. It is part of a value-added process enabling the CPA to use this information to develop and obtain complementary advisory assignments.

Other tools will be added in 2009 with the same value-creation objective. They will calculate retirement bonuses, optimize the business owner's salaried compensation, or assess a farmer's need for death and disability insurance, for example.

Also in 2008, Cegid's subsidiary Comptanoo, the main internet portal for France's smallest companies to access solutions combining the ASP usage mode with a package of online services (www.comptanoo.com and www.club-comptable.com), became a 50/50 joint venture between Cegid and Groupama - Gan Assurances.

The joint venture will continue developing interactive solutions for companies and their professional advisors and will retain the intellectual property rights associated with the products and services that derive from the strategic agreements.

Comptanoo will design the "Expert community" portals dedicated to the accounting profession and the "Comptanoo" portals for small and mid-sized companies so as to make a full range of content and practical tools available, thereby fostering the exchange of information and promoting the products of Cegid and Groupama - Gan Assurances.

To accompany the roll-out of these new products and services, the sales teams of Cegid and Gan Assurances have taken advantage of synergies. The two companies will jointly address CPAs and encourage Gan Assurances insurance agents to propose Cegid IT solutions to their small business customers.

Finally, seeking to position itself in other markets that benefit from Groupama's presence and expertise, Cegid entered the promising local authorities market in the third quarter by acquiring Civitas, a leading provider for this segment.

In agriculture, Groupama's traditional segment, Cegid integrated functionality meeting the specific needs of businesses in this sector into its solutions for CPAs specialised in agriculture (accounting services of France's rural economy centers). In the context of the strategic agreement, Cegid will develop more tools for this market in 2009 with the expertise and support of Groupama, and create any additional partnerships that would enable it to consolidate its positions.

Tangible results from the agreements announced at the end of 2007 are expected to increase business referrals and volumes in the near term.

Change in Groupama's stake in the share capital of Cegid Group

Groupama held 17.23% of the shares and 15.85% of the voting rights of Cegid Group from December 19, 2007 until December 12, 2008, when these percentages were increased to 23.86% and 19.76%, respectively [(1)].

This change came about because Eurazeo sold Cegid Group shares to Groupama in an off-market transaction, which resulted in turn from Groupama exercising the right of first refusal it has under the December 19, 2007 agreements. Consequently, Eurazeo's stake decreased from 6.93% to 0.30% of the shares and from 6.64% to 0.52% of the voting rights.

As part of the agreements between Groupama on the one hand and ICMI, Apax and Eurazeo on the other, the number of shares sold to Groupama in December 2007 (1,590,909 Cegid Group shares) might increase depending on the price of Cegid Group shares, according to the following mechanism:

- reference period: average Cegid Group share price during the months of April, May and June 2009;
- if the weighted average price is equal to or greater than €41, no additional shares;
- if this same price is less than or equal to €31, Groupama will receive an additional 280,000 shares;
- if the price is between €31 and €41, proportional adjustment in the number of additional shares.

Of these additional shares, ICMI would contribute 200,000, Apax Partners 52,193 and Eurazeo 27,807. If the mechanism were implemented in its entirety, Groupama would hold, on the basis of current shareholdings, 26.89% of the shares and 23.83% of the voting rights of Cegid Group.

(1) Based on the ownership threshold disclosure made to the Autorité des Marchés Financiers, calculated on the most recently-published number of voting rights as of that date.

Acquisition and partnership strategies to continue

Acquisition of VCSTIMELESS - Leadership position for Cegid in software solutions for Fashion and Retail sectors and consolidation of international presence

On September 30, 2008 Cegid finalized the acquisition, announced on September 17, 2008 of 100% of the shares of the French company Timeless SA (Timeless France and its subsidiaries and affiliates VCS Timeless Italia SRL, VCS Timeless Japan and ISTimeless-Portugal), 100% of the shares of Timeless Premiere (Spain) and the commercial goodwill of VCS Timeless Ltd (United Kingdom), now operated as Cegid Limited, a company created for this purpose.

Founded in 1980, VCSTIMELESS is a long-standing provider of software to specialist retailers and fashion companies.

The company has an installed base of 450 customers, representing more than 10,000 points of sale in 60 countries.

It has a direct presence in France the United Kingdom, Spain, Portugal, Italy and Japan and is present in other countries via partners.

With this transaction, Cegid strengthens its position as leader in the Fashion and Retail sectors, with total proforma post-transaction sales of more than €45 million, representing 1,000 banners and more than 20,000 stores.

This transaction will also enable Cegid to **1)** accelerate international business development in the countries where the two companies are already present either directly or through other business partners, **2)** strengthen the Group's industry-specific expertise in Fashion and Retail by integrating teams of specialists in these areas and **3)** offer its customers and prospects a broadened range of industry-specific modules supported by the complementary nature of the two companies' product ranges and in particular through its knowledge of service-oriented architecture.

Through this merger, VCSTIMELESS will also make Retail software solutions available to VCS Timeless' customers in On Demand mode, thanks to Cegid's expertise in hosting and web access technologies, and it will pool its resources with Cegid, enabling it to rapidly achieve the Group's profitability standards.

In the fourth quarter, the business development momentum was positive and Cegid began to implement its merger expertise. These factors led to an economic and financial turnaround, and confirming that this transaction will make a positive contribution to the Group beginning in 2009.

Acquisition of Civitas: expansion of the Group's product line for public sector entities

On September 24, 2008, Cegid announced that it had acquired 100% of the shares of Civitas, a provider of business management software for local authorities and other public entities. Through this transaction, Cegid has expanded its product range and demonstrated its determination to become a major player in management solutions for the public sector.

Civitas produces and distributes business management software in four functional areas: finance, human resources, technical services and general services.

Founded in 1992, Civitas has 130 employees and achieved sales of €13 million in 2007, more than 30% of which derived from recurrent contracts. It is based principally in Cergy Pontoise but is also present in Lyon, Bordeaux and Nantes. Cegid already has a presence in these cities, and intends to benefit from synergies.

Civitas is growing at an average annual rate of more than 9% p.a., in excess of the market average. The sector is experiencing a rapid increase in IT investment.

The company has an installed base of more than 800 customers including some significant and prestigious ones: the cities of Lille, Levallois-Perret, Boulogne-Billancourt and Villeurbanne, the metropolitan communities of Strasbourg and Bordeaux, the General Councils of the Moselle, Jura and Indre départements, the Regional Councils of the Centre, Basse Normandie and Haute Normandie regions of France and 300 public organizations and similar entities.

With a market share of more than 30% in certain segments, Civitas is one of the fastest-growing companies in its market, and its full web (2JEE) version gives it a definite technological edge.

This transaction will lead Cegid to expand its expertise in HR/payroll and accounting solutions for local authorities (80% of Civitas' sales derive from these two functional areas). These solutions are increasingly similar to their private sector counterparts, where Cegid has acquired experience enabling it to develop potential synergies with complementary products, in particular CRM, consolidation or dematerialization.

Beginning in 2009, Cegid will contribute its know-how in operating IT systems in SaaS mode, so as to offer an alternative, hosted distribution model and to consolidate its presence in certain market segments such as chambers of commerce or subsidized housing.

In addition, Cegid will be able to call upon the expertise and presence of Groupama in dealing with local authorities, a sector that represents a volume of business in software and IT services of more than €500 million (source: PAC).

Acquisition of GD Informatique: Cegid strengthens its position in the hospitality sector, specifically for independent hotels

On April 9, 2008, Cegid acquired 100% of the shares of GD Informatique, a provider of enterprise solutions for independent hotels (sales of €1.5 million in the fiscal year ended March 31, 2008, 350 customers on recurrent contracts, 18 employees).

Cegid thereby strengthened its position as a major player in the hotel-restaurant market. Its annual sales to this market, including GD Informatique, now total €7 million.

This acquisition will enable Cegid to win market share by expanding sales of WinHôtel+ and WinRestau, GD Informatique's solutions for independent hotels, and to strengthen its partnerships with various voluntary networks, in France and abroad, such as the Fédération Internationale des Logis and their "Logis de France" banner). It will also allow Cegid to offer GD Informatique's customers complementary accounting and HR solutions from the Cegid range.

Another objective is to create a new business model for independent hotels, by launching a SaaS solution in 2009 (On Demand, ASP). Finally, the deal feeds into the partnership between Cegid and Groupama - Gan Assurances, by making a complete solution available to entrepreneurs and SMEs in the hospitality sector.

Expansion of the Finance-Tax product line: exclusive mid-market distribution agreement with Altaven, leading provider of tax consolidation software (Optim'is)

Building on its already strong presence vis-à-vis large companies through its tax solutions (Etafi, Etafi.fr, Profin, etc.), Cegid signed an exclusive distribution agreement in March 2008 with Altaven, covering the middle market segment. Altaven is the provider of the Optim'is tax consolidation software.

Through this agreement, Cegid will offer users of both Cegid Etafi and Optim'is an inter-solution communication interface to simplify and automate the exchange of information between the parent company using Optim'is and the subsidiaries using Etafi or Profin to the maximum extent possible. The Optim'is solution will also be adapted to middle-market groups and CPA firms.

This partnership represents the culmination of ten years of collaboration between Cegid and the Altaven management team. In this context, Cegid will take a minority stake (5%) in the share capital of Altaven.

International expansion

Cegid's international expansion is based on three strategic priorities:

- become a world-class player in management solutions for the Fashion and Retail sectors;
- accompany customers and enable them to deploy their business management solutions on the three principal continents (North America, Europe, North Africa and Asia-Pacific);
- become the leading provider of solutions for the accounting profession in French-speaking countries.

In 2008, Cegid's presence on the four continents where it is present (Europe, North America, North Africa and Asia-Pacific) move up a notch by combining organic growth, partnerships and acquisitions in the Fashion and Specialist Retail sectors.

Europe

New office in Milan

In the Spring of 2008, Cegid opened an office in Milan. It has two objectives: **1)** foster the deployment of Cegid solutions in the various fashion and specialist retail outlets present in Italy and **2)** build a network of distributors for the Cegid Business Mode and Cegid Business Retail solutions so as to penetrate the big Italian fashion and luxury goods companies.

Acquisition of VCSTIMELESS

Through this acquisition, Cegid strengthened its presence in Spain and Italy and entered the Portuguese and UK markets, thereby adding to its position as leader in IT solutions for the Retail sector.

Cegid's Retail solutions are now available in 25 languages and more than 60 countries.

Distribution agreement in Spain with Novatec

Already present in Spain, Cegid signed a distribution agreement with Barcelona-based Novatec, a company recognized as a regional specialist in integration, consulting and implementation of IT systems for the clothing and retail industries.

According to the terms of the agreement, Novatec will sell the Cegid Business Mode et Cegid Business Retail vertical ERP solutions to Spanish fashion and specialist retail companies.

Through this agreement, Cegid has entered a new phase in its expansion into the Iberian peninsula, characterized by a determination to move closer to customers and adapt its products even more to the local market by relying on local expertise and integrating it into a nationwide network of resellers.

North Africa

Development of partnerships

Tunisia

Cegid strengthened its ties with Timsoft around its vertical market solutions for manufacturing and for retailing. Official Cegid partner in Tunis, Timsoft has localised Cegid PMI, a solution particularly well suited to SMEs with 50-300 employees, Cegid Business Mode, Cegid Business Retail and Cegid Expert, a product for local CPAs. Rich in functionality, easy to deploy and low-cost, these solutions are starting to be recognized as standards on the Tunisian market.

Algeria

On the strength of its success in these segments in Tunisia, Cegid signed a partnership agreement with Progisys in April 2008. Under the agreement, Progisys will ensure the localisation, sale, deployment and first-level support for the same products in Algeria.

Morocco

In Morocco, Cegid strengthened the ties it has forged over the past 11 years with Advansys, a specialist in IT solutions in the local market. Advansys has sold Cegid Business Mode at 60 points of sale and has won five new customers in the textile industry with the Cegid Orliweb solution. Advansys also has expertise in Cegid Manufacturing, which it has already sold to 10 customers.

Cegid has also signed an agreement with S'Experts to localize and sell Cegid's accounting solutions in Morocco to CPAs and their corporate clients.

Solutions localized for CPAs

Cegid Expert solutions are now available in the Tunisian, Algerian and Moroccan markets. All modules were localized in collaboration with Tunisian, Algerian and Moroccan accounting firms who are already familiar with Cegid Expert and the accounting specificities of their countries. These products complement the vertical solutions already well-known in these three countries.

North & Central America

More than 200 sites in North America and a fresh footprint in Central America

Cegid is reaping the benefits of its strategy to accompany its customers abroad. In the first half of 2008, Cegid equipped its 150th customer site in the United States and 50 boutiques in Central America, in Panama and Mexico.

Fifteen North American store chains and brands already use Cegid Business Mode, Cegid Business Retail and Cegid Orliweb solutions for production and trading.

ERA Consulting Canada

To strengthen its presence and step up its business development in North America, Cegid entered into a technology, sales and marketing partnership in 2007. Since then, in accordance with the terms of the agreement and in close collaboration with Cegid, ERA Consulting Group has localized Cegid Business ERP. In 2009, ERA Consulting Group will ensure the distribution, deployment and first-level support for Cegid Business solutions in North America (United States and Canada).

Asia

The acquisition of VCSTIMELESS opens the door to Japan

Cegid has also consolidated its presence in the Asia-Pacific region with its recent purchase of VCSTIMELESS, a provider specialized in the fashion and retail markets. VCSTIMELESS has had a direct presence in Japan since it opened an office there in early 2008.

With all of these initiatives, Cegid can now manage both global and local customers, either by a network of structured subsidiaries in the United Kingdom, Italy, Spain, Portugal, North Africa, China, Japan, Singapore and the United States or through its 20 partners throughout the world.

Presence in Singapore

Following the creation of Cegid Software in Shenzhen in 2008, Cegid opened an office in Singapore in April 2008. The Group aims to accompany customers who have chosen Cegid for the deployment of their network in the Asia-Pacific region (Singapore, Taiwan, Malaysia, Korea, Japan, Australia) and to develop partnerships with major market participants, such as integrators and resellers, active in all or part of the territory covered by the Singapore office.

Strategic partnership with Tectura

In June 2008, Cegid signed a strategic partnership with Tectura, an integrator of IT solutions with more than 1,800 employees and a worldwide presence. Tectura's ten offices in the Asia-Pacific region give it a strong presence there. Tectura will integrate Cegid Business Mode and Cegid Business Retail into the catalog of applications it offers in this market and will also create a new Cegid center of excellence in Asia articulated around Cegid solutions. The consultants of this new center will be based in Hong Kong, Tokyo, Seoul, Singapore, Shanghai and Taipei. They will work closely with Cegid offices in Asia (China and Singapore) on deployment, technological and business development and support for projects in the region.

Cegid is pursuing its initiatives in the academic world with "Cegid Éducation"

Launched in 2004, the Cegid Education program enables high schools, universities, and graduate schools to put management solutions tailored to technological change and to the needs of business in the hands of tomorrow's professional users. More than 10,000 students have been trained on Cegid solutions so far.

The second Cegid Education Forum was held in the first quarter of 2008 in the presence of Claude Allègre, former Education Minister, and Henri Lachmann, Chairman of the Supervisory Board of Schneider Electric. It brought together secondary and higher education professionals, representatives of the Ministry of Education and corporate executives.

For Cegid, the Forum was an opportunity to open a dialog through a round-table discussion entitled "Let's think employability and give students the keys to success". Debate focused on young people's current employment situation and speeding up the integration of new technologies in school curriculums.

CONSOLIDATED SALES AND EARNINGS

The Group's consolidated 2008 financial statements have been prepared, pursuant to EC regulation 1606-2002, in accordance with IFRS and interpretations published by the IASB and the IFRIC and adopted by the European Commission as of December 31, 2008.

Fiscal year 2008

Consolidated sales: up 3%, including a 6% rise in "Licenses and integration services"
Favorable earnings, given the second-half economic conditions.
Income from ordinary activities: €31.3 million (€33.2 million in 2007).
Income from ordinary activities: 12.6% of sales (13.8% in 2007).
Net cash from operating activities : €43.2 million.

Consolidated figures in € M	2008	2007	Change
Sales [(1)]	248.5	241.1	+ 3.1%
EBITDA	56.8	55.7	+ 1.8%
Income from ordinary activities	31.3	33.2	- 5.6%
As a % of sales	12.6%	13.8%	
Operating income	30.5	33.1	- 7.9%
Net financial expense	- 5.5	- 5.7	ns
Income tax	7.6	9.7	- 21.8%
Net income attributable to parent company shareholders	17.4	17.7	- 1.8%

[(1)] Net effect of changes in the scope of consolidation over the full year: €9.7M.
2007: AS INFOR (1st quarter): €1.2M; sale of the specialized hardware direct sales business and related services as of April 1, 2007: €-1.4M
2008: GD Informatique (April): €0.9M; VCSTimeless (October): €3.8M, Civitas (October): €5.2M.
Sales for all of 2008 reflected the decline, unadjusted for changes in scope, of the "Hardware and installation" business of €4.5M (€4.2M at constant scope).

Consolidated income statement

Consolidated 2008 sales totaled €248.5 million, vs. €241.1 million in 2007, representing growth of 3.1% (decline of 1% at constant scope after taking into account the decline in "Hardware and installation" sales of nearly 17% or €4.2 million). Companies that entered the scope of consolidation during the year contributed to consolidated sales as follows: GD Informatique (April 1 to December 31) €0.9 million, VCSTIMELESS and Civitas (October 1 to December 31) €9.0 million.

Revenue from "Licenses and integration services" advanced by more than 6% (stable at constant scope). Compared with the previous year and against a background of slowing corporate investment, it was especially small companies (up 16%) and payroll/HR solutions (up 13%) that drove this favorable sales performance (excl. revenue from recurrent contracts).

Revenue from recurrent contracts (€112 million in 2008) represented 45% of total sales, up nearly 6.3% from 2007 (up 3% at constant scope). "On Demand" software as a service (SaaS) contracts alone rose 8%. The portfolio of recurrent contracts totaled more than €120 million as of January 1, 2009.

EBITDA, a measure of the Group's cash generating capacity, was €56.8 million, or 22.8% of sales (€55.7 million, or 23.1% of sales in 2007).

Income from ordinary activities totaled €31.3 million (€33.2 million in 2007) after recognition of the following items:

- €26.7 million in depreciation, amortization and provisions (up €4.5 million from 2007),
- €0.6 million in bonus share plan costs for grants of fully-

vested shares in July 2008, effected by using treasury shares acquired under the share buyback program,

- €0.7 million in negative goodwill from the acquisition of VCSTIMELESS recognized in income and
- €0.7 million in losses at VCSTIMELESS (October 1 to December 31).

Companies that entered the scope of consolidation during the year contributed €1.6 million to income from ordinary activities.

Consolidated income from ordinary activities stood at 12.6% of consolidated sales (13.8% in 2007) and at 12.8% before the impact of IFRS 2 restatement related to bonus share plans (14.3% in 2007).

Excluding the 2008 increase in amortization of development costs, income from ordinary activities totaled €33.8 million, representing a consolidated margin on operating activities of 13.6% of consolidated sales.

Operating income totaled €30.5 million (€33.1 million in 2007) and included the following "other operating income and expense" items:

- Timeless reorganization plan (€-1.5 million);
- part of the negative goodwill from the acquisition of VCSTIMELESS (€1.4 million);
- write-down of intangible assets related to discontinuation of the development of a product range (€-0.5 million);
- additional payroll expenses related to the 2005 reorganization plan (€-0.1 million).

Net financial expense included principally interest paid on OBSAR bonds and the syndicated line of credit and interest earned on invested cash. Net financial expense totaled €5.5 million in 2008 (€5.7 million in 2007).

The tax rate applied in 2008 for the calculation of deferred taxes was 34.43%, the same as in 2007. Deferred tax assets totaled €1 million and related principally to Timeless' tax-loss carry forwards, less deferred tax liabilities related to companies that entered the scope of consolidation in 2008.

Net income totaled €17.4 million, compared with €17.7 million in 2007. Consolidating GD Informatique, Civitas and the companies of the VCSTIMELESS Group had the effect of increasing consolidated net income by €1.8 million in 2008.

Consolidated balance sheet: sound financial structure and gearing

Shareholders' equity before allocation of earnings totaled €155 million. After including medium-term bank loans and provisions for contingencies and losses, long-term capital totaled €207 million. Non-current assets totaled €260.3 million at December 31, 2008 and included €51.1 million in investment in software development and €187.5 million in goodwill.

Gearing, the ratio of net debt (€83.2 million at 12/31/2008 and €59.5 million at 12/31/2007) to consolidated shareholders' equity (€155 million) was 53.6% at December 31, 2008, vs. 38.1% a year earlier, after accounting for the financing of investments, acquisitions realized in 2008 and share buybacks (€56.3 million) carried out during the year.

In addition, since July 2006 Cegid has had a €200 million syndicated line of credit available to it. The line had an initial maturity of five years, increased to seven years. The facility is extended by an eight-bank syndicate coordinated by CIC Lyonnaise de Banque, with CM-CIC as mandated arranger and Crédit Lyonnais and Société Générale as co-arrangers. The other participants are Natixis Banques Populaires, BNP Paribas, HSBC, Fortis Banque and Banque Rhône-Alpes.

This line of credit ensures the Group the capacity to finance its investment needs in the years to come, in particular related to acquisitions. Drawdowns under the facility totaled €43 million as of December 31, 2008.

Cash flow statement

Net cash from operating activities reached €43.2 million (€55.3 million in 2007). The change derived essentially from an increase in working capital requirements of €6.7 million in 2008, which in turn included the effects (€5.2 million) of the acquisitions carried out in September 2008.

This cash flow was used to finance a part of capital expenditures. These consisted primarily in development costs for new software products (€25.5 million). It was also used to finance acquisitions (€19.6 million) and the dividend paid by Cegid Group. Net debt increased by €23.7 million, from €59.5 million at 12/31/2007 to €83.2 million at 12/31/2008, as a result of acquisitions (€19.6 million) and repurchases of Cegid Group shares (€8.9 million).

Repayment of the bonds with redeemable share warrants (OBSARs) issued in March 2004.

On March 3, 2009, Cegid Group repaid its outstanding bonds with redeemable share warrants (OBSARs). These represented 2,004,546 bonds with a value of €44.1 million. These bonds were refinanced with drawdowns under the syndicated line of credit.

The 1,519,846 redeemable share warrants (BSARs) in circulation that have not been exercised as of March 3, 2009 will expire worthless (exercise price: €28.44 per BSAR, giving the right to 1.05 shares).

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 2008, Cegid Group achieved revenues of €4.3 million, consisting of fees for corporate expenses and brand image costs (€4.2 million in 2007).

Cegid Group posted an operating loss of €0.1 million (loss of €0.1 million also in 2007) and net income of €12.9 million (€16.8 million in 2007) after accounting for the payment of dividends from subsidiaries, which totaled €14.4 million. As of December 31, 2008, shareholders' equity stood at €126 million (€122.2 million at December 31, 2007) and net debt, which included €43 million in drawdowns under the syndicated line of credit, totaled €85.8 million.

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 expenses in the meaning of article 39.4 of the same Code.

SUBSIDIARIES

Principal operating subsidiaries

Subsidiaries of Cegid Group

Cegid SA

- Timeless (France)
  The sales and results of VCSTIMELESS, whose economic and financial condition was severely compromised, are in line with the targets set when Cegid acquired the company on September 30, 2008.
  In 2008, Timeless posted sales of €13.9 million.
  To simplify the Group's legal structure, all assets and liabilities of Timeless, 100%-held by Cegid SA since September 30, 2008, were transferred to Cegid SA as of December 31, 2008.
- Business
  Sales in 2008 totaled €220.4 million (vs. €217.5 million in 2007).
  These sales also included those of Servant Soft, Magestel, CGO Informatique and FCRS, which are operated under lease-management agreements.
  In 2008, operating income totaled €21.8 million (€23.6 million in 2007) and net income was €8.8 million (€19.5 million in 2007).
  At December 2008, shareholders' equity stood at €120 million (€121.2 million at December 31, 2007). Net cash at December 31, 2008 was €0.3 million.

Quadratus

Sales in 2008 totaled €21.1 million (€19.3 million in 2007), operating income was €7.9 million (€6.6 million in 2007) and net income was €5.0 million (€4.1 million in 2007). As of December 31, 2008, shareholders' equity stood at €7.9 million and net cash at €7.4 million after payment of a €4.1 million dividend to Cegid Group during the year.

Civitas

On September 24, 2008, Cegid Group acquired 100% of the shares of Civitas, the leading French provider of business management software for local authorities and other public entities.

Sales of Civitas, consolidated from October 1, 2008, totaled €5.2 million for the period from October 1 to December 31, 2008. Over all of 2008, sales totaled €13 million. Operating income for the period from October 1 to December 31, 2008 was €1.7 million, keeping in mind that there is a strong seasonality effect in fourth quarter sales. Operating income for all of 2008 was €0.3 million. Net income for the period from October 1 to December 31, 2008 was €1.6 million (€0.1 million for all of 2008).

At December 31, 2008, shareholders' equity was €2.4 million and net cash was €0.2 million.

Subsidiaries of Cegid SA

French subsidiaries

Aspx

Aspx did not have any activity other than managing its stake in Comptanoo, the main internet portal for France's smallest companies to access solutions combining the ASP usage mode with a package of online services (www.comptanoo.com and www.club-comptable.com).

In accordance with agreements between Cegid and Groupama - Gan Assurances in December 2007 and to ensure the continued development of ASP-mode products and online services for small companies (www.comptanoo.com et www.club-comptable.com), Aspx, Cegid and Cegid Group have signed an agreement, subject to certain conditions precedent, to sell 50% of Comptanoo too Groupama - Gan.

As a result, Comptanoo has become a 50-50 joint venture between Aspx, 100%-owned by Cegid, and Groupama - Gan Assurances.

One of the conditions precedent, that authorization is obtained from the Ministry of the Economy pursuant to article L.430-4 of the French Commercial Code, was lifted on January 2, 2009.

In accordance with the agreement signed on November 27, 2008, ownership and all other rights attached to the shares sold were transferred retroactively as of November 1, 2008.

Comptanoo

Comptanoo, a developer of collaborative, ASP-mode enterprise software for small companies, acquired in December 2006 and held by Aspx from end-2007, achieved sales of €1.33 million in 2008 (€0.6 million in 2007). The company posted operating income of €0.12 million (loss of €0.2 million in 2007) and net income of €0.21 million (loss of €0.2 million in 2007).

As a result of the joint venture being created and in light of the respective businesses of Cegid (enterprise software), Groupama - Gan (insurance) and the joint venture (interactive portals), Comptanoo's net income included €0.1 million from the sale to Cegid of recurrent contracts deriving from its previous enterprise solutions business.

At December 31, 2008, shareholders' equity was €0.25 million, following the restructuring of share capital, as explained above, and net cash was €0.1 million.

In accordance with the agreements between Cegid and Groupama - Gan related to this joint venture, as of January 1, 2009, Cegid Group began accounting for Comptanoo using the equity method. Previously Comptanoo was fully consolidated.

I&C

Informatique et Communications (I&C), specialized in enterprise solutions for winegrowing companies, posted 2008 sales of €0.2 million (€0.2 million in 2007), operating income of €0.03 million (€0.03 million in 2007) and net income of €0.03 million (loss of €0.03 million in 2007). At December 31, 2008, shareholders' equity stood at €-0.04 million.

GD Informatique

GD Informatique posted sales for the period from April 1 to December 31, 2008 of €1 million (€1.5 million from April 1, 2007 to March 31, 2008), an operating loss of €0.07 million (income of €0.3 million from April 1, 2007 to March 31, 2008) and a net loss of €0.1 million (net income of €0.2 million from April 1, 2007 to March 31, 2008). At December 31, 2008, shareholders' equity stood at €0.3 million.

International subsidiaries

Europe

Spain

Cegid Spain

Cegid Spain is a company organized under Spanish law formed in February 2002 and 100%-owned by Cegid. In 2008, a new organization was implemented and Barcelona-based sales and marketing was expanded. Sales totaled €0.4 million, a rise of 20% from 2007. A strategy to sign contracts with VARs (value-added resellers) was implemented in the second half of the year, which should bolster this favorable trend.

ASInfor Innovating Retail (Spain)

AS Infor Innovating Retail, a Barcelona-based 100% subsidiary of Cegid SA, did not have significant activities of its own in 2008, as customers based in Spain were mostly handled directly by the Retail division of Cegid. To simplify the legal structure, the company will be consolidated with Cegid Spain in 2009.

Timeless Premiere

With the acquisition of 100% of the shares of Timeless by Cegid SA, VCS Timeless Première (Spain) has been consolidated by Cegid Group since October 1, 2008.

For the period from October 1 to December 31, 2008, the company's sales totaled €0.3 million, resulting in an operating loss of €0.2 million and a net loss of €0.13 million.

At December 31, 2008, shareholders' equity was €-2.82 million and net cash was €0.1 million.

To simplify the legal structure, the company will be consolidated with Cegid Spain in 2009.

Italy

VCS Timeless Italy

As a result of Cegid SA acquiring 100% of the shares of Timeless, VCSTimeless Italy has been consolidated by Cegid Group since October 1, 2008.

For the period from October 1 to December 31, 2008, the company's sales totaled €0.3 million, resulting in an operating loss of €0.06 million and a net loss of €0.05 million.

At December 31, 2008, shareholders' equity was €-0.3 million and net cash was €0.03 million.

United Kingdom

Cegid Limited

As a result of Cegid SA acquiring 100% of the shares of Timeless, the Retail business (VCSTIMELESS) in the UK was acquired by Cegid Limited, a company created for this purpose, with the objective of expanding the Retail product range.

The company entered the scope of consolidation as of October 1, 2008.

For the period from October 1 to December 31, 2008, the company's sales totaled €0.2 million, while operating income and net income were at breakeven.

At December 31, 2008, shareholders' equity was €0.1 million and net cash was €0.1 million.

North America

Cegid Corporation

Cegid Corporation, a US company formed in July 2001 and 100%-held by Cegid, operates in North America. Sales totaled €0.39 million, a rise of 17% from 2007.

Asia

Cegid Hong Kong Holdings Limited – Cegid Software (Shenzhen)

Following the 2007 creation of Cegid Hong Kong Holdings Limited to head the operational structure in China, Cegid Hong Kong created Cegid Software Company Limited (Shenzhen) in July 2008, 100%-held by Cegid Hong Kong Holdings Limited.

In 2008, a team of professionals with expertise in retailing was put together, and some initial sales contracts were signed. Given that it was created recently, its total sales figure is not significant.

Other companies in the scope of consolidation

Servant Soft

Sales of Servant Soft totaled €1.3 million and consisted essentially of lease-management fees, approved by the Board of Directors on December 9, 1999 and paid by Cegid. Servant Soft's net income was €1.3 million.

FCRS

Sales of FCRS totaled €0.2 million and consisted essentially of lease-management fees, approved by the Board of Directors on November 15, 2005 and paid by Cegid. Net income totaled €0.1 million.

Magestel
The only business activity of Magestel, 100%-held by Cegid, is the leasing of its assets to Cegid. The related lease-management contract was approved by the Board of Directors on July 23, 2002. In 2008, Magestel posted sales of €0.1 million and net income of €0.1 million.

CGO Informatique
The only business activity of CGO Informatique, 100%-held by Cegid, is the leasing of its assets to Cegid.

The related lease-management contract was approved by the Board of Directors on December 22, 2004. In 2008, Magestel posted sales of €0.05 million and net income of €0.05 million.

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

VCS Timeless Japan
As a result of Cegid SA acquiring 100% of the shares of Timeless, VCS Timeless Japan is now 100%-held by Cegid. Given that it was created recently, its total sales figure is not significant.

ISTimeless-Portugal
As a result of Cegid SA acquiring 100% of the shares of Timeless and its assets being transferred to Cegid SA, ISTimeless-Portugal was held by Cegid SA on December 31, 2008. Previously, ISTimeless-Portugal was 10%-held by VCSTIMELESS.

ISTimeless-Portugal has a sales & marketing presence in Portugal and provides services throughout Spain and Portugal. As of December 31, 2008 it was not consolidated.

Altaven
To strengthen the partnership signed in March 2008 between Cegid SA and Altaven, Cegid SA took a 5% stake in Altaven, which was not consolidated as of December 31, 2008.

PRODUCTS AND SERVICES, TECHNOLOGY AND RESEARCH & DEVELOPMENT

Product suites and technologies: extended reach, multiple technologies and judicious partnerships

Cegid Business Platform: Cegid's development and technology integration platform

In 2008, Cegid oriented the development of Cegid Business Platform along three major avenues:

- interface with partners' ecosystems;
- SaaS and On Demand;
- technical integration.

Interface with partners
Cegid added more features to the packaged version of the tools intended for its partners.

Numerous access points were added, making it possible to personalize the product by extending the standard modules.

Cegid Business Studio was natively improved with all the R&D advances already present in Cegid Business Platform.

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

On Demand mode
Cegid placed additional emphasis on this access mode in 2008, given its increased popularity in the market.

The development platform intensified its recognition of remote access, internet access security and maximum availability issues.

Owing to the Web Access technology, the applications based on Cegid Business Platform benefit from these advances and handle authentication, downloading and operation in hosted mode.

Using a single technology, Cegid supports all IT architectures: insourcing (solution installed at the customer site), outsourcing (solution hosted and administered by Cegid) and ASP (application leasing).

Technical integration
Ever-increasing demand for dialog between applications and for communication between different information systems has prompted Cegid to develop technical gateways such as Web Services.

The SOA orientation of these efforts has led Cegid to ever-more autonomous and communicative functional components. Using the industry's major standards (system, protocols, formats, etc.) Cegid can supply solutions that adhere to the market's multiple technologies, integrating them particularly in solutions involving the internet.

This technology approach is matched with our strategic approach. By making itself compatible with the various technologies, Cegid Business Platform legitimizes the Group's acquisition and diversification startegy without requiring major changes in the solutions or for customers.

International expansion

In 2008, the development of certain solutions enabled Cegid to raise its international profile.

In Europe, Cegid emphasized the development of Retail solutions in Italy and signed a partnership agreement with Novatec in Spain.

In North Africa solutions for CPAs are now localised and complement the vertical solutions already well-known in these three countries.

In North America, Cegid stepped up the development of Cegid Business Retail and Cegid Orliweb solutions for production and wholesaling and implemented a partnership with ERA Consulting Group (Canada) to localize Cegid Business ERP.

In the Asia-Pacific region, the Group aims to accompany customers who have chosen Cegid for the deployment of their networks in Singapore, Taiwan, Malaysia, Korea, Japan and Australia and to develop partnerships with major market participants, such as integrators and resellers, active in all or part of the territory covered by the Singapore office.

Having signed a strategic partnership with Tectura, Cegid will work closely with teams that are visible in Asia and that will supply the Group with technical and functional support on the projects in this region.

Alliances, mergers and partnerships are strategic priorities for Cegid

As part of its open strategy efforts to create an ecosystem, Cegid is accelerating the development of alliances and partnerships, around four axes:

- a closer relationship with consulting companies to enable them to get to know Cegid better;
- an ambitious program of building up the competencies of IT service companies in IT system integration;
- application partnerships with specialized providers;
- back-up from the network of international partners.

To this end, Cegid and S'Experts signed a partnership agreement in Morocco covering localization and sale of Cegid products to CPAs and their customers in Morocco.

The technology partnership with Isotools enabled Cegid to offer new e-commerce solutions coupled with sales management.

With the acquisition of VCSTIMELESS, Cegid consolidated its position in IT solutions for the fashion and retail sectors and strengthened its international presence. This acquisition also increased awareness of tools and technologies surrounding the Microsoft.net platform.

The acquisition of Civitas enabled Cegid to enter the public service sector with offerings dedicated to local authorities, resource management agencies, fire departments and other public services.

Civitas solutions function in OpenSource environments and use the standards of the Java galaxy of technologies to facilitate decentralization, collaborative work methods and paperless dealings with partners:

- eCivi-GF, a financial and accounting package, meets the budgetary and commitment needs of departments that authorize expenditures, as well as the demands of accounting departments, and satisfies the regulatory requirements to submit electronic reports to the Treasury;
- eCivi-RH, a resource management program that handles the various responsibilities of a human resources department: compensation, absences, civil service grades, training and the forecasting of skills and employment needs. It covers all hospitals and other civil service departments of local authorities and central government.

In addition, the product range includes software for managing logistics and administrative services such as elections and marital status records.

In early 2008, the acquisition of GD Informatique gave concrete expression to Cegid's desire to complement its vertical market suites with a solution tailored to the independent hotel segment, even while developing a new SaaS-based business model aimed at hotels.

Research and development

In 2008, Cegid continued to invest in research and development. Several new products and modules were launched in 2008.

Cegid Business 2008

Emphasis was placed on collaborative functions and on enriching the service offering through several dozen new collaborative zoom windows giving access to statistics and other important information via real-time KPIs. Part and parcel of Cegid Business Portal, this information is available through a collaborative portal interface.

At the operational level, significant new functionality was developed, including:

- budgeting, purchase requests, and associated workflow;
- sales management via CRM and the after-sales service module;
- the Payroll/HR module and retirement payments;
- doubtful accounts in finance and capital expenditure budget in property, plant and equipment.

Finally, the 2008 edition of the product offers new decisional and multi-dimensional analysis features, in particular through native integration of OLAP technology and Open Executive components.

Cegid PMI on Microsoft SQL Server

Cegid PMI, a manufacturing process control solution, now leverages the Microsoft SQL Server DBMS. It provides manufacturing professionals with numerous technical improvements, better performance with higher volumes of data and enhanced security.

Cegid WinRestau and Cegid WinHôtel

The first product is composed of the following modules: check-out systems, cook station printing, back office, mobile order-taking, and inventory management.

The second includes the reservation planning, invoicing, administration and statistics modules.

The expertise of GD Informatique in integrating its hotel solutions with reservations centers, including Rezserv'IT, enables Cegid to offer this interface across its entire PMS range. In this way, the hotel owner can direct his available rooms to reservations centers or his hotel's own site directly from the reservations planning module.

PASS Comptanoo

This new Cegid product offers a selection of free services to help manage very small companies.

The PASS is accessible online via the collaborative portal www.comptanoo.com.

Owner-executive status

An outgrowth of the partnership with Groupama – Gan Assurances, this product facilitates and lends additional value to the CPA's role in advising his executive client as to the choice of legal status: "non-salaried worker" or "salaried worker". "Owner-executive status" ("statut du dirigeant") is the first application to carry the "CPA Community" label.

New Cegid Expert Etafi tax return and financial statements
The CPA can configure and personalize this tool for generating tax returns as he/she sees fit.

Cegid Expert Juri Revue Fiduciaire
This program works in liaison with a library of legal documents validated and kept up-to-date by the Revue Fiduciaire group.

Cegid Etafi Conso
This product, already used by more than 250 CPA firms, for their consolidation assignments, has been significantly enhanced.

eWS "100% connected"
This new concept will encourage the CPA to connect all of his customers to a dedicated area of the firm's website using eWS, the platform for electronic transfer of data between the CPA and his clients.

Quadratus

- Development of a new range of applications in ASP mode for the CPA firm's clients, called " Quadra Web Expert ". The IQuadraCompta accounting module was released in beta in the last quarter of 2008.
- New mode of bank communications " Quadra Etebac ", with innovative, integrated revision functionality.
- Enhanced functionality for Quadra Compta, Quadra Paie, Quadra Bureau, Quadra Client, Quadra Fact, Quadra Transport and Quadra Propreté.
- Full compatibility with Microsoft Vista.
- NF-certified accounting system (including correctives).

Capitalized development expenditures in the 2008 consolidated statements totaled €25.5 million, while depreciation and amortization for the year totaled €21.4 million. The amounts invested in product development in 2008 represented 10.3% of consolidated sales (10.3% in 2006).

Sustainable development and human resources

Corporate culture

The Group's business development is based on company-wide aspiration and on the participation and commitment of its employees. For Cegid to succeed and achieve its objectives, it must also share and build common values held by all members of the Group: Desire to win, sharing and exchanging ideas, innovation and technology, quality and reliability, performance: these are the fundamental values the company promotes.

Components of Human resources

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	2008	2007	2006
France			
Cegid	1,847	1,875	1,901
Quadratus	137	141	139
Civitas [(1)]	129		
VCSTIMELESS [(1) (5)]	115		
Comptanoo [(2)]	14	11	
Informatique et Communications [(4)]	4	4	4
GDI Informatique [(6)]	15		
PMI Soft [(3) (4)]			9
Foreign subsidiaries			
Spain	8	3	4
United Kingdom	10		
Italy	4		
USA	3	3	3
China	4		
TOTAL	**2,290**	**2,037**	**2,060**

(1) Companies that entered the scope of consolidation in 2008.
(2) Companies that entered the scope of consolidation in 2007.
(3) All assets and liabilities of this company were transferred to Cegid SA as of December 31, 2007.
(4) Companies that entered the scope of consolidation in 2006.
(5) All assets and liabilities of this company were transferred to Cegid SA as of December 31, 2008.
(6) This company had a lease-management agreement with Cegid SA as of January 1, 2009.

The average number of employees in all consolidated companies in 2008 was 2,089 (1,992 in 2007, 2,087 in 2006).

As of December 31, 2008, there were 277 employees in the companies that entered the scope of consolidation during 2008.

The Group hired 329 new employees in 2008, including 234 under permanent contracts and 95 under fixed-term contracts.

The Group continued to strengthen its expertise by seeking to hire experienced professionals in its vertical markets areas.

At the same time, internal mobility was strengthened. In particular, new managers benefit from a dedicated development program, and specific business segment career paths in sales and customer support are promoted.

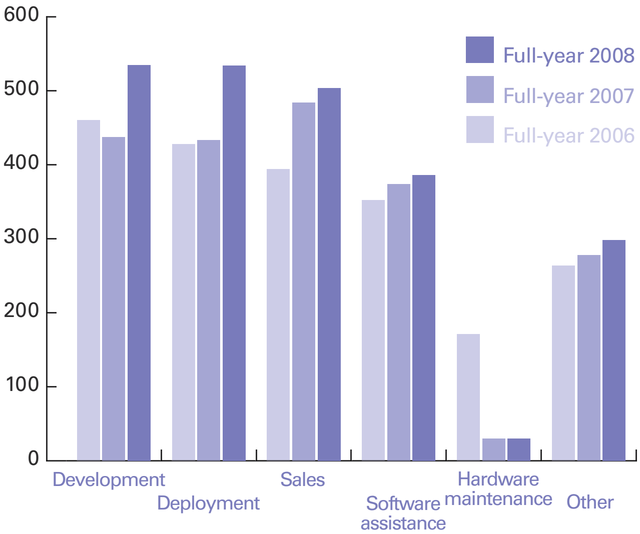
Cegid terminated the contracts of 54 employees, including five for economic reasons.

Number of employees by function and type of contract

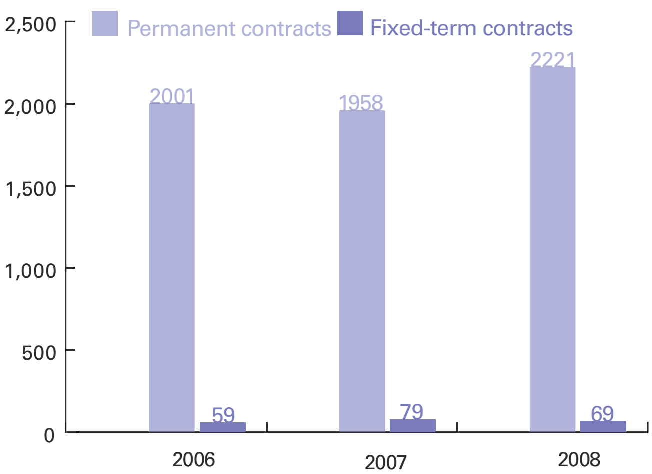
As the Group's portfolio of businesses has evolved, its sales and solutions integration functions have been built up.

Employees by function

(Figures as of December 31 of each year)



Change in number of employees by type of contract



The Group employed 97% of its employees on a permanent basis and 3% on fixed-term contracts. In 2008, 32 fixed-term contracts were converted into permanent contracts.

Temporary employment totaled 447 days, or less than 0.10% of total hours worked (0.10% in 2007).

	12/31/08	12/31/07	12/31/06
Permanent contracts	2,221	1,958	2,001
Fixed-term contracts	69	79	59
TOTAL	**2,290**	**2,037**	**2,060**

Turnover

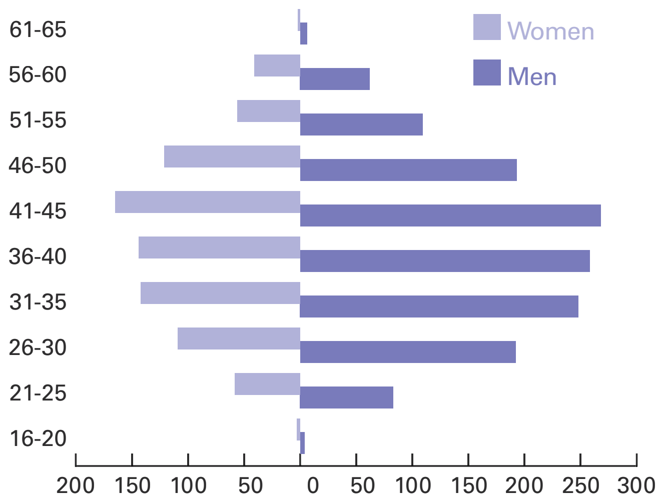
The Group has a relatively low turnover rate compared with other companies in the software and services sector. On the basis of resignations, turnover was 10% in 2008, compared with the sectoral average of 13% (source: Syntec).

Number of employees by age and seniority

Average seniority as of December 31, 2008 was nine years, the same as in the past three years.

The average age of employees remained stable at 39 (38 at 12/31/2007 and 12/31/2006).

Age distribution, 2008



Human resources development

Through its various initiatives and activities, Cegid promotes cultural, ethnic and social diversity in its recruiting policies and personnel management.

Cegid is convinced that all forms of diversity enrich the enterprise and foster creativity in its employees, and it actively seeks to achieve them both internally and externally.

For this reason, Cegid participates actively in:

- the week dedicated to employment of people with disabilities;
- the program " Un jour, un métier en action " (another day, another profession) at the employment forum or " Jobdating " events aimed at introducing a handicapped jobseeker to a company and a profession;
- " Nes et Cité " meetings, to create ties between companies and jobseekers;
- the " Senior Compétence " recruiting forum, to benefit from the accumulated knowledge of those with the most work experience.

Common status for all employees

Properly adapted to the company's development model, the common status becomes a basis for building employee confidence in the system and helps boost performance.

The agreements signed in the last two years demonstrate Cegid's determination to continue building on the advantages of common status.

Mobility

The Group continued to develop internal mobility and related tools such as the annual performance review, internal job postings and professional gateways, so as to make career opportunities even more visible to employees, thereby ensuring that skills developed in the Group are preserved and developed. The principle of mobility also draws on the Group's international expansion.

Envol program

The "Envol" program, designed to identify the enterprise's major areas of expertise and talent, is an integral part of this initiative. The first "class" of 100 employees, together with their career plans and the accompanying tools necessary for them to succeed, has been identified. These action plans, which in many cases involve an ambitious training program, will be implemented in 2009.

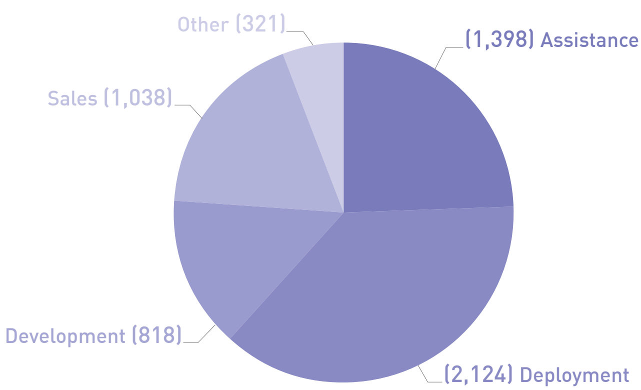
Training

Two-thirds of training sessions are on technical subjects related to customer needs and new technologies, and the remaining third are oriented toward management and client industries (project management, knowledge of the customer's business, etc).

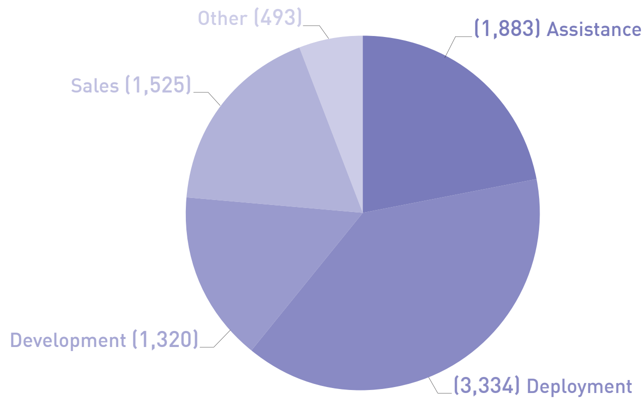
Methods include e-learning and web-based training. The number of days and type of training by trainee are shown in the charts below.

In 2008, more emphasis was placed on long training programs (more than 100 hours) and on training to develop skills in sales, R&D and deployment, so as to better respond to the expectations of our customers and prospects.

Number of trainees by function



Number of days of training by function



Diversity

The Cegid People program includes a variety of themes, such as equality between men and women, disabilities, landing a first job, mature careers and diversity.

Cegid's communication focuses on these themes so as to promote the image of the company vis-à-vis its employees, the academic world, job applicants and partner companies.

Cegid has many programs to help young people find their first job and to support broader employment in general. These initiatives give tangible expression to the Cegid commitment to promote diversity.

Employees with disabilities

The Group has stepped up efforts to recruit disabled workers with new skills and to keep these workers employed.

These efforts rely on employee awareness and on a partnership with outside organizations.

The Group employs 18 people with disabilities recognized as such by the COTOREP, the government orientation commission for the disabled, representing 14.9 "units" out of a required level of 94 "units".

Mature careers

Cegid's diversity policy extends to the most senior members of the job market, so as to foster recruitment of them. Cegid also takes part in dedicated sourcing events and uses a specific career management policy, including an evaluation designed for people in the second half of their career.

Through these initiatives, Cegid wants to put forward the opportunities and the real career paths it offers to these older employees.

Young people

Cegid took part in several projects and events in 2008, in particular through initiatives aimed at young people:

- from disadvantaged urban neighbourhoods. Events included " Job & Cité stadium " (Paris and Lyon), Diversity Day (Diversity Village invitation), Jobdating in collaboration with the Lyon Chamber of Commerce and the Agence pour l'emploi, the government employment office, and

the " 100 chances for 100 jobs " project aimed at building lasting employment and training solutions;
- who have a general university education and are having difficulty breaking into the job market. Cegid has agreed to promote a program called Operation Phenix by taking on several young people, to be trained in Cegid's ways of doing business.

Human resources policies

Equal status for men and women

After signing an agreement on equal status on December 1, 2007, Cegid continued its efforts to achieve equality, approving a budget earmarked for this purpose as part of the 2008 compensation strategy.

This budget made it possible not only to apply common policies, but also to make real inroads against identified cases of unequal compensation.

During the course of 2008, Cegid also continued to work for equality in hiring and promotion.

Partnerships and Patronage

In 2008, Cegid pursued its initiatives in favor of young people in cultural and athletic fields and in areas of general interest through its partnership with the association "Sport dans la Ville" and with the Olympique Lyonnais Foundation.

Certain Group employees have become personally involved in initiatives for young people, assisting them in their educational curriculum. These initiatives will be continue in 2009.

In partnership with the association "Nes et Cité", Cegid helped put candidates from disadvantaged backgrounds in the Rhône-Alpes and Île de France regions in contact with companies that might wish to hire them.

Labor relations

Dialog and a desire to be part of the strategy and orientation of the Group are direct determinants of Cegid's relationship with the various employee representative bodies (local and central works councils, health and safety committees, personnel representatives), their committees (professional training, economic, professional equality) and with union representatives.

In 2008 there were 120 meetings with the various employee representative bodies.

Employee services

Employee services include the cost of restaurant vouchers, the group death & disability insurance plan and contributions to the employee representative bodies.

The amounts distributed in 2008 by Cegid SA totaled €4.2 million.

Subcontracting

Cegid uses subcontractors for two reasons: firstly, during peak activity periods when internal resources, particularly in deployment, are insufficient or for specific areas of specialisation (specific software development, engineering, hardware maintenance); secondly, for specialized functions such as cleaning and maintenance. Hardware installation and maintenance represents around 35% of all subcontracting expenses.

Outlook

In 2009, work will continue on the themes of disability, diversity and the forecasting of skills and employment needs so as to optimize internal skills development and actively participate in promoting performance.

Working hours

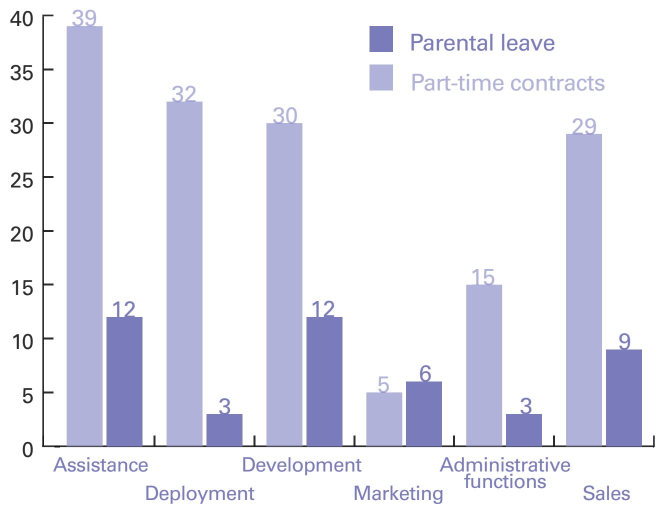
Implementation of the common employee status is organized on the basis of regulations and collective bargaining agreements already in place. The system applies to all employees except top executives and includes, in particular, reporting of hours worked, time off to make up for professional travel time,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

The system takes into account each business' suggestions and the compensation for reduced working hours by treating special activities separately (deployment and customer assistance).

Part-time work

Cegid has 220 employees who have chosen to work part-time. Although part-time work schedules are not a Cegid initiative, employees request them, 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 applies directly to this choice of work schedule.

Number of part-time contracts and part-time parental leaves by function



Cegid paid a total of 3,878 overtime hours in 2008 (2,952 in 2007). These reflected essentially the seasonality of the telephone help line activity and peak year-end periods.

Absences were as follows:

Reason (nbr. of calendar days)	2008	2007	2006
llness	14,196	14,944	15,797
Occupational injury (incl. commuting)	790	1,023	766
Maternity leave	5,842	4,780	4,807
Other absences	521	892	785
TOTAL	21,349	21,639	22,155

As a percentage of the total workforce, the absentee rate remained stable.

The Group's prevention policy includes regularly-reviewed action plans. Given the absence of risks inherent to its line of business, Cegid pays particular attention to automotive risks.

In 2008, 21 short-term disability leaves (longer than two days) represented a total of 435 sick days. In 2007, 27 such absences represented 661 sick days and in 2006, 23 absences represented 348 sick days.

Compensation

Compensation policy, because of the numerous competencies within the Group, is based on individual performance and includes both a fixed and a variable portion. Salary structure is based on the realization of objectives specific to each line of work.

Variable pay, particularly as it relates to employees in sales positions, is a mechanism that fosters the Group's business development.

The individual compensation policy is complemented by collective measures intended to motivate employees and based in part on the performance of each entity (matching of employee savings contributions, collective performance bonus, profit-sharing).

Gross payroll amounts over the past five years were as follows (in thousands of euros):

2008 (1)	2007	2006
86,125	78,349	74,915

(1) VCSTimeless and Civitas over 3 months.

Employee savings

From the outset, Cegid has wanted employees to share in the company's development and has fostered employee savings.

As a result of various legal requirements and collective bargaining agreements, the companies in the Group have implemented collective performance bonuses (intéressement), employee savings plans and legally-mandated profit-sharing plans.

Matching contributions under the employee savings plan totaled €0.6 million in 2008 (€0.6 million also in 2007), and payments under the profit-sharing plan for Quadratus totaled €0.6 million (€0.5 million in 2007).

Collective performance bonus payments for 2008 totaled €2.1 million for Cegid and Quadratus (€1.9 million in 2007).

Environmental impact

As Cegid's business activity consists of services and intellectual creativity, it does not have a significant, direct impact on the environment.

SIGNIFICANT EVENTS SUBSEQUENT TO CLOSING

In accordance with the partnership agreement signed in December 2007, Cegid and Groupama created a joint venture on January 29, 2009 with Aspx, a subsidiary of Cegid SA, selling 50% of the shares of Comptanoo to Groupama/Gan Assurances. On January 2, 2009 tacit approval was obtained from the French Economy minister, enabling one of the agreement's conditions precedent, related to regulations on industry consolidation, to be lifted. As a result, the sale was able to take place.

Now operating as a joint venture, Comptanoo will enable Cegid to include additional functionality, jointly with Groupama - Gan Assurances, in its software solutions. These will include simulations for optimizing pension contributions, health insurance, owner-executive status, death & disability insurance, employee savings and other items…

OUTLOOK AND FUTURE PROSPECTS: CONTINUED BUSINESS DEVELOPMENT AND A BUSINESS APPROACH IN LINE WITH ECONOMIC CONDITIONS

The economic environment has deteriorated significantly since the second half of 2008. Nevertheless, Cegid enjoys numerous advantages as it pursues its business development:

- recognized areas of expertise and leadership positions owing to functional and industry-specific expertise (ERP, Finance and Taxation, Human Resources, Retailing, Manufacturing, Hospitality, Wholesaling-Services, Cleaning Services, CPAs and the Public Sector);
- a broad range of customers in terms of size and an unparalleled ability to address the needs of SMEs as well as mid-sized and large companies;
- an installed base of 80,000 customers who generate recurrent revenue in excess of €120 million, or more than 45% of total sales. This installed base also represents significant potential for sales of complementary products and migration to new Cegid solutions and leads to very low concentration in accounts receivable;
- consolidation of acquisitions made at the end of September 2008 over a full 12-month period;
- the ability to adjust its cost profile to the level of business activity and expertise in integrating new companies.

In this context, Cegid's priorities for 2009 are focused specifically on:

- optimising sales & marketing efforts by using a multi-channel approach based on local sales forces, distance selling and a network of value-added resellers and partnerships with consultants and integrators;

- accelerating distribution of On Demand (SaaS) solutions designed to respond to the needs of corporate customers. This usage mode is particularly well suited to current economic conditions, because it enables companies to continue modernizing their IT systems without having to deal with the financing question;
- distributing enterprise software in ASP mode and a package of on-line services to very small companies, offered in partnership with Groupama - Gan Assurances as part of the joint venture with Comptanoo and its www.comptanoo.com and www.club-comptable.com portals;
- pursuing its strategy of targeted acquisitions;
- offering Civitas' software solutions for the public sector, whose potential in terms of investment in IT systems will dovetail with the French government programs to modernize its operations at both national and local levels;
- extending the Group's international footprint by opening new offices.

Using these various strengths and its additional available resources, Cegid should be able in 2009 to demonstrate its ability to deliver good operating profitability even while preparing to take better advantage of a potential turnaround in current economic conditions at the end of this year or during the course of next year.

RISK FACTORS

Market risks

(see Note 4.3 to the consolidated financial statements)

Interest rate risks

Cegid has medium-term financial resources composed of a line of credit that carries interest at EURIBOR of the same duration as the drawdown plus a margin.

In this context, the Group is subject to changes in variable rates and examines this risk regularly.

The companies in the Group did not use interest rate hedging instruments in 2008.

Using an integrated IT system, the Finance division tracks the Group's treasury on a daily basis. A weekly report of net treasury is prepared and used to track changes in debt and invested cash balances.

Maturity of financial assets and liabilities as of December 31, 2008

(in thousands of euros)	Amount	Interest rate	Maturity
Liabilities due in one year or less	44,890		
Variable-rate debt	1,071	Euribor-based	Short term
Variable-rate OBSAR debt	43,820	3-month Euribor - 0.20%	2009
Liabilities due in one to five years	42,709		
Variable-rate debt	42,709	Euribor-based	Medium term
TOTAL	**87,599**		

(in thousands of euros)	One year or less	1 to 5 years	More than 5 years
Financial liabilities	44,890	42,709	
Financial assets	4,436		
Net position	(40,454)	(42,709)	-
Net position after management	(40,454)	(42,709)	-

(net assets after management at variable rates: €129,799k : - 83,163 in thousands of euros)

In 2009, Cegid Group implemented two interest rate hedging arrangements: standard collars with a two-year maturity and a zero premium vs. 1-month Euribor. The notional amount in both transactions is €20 million at maturity:

- Start 1/29/09, floor 1%, cap 3.60%.
- Start 2/27/09, floor 1%, cap 2.90%.

Exchange-rate risks

Cegid is exposed to a small extent, to exchange rate risks related to the financing of its international subsidiaries and to the payment of certain purchases. To hedge regular cash flows from the North American business, a forward overnight currency transaction was put in place for a small amount during the second half of 2008.

Equity market risks

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

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

In the context of its share buyback program, the Group held, as of December 31, 2008, 404,908 of its own shares, worth €7,197,580.72 at their acquisition price and 47,939 of its own shares under the liquidity contract, worth €380,156.27 at the closing price (see pages 68 and 142).

Liquidity risks

To finance its growth and ensure constant, flexible, financial resources into the medium term, Cegid Group has issued bonds (OBSARs), which matured in March 3, 2009 and has a syndicated line of credit, extended in July 2006 by a group of first-tier banks.

The syndicated line of credit totaling €200 million broke down as follows:

- a €20 million loan amortizable over a period of five years beginning on the date of the first drawdown and no later than March 31, 2009;
- a €180 million revolving credit, repayable at maturity. In April 2008, Cegid exercised the loan extension clause included in the agreement. This clause provides 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, which will now be set at €150 million from June 30, 2011 and €120 million from June 30, 2012.

As of December 31, 2008, drawdowns under the syndicated line of credit totaled €43 million.

The loan agreement and the bond indenture include the customary 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 1;
- consolidated net debt/average consolidated EBITDA less than 3.

The Group is currently in compliance with these covenants and intends to remain so.

Business risks

Customer risk

Customer risk is low:

- Cegid's sales are highly dispersed, and no customer invoiced in 2008 represents more than 0.7% of the Group's consolidated sales;
- accounts receivable are spread among more than 31,000 customer accounts and no one customer accounts for more than 0.8% of the balance.

Supplier and technology risks

Cegid has formed technology alliances with a limited number of 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 these 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 "agnostic", i.e. they are compatible with prominent market standards. Consequently, in most situations, Cegid can turn to existing alternative solutions. In this way, Cegid limits its technological dependence.

The Group conducts outsourcing and ASP businesses, which constitute new IT usage modes. In this context, the Group uses its own technical platform to run the IT equipment necessary for this activity.

This platform, consisting of two computer clean rooms, is in a separate location from the Group's other operational sites. It has redundant machines, hard disks, electrical supply and internet access lines via two distinct carriers.

Access to these rooms is secure and limited to members of the IT department. They are air-conditioned so as to keep the servers at a constant temperature and are equipped with a fire detection system.

They are also equipped with current inverters 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 off-site.

Intellectual property and intangible asset risks

The future success of the Group 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 necessitate 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 the Group 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.

However, the contractual environment currently in force includes provisions aimed at protecting the intellectual property rights belonging to the various entities of the Group. As of December 31, 2008, the Group was not subject to any legal proceedings in this regard.

Key personnel risks

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

Were this expertise to become unavailable, the enterprise's operations could be disrupted, with a resulting negative impact on sales and earnings.

The enterprise's operational organization, hierarchy and distribution of technological know-how, as well as the tools and equipment it uses, should limit this impact.

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 to limit harm to biological equilibria or natural habitats.

Insurance and risk management

Cegid protects itself against the consequences of the major risks related to its business by taking out insurance, principally liability insurance, 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.

Operations liability and professional and/or post-delivery liability

The Group has insurance policies covering:

- operations liability up to €7.5 million per loss event;
- professional and/or post-delivery liability up to €8 million per insurance year;
- liability insurance covers, in particular, damages, regardless of cause, resulting from:
  - professional misconduct, error, omission, or negligence committed in the execution of professional services of any kind;
  - service, product or software performance defects;
  - defects in the design or execution of its assignments.

  This applies, regardless of origin, to the results 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 include 49 sites (incl. offices, storage space and warehouses) totaling 44,500 sq.m. This geographic dispersion limits risks, in particular the risk of business interruption that could result from a casualty.

No company is the owner of the premises in which it conducts its business.

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

- all IT, office equipment and telematics risks: €7.1 million;
- fees and miscellaneous losses: €3.8 million.

Other insurance policies

Risks concerning liability of executives and other executive officers, fraud or other acts of malice, business travel, transportation of merchandise and more generally any IT risk are covered by specific insurance policies.

For international entities, specific local insurance policies are implemented, such as general liability, worker's compensation and employer's liability.

Insurance premiums

Cegid recognized approximately €0.6 million in insurance premiums in 2008.

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 several provisions to cover the estimated risk, after internal analysis and review by the Group's attorneys.

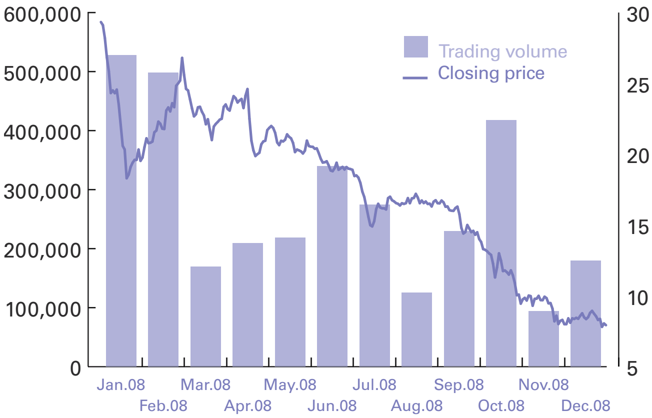
To the company's knowledge, there are currently no other exceptional items or disputes that could significantly affect the Group's business, assets, financial position or earnings.

Trading in the Company's securities

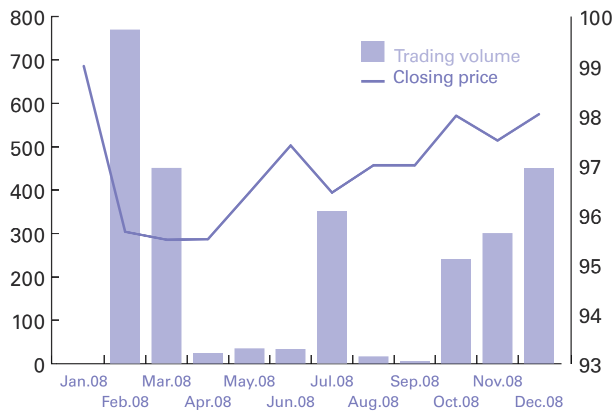
Cegid Group shares (ISIN code FR0000124703) are listed on Euronext Paris (Compartment C) and are included in the Small 90, Mid and Small 190, ITCAC and SBF 250 indices.

On December 31, 2008, the share closed at €7.93 (€29.45 at December 31, 2007). The number of shares traded in 2008 was 3,281,666 (6,416,002 shares traded in 2007), compared to a total share capital at December 31, 2008 of 9,232,679 shares.

Share price and trading volume in 2008 (FR0000124703)



OBSAR price and trading volume in 2008 (FR0010061846)



BSAR price and trading volume in 2008 (FR0010061853)

CEGID GROUP SHARE CAPITAL AND EQUITY INVESTMENTS

Cegid Group share capital

Between January 25, 2008 and March 3, 2009, the date of the Board of Directors' most recent recognition, three BSARs were exercised, in exchange for three shares.

As of March 3, 2009, the share capital totaled €8,771,045.05, divided into 9,232,679 shares with a par value of €0.95 each.

Changes in equity investments

The detail of equity investments in the various subsidiaries of the Group and their percentages are indicated in the notes to the consolidated statements and the list of subsidiaries and affiliates.

Cegid Group

During 2008, Cegid Group acquired Civitas (public sector).

Subsidiary of Cegid Group

Cegid SA

The principal changes in 2008 for Cegid SA, a 100%-owned subsidiary of Cegid Group, were as follows:

- the acquisition of GD Informatique in April;
- acquisition of VCSTIMELESS (Timeless and its subsidiaries and affiliates VCS Timeless Italia SRL, VCS Timeless Japan and ISTimeless-Portugal), Timeless Premiere (Spain) and the commercial goodwill of VCS Timeless Ltd (United Kingdom), now operated as Cegid UK Limited, a company created for this purpose in September 2008.

Subsidiary of Cegid SA

Aspx

During 2008, Aspx, a 100%-owned subsidiary of Cegid SA sold 50% of the shares of Comptanoo, with conditions precedent, to Groupama - Gan Assurances to create a joint venture under the strategic partnership between the two groups.

Legal structure simplification

Cegid SA

The principal changes in 2008 to simplify the legal structure of Cegid SA, a 100%-owned subsidiary of Cegid Group, were the transfer of all assets and liabilities of Timeless, Monexpertcomptable and Dirfi to Cegid SA.

Subsidiary of Cegid SA

Servant Soft

The principal change in 2008 for Servant Soft, a 100% subsidiary of Cegid SA was the transfer of all assets of Etafi.

PURCHASE AND/OR SALE BY THE COMPANY OF ITS OWN SHARES

Purchase and/or sale of shares during 2008

Under the liquidity contract signed August 31, 2001 with CM-CIC Securities 247,757 Cegid Group shares were acquired in 2008 at an average price of €19.04 and 221,321 shares were sold at an average price of €19.35. Brokerage fees for these purchases and sales carried out under the liquidity contract totaled €23,000. A report on the liquidity contract, published annually, was made available on line on January 12, 2009.

Cegid Group acquired 486,788 shares in 2008 under its share buyback program, outside of the liquidity contract. These shares were acquired at an average price of €18.36. Brokerage fees for these purchases totaled €19,450.

Overall, Cegid Group purchased 734,545 shares in 2008 at an average price of €18.59 and paid brokerage costs of €42,450. At the same time, Cegid Group sold 221,321 shares in 2008, at an average price of €19.35.

At December 31, 2008, Cegid Group held 452,847 of its own shares, representing 4.9% of the share capital of the Company. The value of these shares, at their purchase price, was €7,577,737. As a reminder, the par value of Cegid Group shares is €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 €60 per share. The maximum amount of the program will therefore be €28,093,200, taking into account the 455,048 shares held in treasury as of March 2, 2009.

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.

As a result of the partial asset contribution approved by shareholders at the 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

At December 31, 2008, under the employee savings plan managed by Société Générale in the form of two mutual funds, the employees of the companies belonging to the Cegid Group held a total of 40,036 Cegid Group shares, representing 0.43% of the share capital.

As of January 30, 2009, the date of the most recent "Identification of bearer shareholders" analysis, employees of companies in the Group, excluding executives, held 128,448 Cegid Group shares, directly or indirectly, or 1.39% of the share capital.

CEGID GROUP BONUS SHARE PLANS

On July 21, 2006, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a Cegid Group bonus share plan. The plan initially involved 139,000 Cegid Group shares to be granted to 53 beneficiaries. Given the extent to which the plan's grant criteria had been achieved and the fact that certain persons had lost their beneficiary status, 81,880 shares were granted to 41 beneficiaries at the end of the vesting period, i.e. on July 21, 2008. These beneficiaries met the criteria specified in the plan.

On March 20, 2007, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a new Cegid Group bonus share plan. The plan initially involved 2,500 Cegid Group shares to be granted to a single beneficiary. As of the Board of Directors' meeting of March 3, 2009, this beneficiary no longer met one of the conditions of the plan, namely that he be an employee or corporate officer of the Company or of one of its subsidiaries at the vesting date, i.e. on March 20, 2009. As a result, this plan became null and void.

A second Cegid Group bonus share plan was implemented in March 2007, but this plan became null and void at the end of 2007.

COMPOSITION OF SHARE CAPITAL
OWNERSHIP THRESHOLD DISCLOSURES

Composition of share capital at December 31, 2008

To the best of our knowledge, the principal shareholders of Cegid Group as of December 31, 2008 were as follows:

Shareholder	% of shares	% of voting rights
Groupama group [1]	23.86	20.59
Apax (private equity fund)	11.34	19.58
Ulysse/Tocqueville Dividende/ Odyssée [2]	7.33	7.64
ICMI [3]	6.77	11.69
Executive Board [4]	0.67	0.61
Eurazeo	0.30	0.52
Treasury shares	4.91	NA
Free float	44.82	39.37
TOTAL	**100.00**	**100.00**

[1] Groupama group corresponds to the following entities: Groupama SA, Gan Assurances Vie, Gan Eurocourtage.
[2] Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP S.L.C, F.C.P Sphynx Finance).
[3] As of 12/31/2008, Jean-Michel Aulas held 98.73% of ICMI, representing 99.20% 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 is listed separately in the table. Finally, among the companies composing the Apax mutual fund, Apax Partners is the Cegid Group Board member and holds only one director's share.

As of December 31, 2008, with the exception of the BSARs, there were no securities giving access to the capital of Cegid Group. The maximum number of shares that could be issued is 1,595,838, keeping in mind that the BSARs not exercised by March 3, 2009 expired on that date.

Composition of share capital after July 2009

Under the mechanism specified in the sale of ICMI's Cegid Group shares to Groupama, if the share price during the second quarter of 2009 is ≤ €31, there is an adjustment of 280,000 shares. If it is ≥ €41, there is no adjustment, and if it is between the two, the adjustment is proportional. Assuming the adjustment is 100% applied, the composition of share capital, based on that of December 31, 2008 would be as follows:

Shareholder	% of shares	% of voting rights
Groupama group	26.89	23.83
Apax (private equity fund)	10.78	19.10
Ulysse/Tocqueville Dividende/ Odyssée	7.33	7.85
ICMI	4.60	8.16
Executive Board	0.67	0.63
Eurazeo	-	-
Treasury shares	4.91	NA
Free float	44.82	40.43
TOTAL	**100.00**	**100.00**

Ownership threshold disclosures

- On January 7, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 2, 2008 the number of voting rights it held had increased beyond the 5% threshold. At that date, Richelieu Finance Gestion Privée held 553,656 shares, representing 6% of the share capital and 5.49% of the voting rights.
- On January 11, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 9, 2008 its ownership interest had increased beyond the 6% threshold. At that date, Richelieu Finance Gestion Privée held 554,656 shares, representing 6.01% of the share capital and 5.51% of the voting rights.
- On January 25, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 23, 2008 its ownership interest had decreased below the 6% threshold. At that date, Richelieu Finance Gestion Privée held 547,629 shares, representing 5.93% of the share capital and 5.44% of the voting rights.
- On January 29, 2008, Tocqueville Finance informed Cegid Group that the number of voting rights it held had declined below the 8% threshold specified in the bylaws. At that date, Tocqueville Finance held 795,436 Cegid Group shares, representing 7.9% of the voting rights.
- On February 4, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on January 31, 2008, the number of voting rights it held had decreased below the 5% threshold. At that date, Richelieu Finance Gestion Privée held 497,906 shares, representing 5.39% of the share capital and 4.95% of the voting rights.
- On February 15, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on February 12, 2008 its ownership interest had decreased below the 5% threshold. At that date, Richelieu Finance Gestion Privée held 461,456 shares, representing 4.99% of the share capital and 4.58% of the voting rights.
- On March 3, 2008, Richelieu Finance Gestion Privée informed the Autorité des Marchés Financiers that on February 28, 2008, the number of shares it held had increased beyond the 5% threshold and that it held, for the account it the mutual funds it manages, 461,906 Cegid Group shares, representing 5.03% of the share capital and 4.59% of the voting rights.

- On March 19, 2008, Richelieu Finance Gestion Privée informed the Autorité des Marchés Financiers that on March 14, 2008, the number of shares it held had decreased below the 5% threshold and that it held, for the account it the mutual funds it manages, 456,000 Cegid Group shares, representing 4.94% of the share capital and 4.53% of the voting rights.
- On June 3, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on May 30, 2008, the number of voting rights it held had decreased below the 4% threshold. At that date, Richelieu Finance Gestion Privée held 400,000 shares, representing 4.33% of the share capital and 3.97% of the voting rights.
- On June 10, 2008, the Caisse des Dépôts et Consignations (CDC) informed Cegid Group that its ownership interest had increased beyond the 4% threshold. At that date, CDC held 384,752 shares and voting rights, representing 4.16% of the share capital and 3.82% of the voting rights.
- On June 24, 2008, the Caisse des Dépôts et Consignations (CDC) informed Cegid Group that its voting rights had increased beyond the 4% threshold. At that date, CDC held 410,551 shares and voting rights, representing 4.44% of the share capital and 4.07% of the voting rights.
- On June 26, 2008, Richelieu Finance Gestion Privée informed Cegid Group that on June 24, 2008 its ownership interest had decreased below the 4% threshold. At that date, Richelieu Finance Gestion Privée held 365,000 shares, representing 3.95% of the share capital and 3.63% of the voting rights.
- On October 7, 2008, KBL Richelieu Gestion informed Cegid Group that on October 6, 2008 its ownership interest had decreased below the 2% threshold. At that date, KBL Richelieu Gestion held 177,207 shares, representing 1.92% of the share capital and 1.76% of the voting rights.
- On November 24, 2008, Eurazeo sent a letter to the Autorité des Marchés Financiers, informing it that the number of voting rights it held had increased beyond the 10% threshold and that it held 639,432 Cegid Group shares, representing 1,278,864 voting rights, or 6.93% of the share capital and 10.88% of the voting rights. This threshold disclosure reflected the granting of double voting rights, because Eurazeo held Cegid Group shares in nominative form for four years.
- On November 21, 2008, Apax Partners SA, acting in concert with Altamir Amboise and Apax Parallel Investment I, informed the Autorité des Marchés Financiers that on November 17, 2008, the number of voting rights it held had increased beyond the 15% threshold and that it held in concert 1,047,123 Cegid Group shares, representing 2,094,246 voting rights, or 11.34% of the share capital and 17.82% of the voting rights.
- On December 15, 2008, Eurazeo informed the Autorité des Marchés Financiers that on December 12, 2008 its holdings had decreased below 10% of the voting rights and below 5% of the shares and voting rights, and that it held 27,808 Cegid Group shares, representing 55,616 voting rights, or 0.30% of the share capital and 0.50% of the voting rights. This change came about because Eurazeo sold Cegid Group shares to Groupama in an off-market transaction, which resulted in turn from Groupama exercising the right of first refusal it has under the December 19, 2007 agreements.
- On December 12, 2008, Groupama SA, acting in its own name and on behalf of its subsidiaries, informed Cegid Group that its ownership interest had increased beyond the 18%, 20% and 22% thresholds specified in the by-laws. Its ownership interest and voting rights increased beyond the legal thresholds of 20%. As of December 12, 2008, Groupama and its subsidiaries held 2,202,533 Cegid Group shares.
- In a letter to the Autorité des Marchés Financiers dated December 15, 2008, supplemented by a letter dated December 17, 2008, Groupama made a declaration of intent, indicating that Groupama, Gan Assurances Vie and Gan Eurocourtage Vie, acting as a concert group, did not intend to increase their holding, except for the transfer of free shares under the shareholders agreement (December 19, 2007) and the agreements signed with ICMI, Apax and Eurazeo.

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 2008 and have been disclosed to the Company:

- Jean-Michel Aulas acquired 1,800 Cegid Group shares for €14,640;
- Patrick Bertrand simultaneously sold then acquired 27,536 Cegid Group shares for €389,213.36.

ALLOCATION OF NET INCOME

The financial statements of Cegid Group, as presented, show net income of €12,871,949. The distributable amount with regard to 2008, increased by retained earnings, totaled €20,620,558.

You will also be asked, at the Annual Shareholders' Meeting, to distribute a dividend of €1 per share, as follows:

Dividend on 9,232,679 shares.......................... €9,232,679
Allocation to retained earnings........................ €11,387,879

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 is to be paid on May 19, 2009. It will be proposed that shareholders acknowledge that 40% of dividends paid to individual shareholders are eligible for the exemption stipulated in article 158 of the Tax Code, as amended by the 2006 Budget Act on December 30, 2005. Pursuant to article 135-6e, amended by decree 67-236 of March 23, 1967, the distribution of dividends in respect of the last three years is presented in the table below.

DIVIDENDS PAID ON EARNINGS OF THE THREE PREVIOUS FISCAL YEARS

Fiscal year	2007	2006	2005
Number of shares	9,232,676	8,688,908	8,643,271
Dividend per share (€)	1.00	0.95	0.85
TOTAL dividend (€)	**1.00**	**0.95**	**0.85**
TOTAL dividend (€)	**9,232,676**	**8,254,463**	**7,346,780**
Dividend eligible for 40% exclusion	9,232,676	8,254,463	7,346,780
Dividend not eligible for 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 €100,000.

COMPENSATION OF EXECUTIVE OFFICERS

Jean-Michel Aulas and Patrick Bertrand have been employees of 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 Cegid Group and Olympique Lyonnais Groupe, which represent combined proforma sales of €453 million and a combined workforce of 2,250. As ICMI acts as lead shareholder, Messrs. Aulas and Bertrand exercise their functions in the various companies in the Group. ICMI, which has six employees, also provides financial, accounting and legal services. In 2008, Cegid Group recognized fees of €2,899 thousand for the services of ICMI (€2,880 thousand in 2007).

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 for 2008 by ICMI, the Company and its subsidiaries to Jean-Michel Aulas totaled €592 thousand (€511 thousand in 2007) and the variable portion €703 thousand (€897 thousand in 2007). The fixed portion [1] attributed to Patrick Bertrand totaled €380 thousand (€414 thousand in 2007) and the variable portion €290 thousand (€255 thousand in 2007).

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

In the context of the Cegid Group bonus share plan, approved by the Board of Directors on July 21, 2006, Jean-Michel Aulas and Patrick Bertrand each received 10,680 Cegid Group shares on July 21, 2008, given the degree of achievement of the goals set out in the plan for consolidated margin on ordinary activities. In 2008, an expense of €177 thousand was recognized to reflect the fair value of the benefits granted to Jean-Michel Aulas and Patrick Bertrand (€342 thousand in 2007).

Compensation paid to the other executive officers consisted only of director's fees paid in 2008 in respect of 2007 and were as follows:

- Apax Partners.. €11,800
- Eurazeo €10,100
- Jean-Luc Lenart..€6,600
- Jacques Matagrin..€9,900
- Franklin Devaux €13,400
- Yves Defoin...€9,900
- Lucien Deveaux..€8,300

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.

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

PROPOSED RENEWAL OF THE TERMS OF CERTAIN DIRECTORS

You will be asked to renew the appointment of two Board members: Lucien Deveaux and Michel Reybier.

RATIFICATION OF THE APPOINTMENT OF BENOÎT DE RODELLEC DU PORZIC AS BOARD MEMBER

You will be asked to ratify the appointment of Benoît de Rodellec du Porzic as a Board member. At its November 26, 2008 meeting, the Board of Directors appointed Mr. Rodellec to replace Eurazeo, represented by Gilbert Saada. Eurazeo has resigned from the Board.

The Board of Directors

LIST OF FUNCTIONS EXERCISED BY EXECUTIVE OFFICERS IN OTHER COMPANIES DURING 2008

Board member's first and last name or corporate name	Date of first appointment	Date term expires	Principal function in the company	Principal function outside the company	Other positions held in all companies in 2008
Jean-Michel Aulas	June 20, 1983	Shareholders' Meeting approving the 2009 financial statements	Chairman	Chairman and CEO, Olympique Lyonnais Groupe	Chairman ICMI, Chairman CEO Cegid, Chairman CEO Olympique Lyonnais Groupe, Chairman OL Groupe Stadium Investment Committee, Chairman CEO SASP Olympique Lyonnais, Director OL Voyages, Director Quadratus, Director L'Ambassade Limited.
ICMI represented by Patrick Bertrand	September 14, 1983	Shareholders' Meeting approving the 2009 financial statements	Director	Deputy CEO ICMI	**Patrick Bertrand** CEO Cegid Group, Delegated CEO Cegid, Perm. rep. ICMI on Board of OL Groupe, Chairman Quadratus, Director Comptanoo [1], Director Servant Soft, Director Expert & Finance, Director & Vice-Chairman Figesco, Figesco rep. on Alta Profits Supervisory Board, Director Sup Ambassade Limited, Member of OL Groupe Audit Committee.
Franklin Devaux	June 9, 1987	Shareholders' Meeting approving the 2009 financial statements	Director		Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate.
Lucien Deveaux	November 4, 1997	Shareholders' Meeting approving the 2008 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Board member Deveaux SA, Chairman Supervisory Board Armand Thiery, Chairman Supervisory Board Ecce SA, Chairman Devlocation, Chairman SCI Du Foie, Director Lyonnaise de Banque.
Jean-Luc Lenart	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director	Chairman ACLAM Sarl	Director & member Supervisory Board Imagination SA, Chairman les Sources SC, Director & member Supervisory Board Rhapso SA, Chairman Supervisory Board Kayentis SAS.
Jacques Matagrin	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenetrier Informatique	Chairman Tout Lyon, Director Eurazis, Director OL Groupe, Member OL Group Stadium Investment Committee, Chairman Association OL, Director OL Voyages, Chairman SAS OL Restauration, Chairman ATF, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland).
Apax Partners, represented by Edgard Misrahi	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director		**Edgard Misrahi** Delegated CEO Apax Partners SA, Director Hubwoo.com SA, Director Dxo Labs SA, Director Groupe Outremer Telecom SA, Director Prosodie SA, Perm. rep. Apax Partners SA on Board of Arkadin, Perm. rep. Apax Partners SA on Board of Altran Technologies SA, Director Camelia Participations SAS, Chairman of Supervisory Board InfoPro Communications SAS, Member CT ETAI SAS, Chairman SC Carmel, Chairman SC Info Invest, Chairman & partner SC Cassiopée, Non-voting director Oseo Garantie, Chairman Apax Partners Midmarket SAS, Director Apax Partners Midmarket SAS, Chairman Financière Midmarket SAS, Director Financière Midmarket.
Christian Collin	February 12, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Member Supervisory Board Gimar Finance & Cie, Chairman EIG Groupama Logistique, Chairman Groupama – Gan cinema foundation, Director Groupama health foundation.
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the 2008 financial statements	Director		Chairman Domaine Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan.
Benoît Maes	May 7, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		CEO Gan Assurance Vie, CEO Gan Assurance IARD, Chairman France Gan, Vice-Chairman of Supervisory Board Réunima, Perm. rep. Gan Assurances IARD and member of Board of GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie and member of Board of GIE GRoupama Systèmes d'Information, Perm. rep. Gan Assurances Vie and Chairman SCI Vieille Voie de Paray, Perm. rep. Gan Assurances Vie and Chairman Gan Saint Lazare, Perm. rep. Gan Assurances Vie and Chairman Gan Investissement Foncier.
Eurazeo, represented by Gilbert Saada [2]	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director	Member of Management Board of Eurazeo	**Gilbert Saada** Member of Management Board Eurazeo, Chairman Europcar Groupe, Perm. rep. Eurazeo on Board of LT Participations, Chairman Caly Tiles Participations SARL, Chairman Eurazeo Entertainment Lux, Director Bluebirds Participations SA, Chairman Redbirds participations SA, Chairman LegendredHolding 20, Chairman Euraléo (Italy) Chairman Eurazeo (Italy) Perm. rep. Eurazeo on Supervisory Board of Rexel, CEO & Director Legendre Holding 18.
Benoît de Rodellec du Porzic [3]	November 26, 2008	Shareholders' Meeting approving the 2009 financial statements	Director		Chairman RPA Conseil, Chairman CIT COM, Chairman Civitas [4]

[1] Until October 15, 2008. [2] Until November 26, 2008. [3] Since November 26, 2008. [4] Until September 24, 2008

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 2008	Used	Unused
Authorization for the Board of Directors to grant options for the purchase of shares of the Company or for subscription to new shares to employees and/or executive officers of the Company or related companies under the terms stipulated in article L.225-180 of the French Commercial Code. (June 8, 2005 Special Shareholders' Meeting). Term of authorization: 38 months.		x
Authorization for the Board of Directors to grant new or existing bonus shares. (June 8, 2005 Special Shareholders' Meeting).Term of authorization: 38 months.		x
Authorization for the Board of Directors to increase share capital by incorporating reserves or premiums, reserved for beneficiaries of newly-issued bonus shares. (June 2, 2006 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to issue securities with preferential subscription rights. Maximum par value: €30 million. (June 22, 2007 Special Shareholders' Meeting). Term of authorization: 26 months.		x
Authorization for the Board of Directors to issue securities without preferential subscription rights. Maximum par value: €30 million. (June 22, 2007 Special Shareholders' Meeting).Term of authorization: 26 months.		x
Authorization for the Board of Directors to increase share capital by incorporating reserves, retained earnings or premiums. (June 22, 2007 Special Shareholders' Meeting). Term of authorization: 26 months.		x
Authorization for the Board of Directors to increase the amount of securities issued in the event of excess demand. (June 22, 2007 Special Shareholders' Meeting).		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. (June 22, 2007 Special Shareholders' Meeting).		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. (June 22, 2007 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to issue free share warrants to Company shareholders. (June 22, 2007 Special Shareholders' Meeting).		x
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. (June 22, 2007 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to issue securities with preferential subscription rights. Term of authorization: 26 months. (May 7, 2008 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to increase share capital by incorporating reserves, retained earnings or premiums. Term of authorization: 26 months. (May 7, 2008 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to issue securities without preferential subscription rights. Term of authorization: 26 months. (May 7, 2008 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to increase the amount of securities issued in the event of surplus demand. (May 7, 2008 Special Shareholders' Meeting).		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. (May 7, 2008 Special Shareholders' Meeting).		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. (May 7, 2008 Special Shareholders' Meeting).		x
Authorization for the Board of Directors to issue free share warrants to Company shareholders. (May 7, 2008 Special Shareholders' Meeting).		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. (May 7, 2008 Special Shareholders' Meeting).		x
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. (May 7, 2008 Special Shareholders' Meeting).		x

FIVE-YEAR FINANCIAL SUMMARY

Closing date	12/31/2008	12/31/2007	12/31/2006	12/31/2005	12/31/2004
Number of months	12	12	12	12	12
Share capital at closing					
Share capital	8,771,045.05	8,771,042.20	8,239,342.40	8,157,987.25	8,025,206.70
Number of shares					
- ordinary	9,232,679	9,232,676	8,672,992	8,587,355	8,447,586
- preferred					
Maximum number of new shares	1,595,838	1,595,841	2,163,966	2,090,186	2,826,123
Operations and earnings					
Sales (excl. VAT)	4,306,298	4,194,753	3,946,871	131,908,336	119,815,632
Income before tax, employee profit-sharing, depreciation, amortization and provisions	12,145,882	28,808,176	468,280	10,977,809	19,073,204
Income tax	-1,745,449	-247,031	-912,146	519,088	-917,527
Employee profit-sharing					567
Depreciation, amortization & provisions	1,019,382	12,206,952	773,349	7,933,030	15,324,509
Net income	12,871,949	16,848,255	607,077	2,525,692	4,665,655
Dividends paid	9,232,679 (1)	9,232,676	8,254,463	7,299,252	6,860,872
Earnings per share					
Income after tax and employee profit-sharing, but before depreciation, amortization and provisions	1.50	3.15	0.16	1.22	2.37
Net income (after tax, employee profit-sharing, depreciation, amortization and provisions)	1.39	1.82	0.07	0.29	0.55
Dividend per share	1.00 (1)	1.00	0.95	0.85	0.80
Personnel					
Average number of employees				1,157	1,206
Payroll (2)	125,000			40,818,825	38,960,644
Employee benefits and social welfare costs	44,043			19,440,782	18,549,047

(1) Proposed dividend to be submitted to shareholders at the Annual Shareholders' Meeting on May 12, 2009.
(2) Relates to an executive officer.

Other information

Location and size of the issuer's principal sites

As Cegid was founded in Lyon and its head office is located there, Lyon constitutes the Group's principal business location in terms of employee numbers. The following departments are located in Lyon and the surrounding area:

- Management and functional departments
- Research and development (portion)
- Logistics and inventory
- Telesales and customer support (portion)
- Cegid Sourcing
- Lyon region sales offices

The Group is present throughout France and pursued its strategy to develop a strong regional presence in its various activities (software development, sales, deployment), adding to operations in its largest locations, namely Lyon (880 employees at December 31, 2008 vs. around 750 at December 31, 2007), Paris region (484 employees), Aix-en-Provence (124 employees), Annecy (54 employees), Orléans (77 employees), Rennes (32 employees) and Roanne (62 employees).

The diversity of Cegid's geographic locations, articulated around common areas of expertise, strengthens local ties to clients.

As of December 31, 2008, the workforce of all companies in the Group totaled 2,290 (2,037 at December 31, 2007). The head office of Cegid Group is located at 52, Quai Paul Sédallian 69009 Lyon, France.

To ensure development abroad, where it has 30 employees, the Group is also present in the United States, Spain, Asia (Shenzhen and Singapore), in North Africa and since the acquisition of the Timeless group in September 2008 has been present in Italy, the United Kingdom and Japan.

Investment policy

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

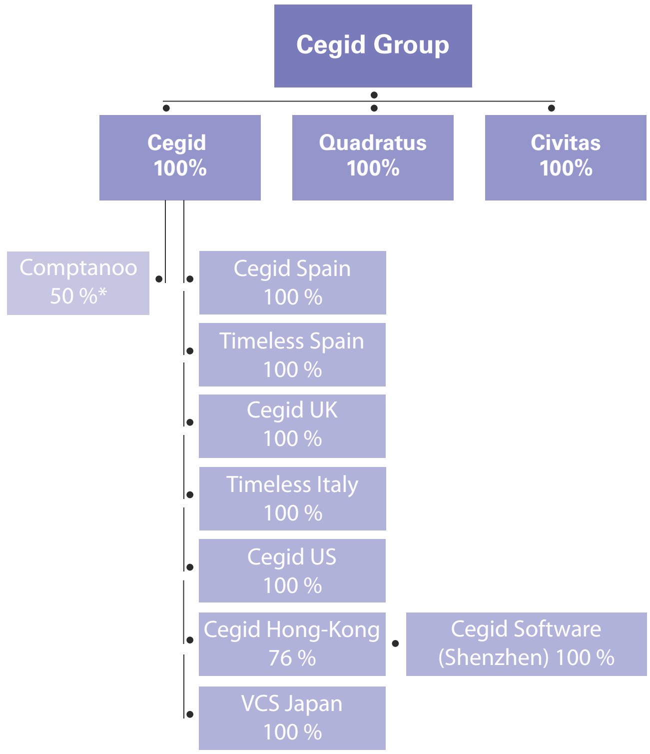
Consolidated figures in € M	2008	2007	2006
Development costs	25.5	24.9	21.1
Corporate acquisitions	19.6	17.6	13.1
Investment in property, plant & equipment [(1)]	1.8	3.6	1.9

(1) Gross amounts.

- Software development costs: a large portion of these expenditures are capitalized and amortized over five years, except for non-ERP projects (amortized over three years) and configuration expenses related to yearly products (amortized over 1 year). Development teams are located in five principal sites. Development activities involve a workforce of 535 employees.
- Corporate acquisitions are generally carried out either in cash or through the issuance of shares of the acquiring company in exchange for the shares of the acquired company.
- Investments in fixed assets generally include computer equipment used for research and development or demonstration purposes, and improvements to company premises.

These investments are generally financed through the Company's long-term capital, composed of shareholders' equity, the OBSARs and the syndicated line of credit.

Simplified Cegid Organization chart as of March 31, 2009



* 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 listed on the Second Marché.
- Cegid Kalamazoo Entreprises is formed (corporate product line).
- ITI, a computer equipment maintenance business, is formed.

1987

- Cegid Services is formed in partnership with members of the accounting profession to provide new consulting services.
- 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.
- Shares of DEI (computer supplies and consumables) are listed on the Lyon over-the-counter market.

1995

- DEI is acquired by ITI and merged into it. ITI becomes Cegid Environnement Maintenance.

1996

- Cegid becomes the leading French provider of automated solutions for CPAs (source: AVISO study, April 1996).
- Cegid Informatique acquires Silicone Informatique and Silicad.

1997

- Silicone Informatique and Silicad merged into Cegid Informatique.
- The principal operating subsidiaries of Cegid SA (Cegid Informatique and CEM) are merged into it.
- A convertible bond issue in the amount of FRF103.1 million 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 created though a spin-off of Servant Soft's Reporting & Business Intelligence division. Cegid Corporation (USA), wholly-owned by Cegid SA, is formed in July.

2002

- Cegid Spain, 75%-held by Cegid SA, is formed in February.
- Equity investment in Synaptique is increased from 80% to 85%.
- 100% of Magestel's shares are acquired and its business enters into a lease-management agreement with Cegid SA.

2003

- 100% of the shares of Quadratus and its distributors, Data Bretagne, Technilog and NS Informatique are acquired and the three companies merged into Cegid SA.
- Equity investment in Synaptique is increased from 85% to 90%.
- 100% of the shares of 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 €44.1M is carried out.
- With the acquisition of Ccmx, Cegid announces the formation of the French leader and top-tier player in the European market for enterprise software.
- CGO Informatique (Fashion) is acquired.
- Equity investment in Synaptique is increased from 90% to 95%.
- Cegid SA takes effective control of Ccmx Holding.

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 as of December 31, 2005.
- Assets of CBI are merged into Servant Soft.
- Assets of Apalatys are merged into Cegid SA.
- Assets of Logam are merged into Cegid SA.
- Assets of Synaptique 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's operating activities are contributed to Ccmx, which becomes Cegid.
- Cegid, listed on Euronext Paris' Eurolist, Compartment B (ISIN stock code: FR0000124703) changes its name to Cegid Group.
- GTI Industrie, PMI Soft, I&C and Comptanoo are acquired.
- €200 million syndicated line of credit is granted.
- FCRS enters a lease-management contract with Ccmx, now renamed Cegid.
- GTI Industrie 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.
- AS Infor and its Spanish subsidiary are acquired.
- Cegid Hong Kong is formed.
- 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 Group and Groupama sign a strategic partnership agreement. Groupama acquires a 17.23% equity interest in Cegid Group.

2008

- Acquisition of GD Informatique (Hospitality).
- Cegid Software Ltd is formed in Shenzhen.
- VCSTIMELESS (Retail) is acquired.
- Cegid Ltd. Is formed in the United Kingdom.
- Civitas (public sector) is acquired.
- Aspx sells, under certain conditions precedent, 50% of the shares of Comptanoo, transforming it into a joint venture between Cegid and Groupama - Gan Assurances.
- A partnership agreement is signed with Altaven (provider of Optim'is) and a minority stake is acquired.
- All assets and liabilities of Timeless, Dirfi and Monexpertcomptable are merged into Cegid SA.
- All assets and liabilities of Etafi are merged into Servant Soft.

2009

- GD Informatique enters a lease-management agreement with Cegid SA.

DEVELOPMENTS SINCE JANUARY 1, 2009

Sales and product mix in the first three months of 2008

Revenue from "Licenses and integration services" advanced by nearly 11% (down 4.4% at constant scope) in the first quarter of 2009. The pace of growth in March was slightly ahead of that of the first two months of the year.

Revenue from recurrent contracts rose by nearly 10%. This increase reflects the impact of acquisitions carried out in 2008 and confirms the strong growth in the portfolio of recurrent contracts. As of March 31, 2009, the annual value of these contracts was €121 million.

Consolidated sales in the first quarter of 2009 totaled €62.0 million, vs. €56.8 million in the year-earlier period, representing growth of 9.1% (decline of 3.4% at constant scope).

The product mix improved, as a result of the increase in revenue from "Licenses and Integration services" and in recurrent revenue. This led to a further increase in the gross margin, which was 87% of sales (vs. 84.8% in Q1 2008).

The estimated average monthly breakeven point for the first quarter of 2009 was in line with our objectives and should lead to an average monthly breakeven in the region of €19.1 million over the full year. In particular, it reflected the changes in consolidation scope that took place in April and September 2008 (including VCSTIMELESS in the Retail sector abroad) and the increase in amortization expense on capitalized development costs.

In light of these factors, initial estimates point to a level of earnings in line with those of the first quarter of 2008.

* Net effect of changes in the scope of consolidation: €7.1 million.

OUTLOOK

Continued business development and a business approach in line with economic conditions

Cegid will leverage its numerous advantages as it pursues its business development:

- recognized areas of expertise and leadership positions owing to functional and industry-specific expertise (ERP, Finance and Taxation, Human Resources, Retailing, Manufacturing, Hospitality, Wholesaling-Services, Cleaning Services, CPAs and the Public Sector);
- a broad range of customers in terms of size and an unparalleled ability to address the needs of SMEs as well as mid-sized and large companies;
- an installed base of 80,000 customers who generate recurrent revenue in excess of €120 million, or more than 45% of total sales. This installed base also represents significant potential for sales of complementary products and migration to new Cegid solutions and leads to very low concentration in accounts receivable;
- consolidation of acquisitions made at the end of September 2008 over a full 12-month period;
- the ability to adjust its cost profile to the level of business activity and expertise in integrating new companies.

With the economic environment having deteriorated significantly since the second half of 2008, Cegid will focus particularly on the following areas in 2009:

- optimising sales & marketing efforts by using a multi-channel approach based on local sales forces, distance selling and a network of value-added resellers and partnerships with consultants and integrators;
- accelerating distribution of On Demand (SaaS) solutions designed to respond to the needs of corporate customers;
- continuing to offer financing solutions, especially for small and mid-market companies.

These usage modes are particularly well suited to current economic conditions, because they enable companies to continue modernizing their IT systems without having to deal with the financing question.

- distributing enterprise software in ASP mode and a package of on-line services to very small companies, offered in partnership with Groupama - Gan Assurances as part of the joint venture with Comptanoo and its www.comptanoo.com and www.club-comptable.com portals;
- pursuing its strategy of targeted acquisitions;
- offering Civitas' software solutions for the public sector, whose potential in terms of investment in IT systems will dovetail with the French government programs to modernize its operations at both national and local levels;
- extending the Group's international footprint by opening new offices.

Using these various strengths and its additional available resources, Cegid should be able in 2009 to demonstrate its ability to deliver good operating profitability even while preparing to take better advantage of a potential turnaround in current economic conditions at the end of this year or during the course of next year.

Separately, Cegid continues to implement its strategy to focus on its principal areas of expertise.

In this regard, discussions are currently underway that could lead to the sale of the vertical markets business for the construction industry (sales of approx. €1 million, 10 employees).

"Consolidated financial statements December 31, 2009"

(in thousands of euros)	Notes	2008	% of sales	2007	% of sales	2006	% of sales
Sales	5.1	248,515	100.0%	241,136	100.0%	228,215	100.0%
Goods & services purchased and change in inventories		-36,748	14.8%	-38,725	16.1%	-36,792	16.1%
Gross profit		211,767	85.2%	202,411	83.9%	191,423	83.9%
Capitalized expenditures		25,537	10.3%	24,649	10.2%	21,116	9.3%
External expenses		-43,106	17.3%	-42,759	17.7%	-42,219	18.5%
Value-added		194,198	78.1%	184,301	76.4%	170,320	74.6%
Taxes other than income taxes		-6,310	2.5%	-5,995	2.5%	-5,726	2.5%
Personnel costs	5.2	-131,121	52.8%	-122,566	50.8%	-116,478	51.0%
EBITDA		56,767	22.8%	55,740	23.1%	48,116	21.1%
Other ordinary income		2,129	0.9%	866	0.4%	604	0.3%
Other ordinary expenses		-892	0.4%	-1,245	0.5%	-1,777	0.8%
Depreciation, amortization and provisions		-26,705	10.7%	-22,197	9.2%	-17,789	7.8%
Income from ordinary activities		**31,299**	**12.6%**	**33,164**	**13.8%**	**29,154**	**12.8%**
Other operating income and expense	5.3	-810	-0.3%	-70	0.0%	583	-0.3%
Operating income		30,489	12.3%	33,094	13.7%	29,737	13.0%
Financial income		202	0.1%	492	0.2%	365	0.2%
Financial expense		-5,690	2.3%	-6,142	2.5%	-4,394	1.9%
Net financial expense	5.4	-5,488	-2.2%	-5,650	-2.3%	-4,029	-1.8%
Pre-tax income		25,001	10.1%	27,444	11.4%	25,708	11.3%
Income tax	5.5	-7,620	3.1%	-9,739	4.0%	-9,309	4.1%
Net income		**17,381**	**7.0%**	**17,705**	**7.3%**	**16,399**	**7.2%**
Net income attributable to parent company shareholders		**17,381**	**7.0%**	**17,705**	**7.3%**	**16,245**	**7.1%**
Net profit attributable to minority interests		0		0		154	
Average number of shares during the year		8,972,130		8,966,512		8,639,694	
EARNINGS PER SHARE ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		**€1.94**		**€1.98**		**€1.89**	

Assets

Net amounts (in thousands of euros)	Notes	12/31/08	12/31/07	12/31/06
Goodwill	4.1.2	187,513	178,748	158,723
Intangible assets	4.1.4			
Development costs		51,051	44,212	38,286
Brands		1,900		
Customer relationships		9,042		
Other intangible assets		501	595	746
Property, plant and equipment	4.1.5			
Technical facilities, equipment and industrial supplies		2,980	3,233	2,400
Other property, plant and equipment		3,596	3,625	3,115
Non-current financial assets	4.1.6			
Financial assets valued at fair value	4.3	576	1,562	3,058
Other non-current investments		180	29	33
Loans, deposits and guarantees		1,673	1,351	1,209
Other financial assets		192	626	606
Deferred taxes	4.4	1,054	3,273	9,062
Non-current assets		**260,256**	**237,254**	**217,238**
Inventories and work-in-progress		1,455	1,469	3,249
Trade receivables and similar accounts	4.3	69,900	66,540	62,096
Other receivables and prepaid items	4.3			
Personnel		782	426	429
Sales tax receivables		2,326	2,158	2,494
Income tax receivables		1,224	109	1,082
Other receivables		2,865	697	729
Prepaid expenses		3,168	2,751	2,190
Cash and cash equivalents	4.2	4,436	3,733	15,516
Current assets		**86,156**	**77,883**	**87,785**
TOTAL ASSETS		**346,412**	**315,137**	**305,023**

Net amounts (in thousands of euros)	Notes	12/31/08	12/31/07	12/31/06
Share capital		8,771	8,771	8,239
Share premium		94,671	94,671	80,305
Reserves		28,081	28,758	19,571
Net income for the year		17,381	17,705	16,245
Other shareholders' equity		6,237	6,237	6,237
Shareholders' equity attributable to parent company shareholders		155,141	156,142	130,597
Minority interests				5,418
Total shareholders' equity	**4.5**	**155,141**	**156,142**	**136,015**
OBSAR bonds (portion > 1 year)			42,242	40,639
Other long-term financial liabilities (portion > 1 year)	4.3	42,709	19,740	42,631
Acquisition-related debt (portion > 1 year)	4.3	2,190	2,274	777
Deferred taxes	4.4	1,243		
Provisions for pension obligations and employee benefits	4.6	6,884	5,649	4,140
Non-current liabilities		**53,026**	**69,905**	**88,187**
Provisions for other liabilities (portion < 1 year)	4.6	7,829	2,876	6,118
OBSAR bonds (portion < 1 year)	4.3	43,820		
Financial liabilities (portion < 1 year)	4.3	1,071	1,202	1,724
Trade accounts payable & similar accounts	4.3	24,769	23,062	21,889
Tax and social security liabilities	4.3			
Personnel		37,296	33,963	32,144
Other taxes and employee-related liabilities		1,726	1,611	1,263
Sales tax payables		5,215	5,120	4,846
Income tax payables		0	768	109
Acquisition-related debt (portion < 1 year)		710	3,105	894
Payables related to acquired non-current assets (portion < 1 year)		278	166	166
Other current payables		3,611	4,330	3,822
Unearned revenue		11,921	12,887	7,846
Current liabilities		**138,246**	**89,090**	**80,821**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**346,412**	**315,137**	**305,023**

(in thousands of euros)	12/31/08	12/31/07	12/31/06
Net income	17,381	17,705	16,245
Net income - minority interests			154
Depreciation, amortization and provisions and elimination of non-cash revenue and expense items	25,340	20,006	4,715
Capital gains and losses on disposal of fixed assets	802	-138	47
Interest expense	5,369	5,166	4,342
Tax expense	7,620	9,739	9,309
Cash flow generated by the business	56,512	52,478	34,812
Interest paid	-3,581	-3,517	-2,754
Tax paid	-3,007	-536	-2,847
Cash flow after interest and tax paid	49,924	48,425	29,211
Change in inventories	312	1,987	-251
Change in accounts receivable	180	3,418	-5,065
Change in other receivables	-1,586	805	-1,717
Change in trade payables	-3,196	-55	-1,998
Change in other payables	-2,385	698	3,643
Change in working capital requirement	-6,675	6,853	-5,388
Net cash from operating activities	**43,249**	**55,278**	**23,823**
Acquisition of intangible assets	-25,528	-25,170	-21,454
Acquisitions of property, plant & equipment	-1,802	-3,629	-1,903
Acquisitions of non-current financial assets	-532	-149	-1,783
Acquisition of companies net of acquired cash	-19,619	-17,587	-10,527
Disposal or decrease in property, plant & equipment	117	1,031	341
Net cash from investing activities	**-47,364**	**-45,504**	**-35,326**
Capital increase		13,241	1,572
Acquisition of treasury shares	-8,939		
Dividends paid to parent company shareholders	-9,058	-8,243	-7,327
Dividends paid to minority interests		-3,058	-78
Repayment of OCEANE bonds			-37,341
Drawdowns under medium-term lines of credit	43,000	20,000	43,000
Repayment of medium-term lines of credit	-20,000	-43,000	-36,000
Change in other financial debt	-64	97	-522
Net cash from financing activities	**4,939**	**-20,963**	**-36,696**
Opening cash and cash equivalents	2,981	14,170	62,369
Change in cash and cash equivalents	824	-11,189	-48,199
Closing cash and cash equivalents	**3,805**	**2,981**	**14,170**

(in thousands of euros)	12/31/08	12/31/07	12/31/06
Marketable securities	1,474	1,147	12,511
Cash & cash equivalents	2,962	2,586	3,005
Bank overdrafts	-631	-751	-1,346
Closing cash and cash equivalents	**3,805**	**2,981**	**14,170**

(in thousands of euros)	CHANGES IN SHAREHOLDERS' EQUITY							TOTAL SHARE-HOLDERS' EQUITY
	Attributable to parent company shareholders						Attributable to minority interests	
	Share capital	Share premium	Other share-holders' equity	Reserves and retained earnings	Treasury shares	Total attributable to parent company shareholders		
Shareholders' equity at 12/31/2005	**8,158**	**78,814**	**6,237**	**26,109**	**-905**	**118,413**	**5,413**	**123,826**
2006 net income				16,245		16,245	154	16,399
Capital increase	81	1,491				1,572		1,572
Shares held in treasury				40	82	122		122
Changes in scope of consolidation						0	-71	-71
Exchange differences				74		74		74
IAS 19 Amendment				203		203		203
Securities measured at fair value				762		762		762
Allotment of bonus shares				533		533		533
Dividends paid by the Company				-7,327		-7,327	-78	-7,405
Shareholders' equity at 12/31/2006	**8,239**	**80,305**	**6,237**	**36,639**	**-823**	**130,597**	**5,418**	**136,015**
2007 net income				17,705		17,705		17,705
Capital increase from BSAR subscriptions and option exercises	469	12,772				13,241		13,241
Capital increase from shares issued in connection with HCS merger	63	1,594				1,657		1,657
Shares held in treasury				-111	190	79		79
Changes in scope of consolidation				601		601		601
Exchange differences				140		140		140
IAS 19 Amendment				-846		-846		-846
Securities measured at fair value				-66		-66		-66
Allotment of bonus shares				1,277		1,277		1,277
Dividends paid by the Company				-8,243		-8,243		-8,243
Shareholders' equity at 12/31/2007	**8,771**	**94,671**	**6,237**	**47,096**	**-633**	**156,142**	**0**	**156,142**
2008 net income				17,381		17,381		17,381
Capital increase from BSAR subscriptions and option exercises [1]	NS	NS				NS		NS
Shares held in treasury				-2,197	-6,943	-9,140		-9,140
Exchange differences				-120		-120		-120
IAS 19 Amendment				-79		-79		-79
Securities measured at fair value				-647		-647		-647
Allotment of bonus shares				662		662		662
Dividends paid by the Company				-9,058		-9,058		-9,058
Shareholders' equity at 12/31/2008	**8,771**	**94,671**	**6,237**	**53,038**	**-7,576**	**155,141**	**0**	**155,141**

[1] In 2008, 3 shares were issued following the exercise of 3 BSARs.

Income and expenses recognized directly in shareholders' equity

(in thousands of euros)	2008	2007	2006
Net income	17,381	17,705	16,245
Transactions on treasury shares	-451	-111	40
IAS 19 Amendment	-79	-846	203
Exchange differences	-39	41	-25
TOTAL	**16,812**	**16,789**	**16,463**

Cegid's 2008 consolidated financial statements were approved by the Board of Directors on March 3, 2009.

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 2008

1.1 Acquisition of VCSTIMELESS, specialized in the Retailing sector

On September 30, 2008, Cegid finalized the acquisition, announced on September 17, 2008, of 100% of the shares of VCSTIMELESS (Timeless France and its subsidiaries and affiliates VCS Timeless Italia SRL, VCS Timeless Japan and ISTimeless-Portugal), of 100% of Timeless Premiere SL (Spain) and of the commercial goodwill of VCS Timeless Ltd (United Kingdom), now operated by Cegid Ltd (United Kingdom), created for this purpose. These companies are providers of IT solutions for the specialist retailing industry.

1.2 Acquisition of Civitas, specialized in the public sector

On September 24, 2008, Cegid acquired 100% of the shares of Civitas, a provider of business management software for local authorities and other public entities.

1.3 Acquisition of GD Informatique, specialized in independent restaurants and hotels

On April 9, 2008, Cegid acquired 100% of the shares of GD Informatique, a provider of enterprise solutions for independent hotels.

1.4 Groupama acquires a stake in Cegid Group

Groupama has held 17.23% of the shares and 15.85% of the voting rights of Cegid Group since December 19, 2007. On December 12, 2008 these percentages were increased to 23.86% and 20.59%, respectively 2008.

1.5 Implementation of the strategic agreement signed by Cegid Group and Groupama - Gan Assurances in December 2007

This agreement, designed to address the needs of advisory firms, and in particular of CPAs and their 2.5 million small and mid-sized business clients, was implemented in 2008, with the achievement of certain milestones.

The project is articulated around the joint development and distribution of innovative, collaborative tools tailored to the needs and expectations of companies in terms of life, health and property insurance. These tools are to be rolled out to advisory firms, in particular CPAs, and France's 2.5 million small and mid-sized businesses.

At the same time, Cegid's subsidiary Comptanoo, the main internet portal for France's smallest companies to access solutions combining the ASP usage mode with a package of online services (www.comptanoo.com and www.club-comptable.com), has become a 50/50 joint venture between Cegid and Groupama - Gan Assurances. The agreement governing this joint venture was signed in December 2008 and is subject to certain conditions precedent. This agreement will be reflected in the 2009 financial statements, as the conditions precedent were lifted in January 2009.

1.6. Partnership with Optim'is provider Altaven

Building on its already strong presence vis-à-vis large companies through its tax solutions (Etafi, Etafi.fr, etc.), Cegid signed an exclusive distribution agreement in March 2008 with Altaven, covering the middle market segment. Altaven is the provider of the Optim'is tax consolidation software.

1.7 Changes in percentage ownership and other transactions during the period

As of December 31, 2008, all the assets and liabilities of Dirfi, Monexpertcomptable and VCS Timeless were transferred to Cegid SA.

As of December 31, 2008, all the assets and liabilities of Etafi were transferred to Servant Soft SA.

As of July 26, 2008, the Group entered the Chinese market, creating the operating company Cegid Software Ltd., a subsidiary of the holding company Cegid Hong Kong Holdings Limited.

A table showing the scope of consolidation as of December 31, 2008, including changes in percentage ownership and methods of consolidation is presented in note 3.

2. ACCOUNTING PRINCIPLES AND METHODS, CONSOLIDATION METHODS

Compliance statement

Pursuant to EU regulation 1606/2002, the consolidated financial statements of Cegid Group have been prepared in accordance with international accounting standards applicable in the European Union as if December 31, 2008. 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.

Cegid has opted against early application of:

- the new version of IAS 1 " Presentation of financial statements ", as amended;
- IFRIC 11 " Group and treasury share transactions ";
- IFRS 8 " Operating segments ". Cegid will apply this standard from January 1, 2009. The information will derive from the Group's internal reporting, and there will be no significant impact on financial statements as a result. Cegid is not affected by the following interpretations:
- IFRIC 13 " Customer loyalty programs ";
- IFRIC 14 – " The limit on a defined-benefit asset ".

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

Presentation of financial statements

The Group has decided to apply Recommendation 2004 - R.02 of the Conseil National de la Comptabilité (French National Accounting Board) dated October 27, 2004 related to presentation of the income statement, balance sheet, cash flow statement and statement of changes in shareholders' equity. This recommendation complies with the principles set out in IAS 1 " Presentation of financial statements ". Cegid's financial statements and notes are presented in thousands of euros.

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;
- inancial 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 which 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 and liabilities related to additional amounts to be paid in the context of acquisitions (earn-out clauses). These estimates are based on the best information available to management as of the statement issue date. Distortion of the estimates and assumptions used could impact 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 proportionally consolidated.

Companies in which the Group exercises a significant influence but does not control 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 of foreign companies expressed in other currencies 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 purchase method, in accordance with IFRS 3 " Business combinations ". As allowed under the option available in IFRS 1, business combinations prior to January 1, 2004 have not been restated.

The first time a company is consolidated, its assets, liabilities and contingent liabilities are valued at fair value.

The acquisition cost is equal to the amount of cash or cash equivalents, discounted should the impact thereof be significant, plus external costs directly attributable to the acquisition and any price adjustments that are considered likely and can be reliably measured.

The Group has 12 months from the date of the acquisition to finalize the estimates related to the business combination in question.

In certain cases, the Group asks outside experts to value the identifiable intangible assets it has acquired.

Brands

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 business software products are not amortized and are subject to impairment tests as detailed in note 2.3.

Brands are deemed to have an indefinite lifetime and thus are not amortized.

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.

Customer relationships

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. 15 years.

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 assets, liabilities and contingent liabilities identified 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.

Agreements to purchase shares held by minority interests

Conditional or unconditional commitments to buy minority interests are recognized as liabilities in an amount equal to the purchase price of the minority interests. Cegid has opted to recognize the difference between the estimated purchase price of the minority interests and the prorata share in equity to be acquired as goodwill. At settlement, any change in the purchase price will be reflected in goodwill.

2.1.3 Brands and customer relationships

Brands and customer relationships consist principally of intangible assets recognized as a result of business combinations according to the methods detailed in note 2.1.1.

Brand names tied to the Group's business software products are deemed to have an indefinite lifetime and are not amortized. They are subject to impairment tests as detailed in note 2.3.

Customer relationships are amortized over the expected lifetime of the customer portfolio.

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/social welfare contributions and allocated overheads, 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.

Cegid has not applied the elective treatment under IAS 23 that allows financial expense incurred on capitalized expenditures during the development period to be capitalized as well.

The following amortization methods are used:

- expenditures relating to the ERP range are amortized over five years on a straight-line basis. This period is economically justified, because the products are constantly enhanced, and the new functionality and upgrade maintenance extends their useful life. Given the expenditure life-cycle, this method is equivalent to considering the total life of an ERP-type range as approximately seven to eight years.
- non-ERP projects are amortized on a straight-line basis over three years. These three - and five-year amortization periods pertain to both initial and subsequent development costs (product upgrade maintenance);
- configuration costs related to yearly Etafi - or Profin-type products are amortized on a straight-line basis over one year.

2.1.5 Acquired software

They are recognized at their acquisition cost and are 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 or 9 years
  - Computer hardware .... 3 or 4 years
  - Office equipment .... 5 years
  - Office furniture .... 8 years
  - Equipment and industrial supplies .... 5 years
  - Transportation equipment............................. 3 or 4 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 these operating leases are recognized on a straight-line basis over the life of the contract.

As of December 31, 2008, 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 property, plant & equipment and intangible assets 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 determined 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 securities available for sale; They are initially recognized at historical cost, then at fair value;
- loans represent loans granted to collector organizations as part of government programs to support residential construction, as well as deposits paid. They are not discounted as recommended by IAS 39, as 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. When an identified loss in value is considered permanent, based on the circumstances, it is recognized as a financial expense.

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.

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 valued according to the weighted average cost formula.
- 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 valued at fair value, which in most cases is their face value. An impairment loss is recognized when 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.

Cegid considers as cash equivalents highly liquid investments readily convertible into a known amount of cash and subject to negligible risk.

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 recorded 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

Stock options

The benefit represented by subscription-type options granted to employees and executive officers is recognized as a personnel expense, with the offsetting entry taken to shareholders' equity.

In accordance with procedures for transitioning to IFRS, only the benefits related to options granted prior to November 7, 2002 and vested before January 1, 2005 are recognized.

Options under the January 2001 stock option plan were granted before November 7, 2002, and those granted under the December 2002 plan were vested before January 1, 2005. No restatement was made for these two plans.

Bonus share issue

In accordance with IFRS 2, " Share-based payment ", Cegid recognizes an expense for the benefits granted to its employees and Board members as part of a bonus share plan, with the offsetting entry taken to shareholders' equity for transactions settled through the issuance of shares.

Fair value is determined on the basis of Cegid Group's share price on the grant date and the expected dividend.

At each closing date, Cegid estimates the number of shares to be issued to beneficiaries, based on achievement of the objectives stipulated in the plan, so as to recognize an expense for the fair value of the bonus shares expected to be granted.

The expense is adjusted accordingly and recognized in the income statement as a personnel expense, with the offsetting entry taken to the share premium account.

Employee savings plans

Cegid's employee savings plans grant no specific or significant benefits to employees apart from matching contributions, which are already recognized as personnel expenses.

2.11 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 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. In this context, the procedures for estimating the provision for retirement indemnities have been revised.

Since January 1, 2007, employment taxes of 45% have been included in the calculation of this provision (voluntary retirement assumption).

The nationwide, multi-industry, labor-management agreement signed on January 11, 2008 has no impact on the calculation of this provision.

The components of the calculation of pension obligations as of December 31, 2008 are shown in note 4.6.1.

2.12 Restatement of the OBSAR bonds

In March 2004, Cegid issued bonds with redeemable share warrants (OBSARs). The OBSAR issue totaled €44,100 thousand, representing 2,004,546 bonds with a par value of €22, earning interest annually at 3-month EURIBOR less 0.20%. Since each bond is associated with a warrant (BSAR), 2,004,546 BSARs were also issued. Each BSAR grants subscription rights to a Cegid Group share at a price of €28.44 from March 3, 2004 to March 3, 2009. The distribution of reserves decided at the Shareholders Meeting of June 22, 2007 caused the exercise ratio to be changed from 1.02 to 1.05.

The bonds (ISIN code FR0010061846) and the BSARs (ISIN code FR0010061853) have been listed separately on Euronext Paris since March 3, 2004.

At December 31, 2008, there were 2,004,546 bonds and 1,519,846 BSARs in circulation. The 1,519,846 BSARs represented rights to subscribe to 1,595,838 shares.

IAS 32 defines an equity instrument as a security that gives access to the shareholders' equity of a company.

The OBSAR bonds fall into this category of financial instruments. In this context, IAS 32 requires that the debt and equity components of securities issued by the Group be recognized separately. The principle for valuing the two components is as follows:

- the equity component is valued using an average of the first prices quoted in the market for redeemable share warrants (BSARs);
- the debt component is valued at the difference between the equity component's fair value and the fair value of the instrument as a whole.

Issue costs were allotted to these two components on a pro rata basis, and accrued interest was recognized on the basis of a yield to maturity, including fees.

The equity component remains in shareholders' equity until the instrument expires and never passes through the income statement.

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 a legal or implied obligation deriving from a past event that could result in an outflow of resources in excess of the benefits derived therefrom 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, their nature and purpose:

- commitments backed by personal guarantees (endorsements and guarantees);
- commitments backs 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 IAS 24, note 8 to these financial statements presents an exhaustive list of all transactions between Cegid Group on the one hand and its parent company ICMI SAS (52 quai Paul Sédallian, 69009 Lyon, France), their subsidiaries and their principal executives and Groupama (8-10, rue d'Astorg, 75008 Paris, France) and its subsidiaries on the other.

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 saved, net of tax, in the event 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 accretive 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 as a function of the following criteria:

- the event that generates the sale of business software, hardware and other software is delivery to the customer;
- services are invoiced as they are performed;
- recurring revenue is recognized on a pro rata basis.

2.18.2 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 activities, whether they are recurring or non-recurring in nature.

2.18.3 Other operating income and expense

"Other operating income or expense" includes such unusual and significant items as:

- capital gains and losses on disposal of property, plant & equipment, if the amounts are material (recurrent sales of hardware 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 whose magnitude 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.

2.18.4 Financial income and expenses

In an instruction published in December 2006, the AMF took a position on net financial income and expense, which was defined in Recommendation 2004 - R 02.

Cegid has decided to present financial income and expense as the difference between:

- financial expenses, i.e. interest expense on financing transactions, additional costs resulting from the application of IAS 39 (interest expenses calculated at the effective interest rate), impairment in the value of unconsolidated securities, other financial discounting expenses and other miscellaneous financial expenses;
- 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.

2.18.5 Tax expense

The tax expense included in the determination of 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 Segment information

IAS 14 "Segment reporting" requires that the company's performance be analyzed on the basis of primary and secondary segments corresponding to the business on the one hand and the geographical breakdown on the other.

Given the highly integrated character of its business, the Cegid Group considers that its business comprises a single sector. Moreover, geographic information is not meaningful.

Consequently, the information published by Cegid is limited to the presentation of sales by type and business sector.

3. SCOPE OF CONSOLIDATION

Company	Head office Siren code	Business	Months consolidated	% Control 2008	% ownership 2008	% ownership 2007	
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 SERVICES SAS	Lyon 341097616	Holding company	12	99.89	99.89	99.89	Full
CIVITAS SA	Cergy 384626578	Software development	3	100.00	100.00	–	Full
Companies held by Cegid SA							
VCS TIMELESS SA	Paris 389285115	Software development	3	–	100.00	–	Full
TIMELESS PREMIERE SL	Spain Madrid	Software distribution	3	100.00	100.00	–	Full
CEGID LTD	United Kingdom Manchester	Software development	3	100.00	100.00	–	Full
GD INFORMATIQUE SAS	Vienne 390420305	Software development	9	100.00	100.00	–	Full
AS INFOR INNOVATING RETAIL APPLICATIONS SL	Spain Barcelona	Software distribution	12	100.00	100.00	100.00	Full
INFORMATIQUE ET COMMUNICATIONS SARL	Beaune 383837994	Software development	12	51.00	51.00	51.00	Full
CEGID CORPORATION	USA New York	Software distribution	12	100.00	100.00	100.00	Full
CEGID ESPAÑA SA	Spain Barcelona	Software distribution	12	100.00	100.00	100.00	Full
SERVANT SOFT SA	Lyon 318762192	Software development	12	100.00	100.00	100.00	Full
CGO INFORMATIQUE SARL	Lyon 323872721	Software development	12	100.00	100.00	100.00	Full
MAGESTEL SARL	Lyon 339067092	Software development	12	100.00	100.00	100.00	Full
DIRFI EURL	Lyon 432391928	Software development	12	–	–	100.00	Full
MONEXPERTCOMPTABLE EURL	Lyon 432388502	Software development	12	–	–	100.00	Full
FCRS SARL	Lyon 412552317	Software development	12	100.00	100.00	100.00	Full
ASPX SARL	Lyon 430048462	Software development	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
VCS TIMELESS ITALIA SRL	Italy Milan	Software distribution	3	100.00	100.00		Full
Company held by Servant Soft							
ETAFI EURL	Lyon 432392041	Software development	12	–	–	100.00	Full
Company held by Aspx							
COMPTANOO SAS	Lyon 4287144299	Software development	12	100.00	100.00	100.00	Full
Company held by Cegid Hong Kong Holdings Ltd							
CEGID SOFTWARE LTD	China Shenzhen	Software distribution	5	100.00	100.00		Full

FULL: Full consolidation

3.1 Changes in the scope of consolidation

Acquisitions during the period:

- In April 2008, Cegid acquired 100% of the shares of GD Informatique.
- In July 2008, Cegid Hong Kong Holdings Limited created Cegid Software in Shenzhen.
- In September 2008, Cegid acquired 100% of the shares of Timeless Première and Timeless, as well as the latter's subsidiary, VCS Timeless Italia.
- In September 2008, Cegid Group acquired 100% of the shares of Civitas.
- In September 2008, Cegid created Cegid Limited.

Internal restructuring:

- Effective January 1, 2009, GD Informatique entered into a lease-management agreement with Cegid SA.
- All assets and liabilities of Timeless, acquired in September 2008, were transferred to Cegid SA as of December 31, 2008.
- All assets and liabilities of Dirfi and Monexpertcomptable were transferred to Cegid SA as of December 31, 2008.
- All assets and liabilities of Etafi were transferred to Servant Soft as of December 31, 2008.

No company left the scope of consolidation in 2008.

4. NOTES TO THE BALANCE SHEET

4.1 Changes in non-current assets

4.1.1 Business combinations

(in thousands of euros)	Acquisition cost [1]	Value of net assets	Fair value of intangible assets [2]	Negative goodwill [3]	Goodwill
GD Informatique, acquired on 4/9/08	2,536	254			2,282
VCS TIMELESS, acquired on 9/30/08	4,189	1,604	4,741	-2,155	0
Civitas, acquired on 9/24/08	10,236	1,153	2,601		6,482
TOTAL	**16,961**	**3,011**	**7,342**	**(2,155)**	**8,764**

[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] Negative goodwill recognized at the time of the acquisition was taken to the income statement as follows: €704 thousand in income from ordinary activities, €1,390 thousand in non-recurring income and €61 thousand in net financial expense. Cegid believes, based on an economic analysis of the situation, that negative goodwill as of the date of the acquisition derived from losses incurred between the date of the transaction and December 31 and the reorganization plan in place at the end of the year.

(in thousands of euros)	Brands [1]	Technologies [1]	Customer relationships [1]	Deferred tax liabilities	Fair value of intangible assets
VCS TIMELESS, acquired on 9/30/08	1,000	-170	6,400	-2,489	4,741
Civitas, acquired on 9/24/08	900	267	2,800	-1,366	2,601
TOTAL	**1,900**	**97**	**9,200**	**(3,855)**	**7,342**

[1] See note 2.1.1.

4.1.2 Goodwill

Changes during the period concerning the three Cash Generating Units broke down as follows:

(in thousands of euros)	12/31/06	12/31/07	Business combinations [1]	Increases	Decreases	12/31/08
Cegid	142,481	162,506	2,282	74	-73	164,789
Quadratus	16,242	16,242				16,242
Civitas			6,482			6,482
TOTAL	**158,723**	**178,748**	**8,764**	**74**	**-73**	**187,513**

[1] See note 4.1.1.

4.1.3 Impairment tests

For impairment tests, a discount rate of 9% has been determined in accordance with the business' risk profile. A change in the assumptions of +/- 1% does not give rise to a loss to be provisioned.

The growth rate beyond the reference period is set at 2% p.a.

4.1.4 Intangible assets

Changes during the period broke down as follows:

(in thousands of euros)	12/31/06	12/31/07	Changes in scope	Increases	Decreases	12/31/08
Development costs [1]	150,862	175,817	4,379	25,478	-10,014	195,660
Concessions, patents	4,368	4,842	51	150	-148	4,895
Brands [1]			1,900			1,900
Customer relationships [1]			9,200			9,200
Other intangible assets	13	278	652			930
Gross amounts	**155,243**	**180,937**	**16,182**	**25,628**	**-10,162**	**212,585**
Development costs	-112,576	-131,605	-976	-21,981	9,954	-144,608
Concessions, patents	-3,629	-4,249	-48	-339	151	-4,485
Other intangible assets	-6	-276	-547	-175		-998
Amortization	**-116,211**	**-136,130**	**-1,571**	**-22,495**	**10,105**	**-150,091**
Net intangible assets	**39,032**	**44,807**	**14,611**	**3,133**	**-57**	**62,494**

[1] See note 2.1.1.

4.1.5 Property, plant & equipment

Changes during the period broke down as follows:

(in thousands of euros)	12/31/06	12/31/07	Changes in scope	Increases	Decreases	12/31/08
Technical facilities, equipment and industrial supplies	13,072	11,133	1,300	1,236	-1,423	12,246
Other property, plant and equipment	7,118	6,841	993	566	-73	8,326
Gross amounts	**20,190**	**17,974**	**2,292**	**1,802**	**-1,496**	**20,572**
Technical facilities, equipment and industrial supplies	-10,661	-7,900	-1,003	-1,619	1,253	-9,269
Other property, plant and equipment	-4,014	-3,216	-799	-790	76	-4,729
Depreciation and amortization	**-14,675**	**-11,116**	**-1,801**	**-2,409**	**1,329**	**-13,996**
Net fixed assets	**5,515**	**6,858**	**491**	**-607**	**-168**	**6,576**

4.1.6 Investments and other financial assets

Changes during the period broke down as follows:

(in thousands of euros)	12/31/06	12/31/07	Changes in scope	Increases	Decreases	12/31/08
Equity investments and related receivables	3,350	1,854			-987	868
Other long-term investments	63	29	2	150		182
Impairment losses	-322	-292		-2		-294
Total financial investments [1]	**3,091**	**1,591**	**2**	**148**	**-987**	**756**
Deposits	425	511	275	75	-59	803
Loans	856	922		85	-32	975
Impairment losses on loans and deposits	-72	-82		-23	1	-105
Loans and deposits	**1,209**	**1,351**	**275**	**137**	**-91**	**1,673**
Other financial assets	606	626		253	-687	192
Net non-current financial assets	**4,906**	**3,568**	**278**	**538**	**-1,765**	**2,621**

[1] Financial investments broke down as follows:

(in thousands of euros)	12/31/08	% held	12/31/07	% held
OL Groupe	576	0.52%	1,562	0.52%
Itool	292	10.71%	292	10.71%
Provisions	-292		-292	
Financial assets measured at fair value	576		1,562	
Other securities	182		29	
Provisions	-2			
Other long-term investments	180		29	
Total financial investments	**756**		**1,591**	

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 thousands of euros)	12/31/06	12/31/07	Changes in scope	Increases	Decreases	12/31/08
Inventories and work-in-progress	1,306	15	51	29	-10	84
Trade receivables and similar accounts	6,484	7,472	710	3,852	-2,719	9,315
Other receivables	29	29				29
TOTAL	**7,819**	**7,516**	**761**	**3,880**	**-2,729**	**9,428**

4.2.2. Cash and cash equivalents

(in thousands of euros)	12/31/08	12/31/07
Shares of mutual funds	1,474	1,147
Cash	2,962	2,586
TOTAL	**4,436**	**3,733**

4.3 Financial instruments

4.3.1 Fair value of financial instruments

(in thousands of euros) as of 12/31/2008	Carrying value	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Investments in unconsolidated subsidiaries and affiliates	576		576	
Other non-current financial assets	180			180
Loans	1,674			1,674
Deposits	192			192
Trade accounts receivable	69,900			69,900
Other short-term receivables	7,197			7,197
Cash equivalents	1,474	1,474		
Cash	2,962	2,962		
Financial assets	**84,155**	**4,436**	**576**	**79,143**
	Carrying value	**Financial liabilities at fair value through profit or loss**	**Debt at amortized cost**	**Other liabilities**
OBSAR bonds	43,820		43,820	
Medium-term line of credit	42,709		42,709	
Acquisition-related debt	2,190			2,190
Trade payables	24,769			24,769
Other current liabilities	48,836			48,836
Current financial liabilities	1,071	631		440
Financial liabilities	**163,395**	**631**	**86,529**	**76,235**

(in thousands of euros) as of 12/31/2007	Carrying value	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Investments in unconsolidated subsidiaries and affiliates	1,562		1,562	
Other non-current financial assets	29			29
Loans	1,351			1,351
Deposits	626			626
Trade accounts receivable	66,540			66,540
Other short-term receivables	3,390			3,390
Cash equivalents	1,147	1,147		
Cash	2,586	2,586		
Financial assets	**77,231**	**3,733**	**1,562**	**71,936**
	Carrying value	**Financial liabilities at fair value through profit or loss**	**Debt at amortized cost**	**Other liabilities**
OBSAR bonds	42,242		42,242	
Medium-term line of credit	19,740		19,740	
Acquisition-related debt	2,274			2,274
Trade payables	23,062			23,062
Other current liabilities	49,063			49,063
Current financial liabilities	1,202	751		451
Financial liabilities	**137,583**	**751**	**61,982**	**74,850**

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 a syndicated line of credit totaling €200 million, which breaks down as follows:

- a €20 million loan amortizable in tranches of €4 million over a period of five years beginning on the date of the first drawdown and no later than March 31, 2009;
- a €180 million loan, repayable at maturity, under which Cegid exercised, in April 2008, the loan extension clause included in the agreement. This clause provides 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. The amount has thus been reduced to €150 million from June 30, 2011 and €120 million from June 30, 2012 until June 2013.

The loan agreement and the OBSAR bond indenture (see note 2.12) include the customary covenants and clauses regarding accelerated maturity:

- 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 1;
  - consolidated net debt/average consolidated EBITDA of the past two years less than 3.

The Group is currently in compliance with these covenants and intends to remain so.

As of December 31, 2008, drawdowns under the syndicated line of credit totaled €43 million.

Cegid Group repaid the €44.1 million outstanding under the OBSAR bond issue on March 3, 2009, by drawing down on this credit facility.

Undiscounted financial liabilities broke down as follows, by maturity:

(in thousands of euros) as of 12/31/2008	up to 1 year	1 to 5 years	more than 5 years
OBSAR bonds	44,100		
Medium-term line of credit		43,000	
Acquisition-related debt	710	2,614	
Financial liabilities	**44,810**	**45,614**	

(in thousands of euros) as of 12/31/2007	up to 1 year	1 to 5 years	more than 5 years
Investments in unconsolidated subsidiaries and affiliates		44,100	
Other non-current financial assets		20,000	
Loans		2,774	
Financial liabilities		**66,874**	

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 credit management team in charge of analyzing – and where appropriate, preventing – customer risk, proposing financing solutions and recovering bad debts.

As of December 31, 2008, the Group's accounts receivable included more than 31,000 unpaid balances, and no Group customer invoiced in 2008 represented more than 0.7% of consolidated 2008 sales (1% in 2007). The net amount of receivables more than 60 days past due and unprovisioned was €17.6 million out of a total of €69.9 million.

Signature risk:

This risk involves principally transactions related to cash investments. Given the amount of cash investments (€1,474 thousand at December 31, 2008 and €1,147 thousand at December 31, 2007) and the nature of the investment vehicles, this risk was not significant (see notes 4.3 and 2.3).

4.3.2.3 Market risks

Interest rate risks

Cegid has access to medium-term financing (syndicated line of credit) which carries 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.

The companies in the Group did not use interest rate hedging instruments in 2008. An increase in interest rates of 1%, at constant debt levels, would lead to an increase in interest expense of around €0.9 million (€0.6 million in 2007).

Using an integrated IT system, the Finance department tracks the Group's treasury on a daily basis. A weekly report of net treasury is prepared and used to track changes in debt and invested cash balances.

4.4 Other changes

Breakdown of deferred tax assets and liabilities

(in thousands of euros)	12/31/06	12/31/07	Changes in scope	% change	12/31/08
Deferred tax assets	9,062	3,273	3,490	-5,709	1,054
Deferred tax liabilities			779	464	1,243

Unrecognized deferred tax assets totaled €55 thousand at 12/31/2008 (€417 thousand at 12/31/2007).

4.5 Notes to shareholders' equity

4.5.1 Share capital

Movements in share capital during the 2007 and 2008 fiscal years were as follows:

	Number of shares	Par value (in €)	Share capital (in €)	Share premiums (in €)
As of December 31, 2006	8,672,992	0.95	8,239,342	80,305,300
Subscription-type stock options	15,916		15,120	261,022
Exercise of BSARs	478,088		454,184	12,510,618
HCS merger	65,680		62,396	1,593,711
As of December 31, 2007	9,232,676	0.95	8,771,042	94,670,651
Exercise of BSARs	3		3	82
As of December 31, 2008	**9,232,679**	**0.95**	**8,771,045**	**94,670,733**

	12/31/2006	12/31/2007	Changes	12/31/2008
Number of shares	8,672,992	9,232,676	3	9,232,679
Par value (in €)	0.95	0.95		0.95
Share capital (in €)	**8,239,342**	**8,771,042**		**8,771,045**

If the 1,519,846 BSARs were to be exercised, the share capital of Cegid Group would total €10,287,091.15, corresponding to 10,828,517 shares.

Cegid aims to strengthen the composition of share capital so as to ensure the company's future development and to preserve investor confidence. Its objective is to maintain a balance between financial debt and shareholders' equity by not exceeding a debt to equity ratio of 100% for any extended period.

As of December 31, 2008, 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 bonus share plan approved by the Board of Directors on July 21, 2006 was consummated in 2008, leading to the allocation of 81,880 shares.

Cegid repurchases its own shares in the market so as to cover the bonus share plans and to implement the liquidity contract (see "Purchase and/or sale by the Company of its own shares" in the management report).

4.5.1.1 Earnings per share

Earnings per share calculated on the average number of shares are presented as follows:

	2008	2007	2006
Number of shares at end of period	9,232,679	9,232,676	8,672,992
Average number of shares during the year	8,972,130	8,966,512	8,639,694
Number of additional shares to be issued (1)	1,595,838	1,595,841	2,110,234
Number of shares held in treasury at end of period	452,847	21,503	24,210
Consolidated net income			
Net income attributable to parent company shareholders (in € M)	17.38	17.70	16.25
Earnings per share attributable to parent company shareholders (in €) (2)	1.94	1.98	1.89
Fully diluted earnings per share attributable to parent company shareholders (in €) (3)	1.78	1.67	1.62

(1) As of 12/31/2008 the number of shares to be issued represented the potential issuance of 1,595,838 shares as a result of the exercise of 1,519,846 BSARs.
(2) Based on the average number of shares outstanding (excl. treasury shares).
(3) 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.

4.5.2 Share premiums

Share premiums represent the difference between the par value of the shares issued and the amount, net of issuance costs, of cash or in-kind contributions paid in.

4.5.3 Reserves

Cegid's undistributed consolidated reserves totaled €28,080 thousand as of December 31, 2008.

4.5.4 Dividend per share

The amount distributable on 2008 earnings totaled €20,621 thousand.

Net dividend	2008 (1)	2007	2006
Total net dividend (in € M)	9.23	9.23	8.30
Net dividend per share (€)	€1.00	€1.00	€0.95

(1) A dividend on 2008 earnings of €1 per share will be proposed to shareholders at their Annual Meeting on May 12, 2009, totaling €9,232.7 thousand before taking into account treasury shares.

4.5.5 Other shareholders' equity

Other shareholders' equity totaled €6,237 thousand and represented the equity component of the OBSAR bonds, in accordance with IAS 39 (see note 2.12).

4.6 Provisions

4.6.1 Non-current provisions

(in thousands of euros)	12/31/08	12/31/07
Present value of commitments at start of period	5,649	4,140
Changes in scope	449	32
Financial costs	310	195
Current service costs	366	276
Amortization of unrecognized past service costs	69	69
Plan curtailments and liquidations [1]		-180
Benefits paid during the year - long service awards	-78	-162
Projected present value of commitments at end of period	6,764	4,371
Actuarial gains and losses/experience adjustments	120	-222
Actuarial gains and losses/changes in assumptions		1,500
Present value of commitments at end of period	**6,884**	**5,649**

[1] Plan reductions are linked to the transfer of employees to the SCC group.

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 4.90% as of December 31, 2008 (4.90% as of December 31, 2007).

The provision includes employment taxes of 45%.

4.6.2 Current provisions

(in thousands of euros)	12/31/07	Change in scope	Increases	Decreases		12/31/08
				Used	Unused	
Labor disputes	816	1,288	182	-300	-131	1,855
Customer disputes	848	2,000	526	-144	-42	3,188
Reorganization plans	298		1,678	-44	-35	1,897
Other	914	91	132	-127	-121	889
TOTAL	**2,876**	**3,379**	**2,518**	**-615**	**-329**	**7,829**

The reorganization plan undertaken in 2008 involves Timeless.

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of sales

5.1.1 By type of business

(in thousands of euros)	2008	2007	2006
Licenses and integration services [1]	110,839	104,230	91,889
Recurring contracts [2]	112,290	105,636	102,815
Hardware and installation	22,040	26,575	29,204
Miscellaneous	3,346	4,695	4,307
TOTAL	248,515	241,136	228,215

[1] The " Licenses and integration services " business included the sale of licenses and all services related to deployment.
[2] " Recurrent " business corresponded to customer support, maintenance, portals and hosting.

5.1.2 By industry segment

(in thousands of euros)	2008	2007	2006
CPAs and very small companies	76,804	79,681	78,931
Services, Wholesaling, Cleaning, general business	80,582	78,811	77,610
Manufacturing	28,294	27,033	27,759
Fashion, Specialist retailing	36,164	33,769	25,081
Construction, Hospitality	21,483	21,842	18,834
Public sector	5,187		
TOTAL	248,515	241,136	228,215

5.2 Personnel costs

The bonus share plans Cegid Group implemented in July 2006 and March 2007 fall under the scope of IFRS 2.

July 2006 plan

The plan initially applied to 139,000 shares granted to 53 employees of the Group. In calculating the allocated benefit, Cegid has taken into account the results of 2006 and 2007 (consolidated operating margin targets) and the beneficiaries' continued employment in the Group. As of December 31, 2007, the plan involved 82,592 Cegid Group shares to be issued to 42 beneficiaries.

At the end of the vesting period, i.e. July 21, 2008, 81,880 Cegid Group shares were allocated free of charge to 41 Group employees.

The amount recognized in the income statement was spread out over the grant period (July 21, 2006 to July 21, 2008). The amount recognized under personnel expense for 2008 was €683 thousand.

March 2007 plans

1 - On March 20, 2007, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a new Cegid Group bonus share plan. The plan initially applied to 2,500 shares granted to one employee of the Group. At December 31, 2008, the beneficiary no longer met the condition of presence within the Group. The plan is therefore null and void.

2 - On March 20, 2007, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a third Cegid Group bonus share plan. The plan initially involved 1,500 Cegid Group shares to be granted to a single beneficiary. As the beneficiary no longer meets the condition of presence within the Group, the plan is null and void.

Amounts connected with these plans totaling €20 thousand, initially recognized in the income statement, were reversed.

(in thousands of euros)	July 2006 plan	March 2007 plans
Date plan implemented	21-juil.-06	20-mars-07
Number of bonus shares	81,880	-
Fair value of shares	€29.95	€31.78
Expense for the period	683	-20

5.3 Other operating income and expense

(in thousands of euros)	2008	2007	2006
Impact of reorganization plans [1]	-1,645	-288	-415
Write-back of unused provisions for disputes			998
Divestments		-371	
Payments received in relation to partnerships		665	
Impairment of intangible assets [2]	-555	-76	
Negative goodwill recognized as income [3]	1,390		
Other operating income and expense	-810	-70	583

[1] Principally the Timeless reorganization plan.
[2] Intangible assets were written down because development of a product range was halted.
[3] See note 4.1.1.

5.4 Financial income and expense

(in thousands of euros)	2008	2007	2006
Financial income from equity investments	12	11	11
Income from other investments	47	352	273
Income related to discounting	27	29	
Write-back of financial provisions	63	29	50
Other financial income	53	71	31
Financial income	**202**	**492**	**365**
Interest expense on loans and other borrowings	-1,736	-2,155	-1,430
Expense related to discounting	-104	-90	
Interest on OBSAR bonds	-3,576	-3,385	-2,680
Financial provisions	-310	-195	
Other financial expense	36	-315	-284
Financial expense	**-5,690**	**-6,140**	**-4,394**
Net financial expense	**-5,488**	**-5,648**	**-4,029**

5.5 Taxes

5.5.1 Breakdown of taxes

(in thousands of euros)	2008	2007	2006
Current tax	-1,447	-2,737	-767
Deferred tax	-6,173	-7,002	-8,542
TOTAL	**-7,620**	**-9,739**	**-9,309**

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 thousands of euros)	2008	%	2007	%
Pre-tax income	25,001		27,444	
Theoretical tax	-8,608	34.43%	-9,449	34.43%
Effect of permanent differences [1]	872	-3.49%	-638	2.32%
Losses of foreign subsidiaries	-256	1.02%	-302	1.10%
Use of tax-loss carryforwards	359	-1.44%	577	-2.10%
Rate effects and miscellaneous	13	-0.05%	73	-0.27%
Income tax	**-7,620**	**-30.48%**	**-9,739**	**-35.49%**

(1) Includes tax savings related to the bonus share plan of €600 thousand and an IFRS 2 impact of €215 thousand

6. EMPLOYEES

The following table shows a breakdown of Group employees:

	2008	2007	2006
Management level	1,286	1,185	1,194
Non-management level	803	807	893
TOTAL	**2,089**	**1,992**	**2,087**

As of December 31, 2008 employees were distributed among Group companies as follows:

	2008	2007	2006
Cegid [1]	1,962	1,874	1,901
Quadratus	137	141	139
Comptanoo	14	11	
Informatique et Communications	4	4	4
Cegid Corporation	3	3	3
Cegid España	3	2	4
AS INFOR Innovating Retail Applications (España)	1	1	
Pmi Soft [2]			9
GD Informatique [3]	15		
Civitas [3]	129		
Timeless Première [3]	4		
VCS Timeless Italia [3]	4		
Cegid LTD [3]	10		
Cegid Software [3]	4		
TOTAL	**2,290**	**2,036**	**2,060**

(1) Including the employees of Timeless, all of whose assets and liabilities were transferred to Cegid SA as of December 31, 2008.
(2) All assets and liabilities of this company were transferred to Cegid SA as of December 31, 2007.
(3) Companies that entered the scope of consolidation in 2008.

7. OFF BALANCE SHEET COMMITMENTS

7.1 Commitments received

Commitments received as asset and liability guarantees in connection with acquisitions

(in thousands of euros)	up to 1 year	1 to 5 years	more than 5 years
Commitments subject to limitations	100	8,033	

Bank lines of credit

(in thousands of euros)	12/31/09	12/31/10	12/31/11	12/31/12
Drawdown authorizations	198,000	194,000	160,000	126,000
Of which utilized	43,000			

The €200 million syndicated credit was composed of a €180 million confirmed revolving credit and a €20 million loan amortizable in tranches of €4 million over a period of five years beginning on the date of the first drawdown and no later than March 31, 2009. The loan agreement includes various customary covenants.

7.2 Commitments given

These commitments broke down as follows:

(in thousands of euros)	up to 1 year	1 to 5 years	more than 5 years	Total 2008
Bank guarantees	583	718	1,048	2,349
Commitments related to leases	10,345	26,504	9,481	46,331

- Bank guarantees were principally guarantees given to cover real estate leases.
- Commitments related to leases pertain to:
  - rent on 42 sites in France including a commitment until 2012 on the head office and until 2013 on the Boulogne premises;
  - long-term leases on vehicles and computer hardware.

Commitments given in connection with bank credits

As indicated in note 4.3.2, the Group has the following financial resources:

The loan agreement and the OBSAR bond indenture include the customary covenants and clauses regarding accelerated maturity:

- 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 1;
  - consolidated net debt/average consolidated EBITDA of the past two years less than 3.

The Group is currently in compliance with these covenants and intends to remain so.

Commitments given in connection earn-outs on acquisitions

(in thousands of euros)	up to 1 year	1 to 5 years	more than 5 years	Total 2008
Commitments subject to limitations		1,000		1,000

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, 2008 was €478 thousand.
- Individual rights to training
  The law of May 4, 2004 (no. 2004-391) on professional training instituted an individual right to 20 hours of training for employees on permanent contracts. These 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 1/1/08	Rights subject to an agreement in 2008	Unused rights at 12/31/08
Rights (in hours)	95,674	10,366	97,052

8. RELATED PARTY DISCLOSURES

8.1 Transactions with related parties

Details of the relationship between Cegid Group and ICMI (52 quai Paul Sédallian, 69009 Lyon, France) and its subsidiaries and principal executives, as well as with Groupama (8-10 rue d'Astorg, 75008 Paris, France) and its subsidiaries were as follows:

(in thousands of euros)	2008	2007	2006
Trade receivables (gross)	267	154	33
Operating liabilities	449	626	609
(in thousands of euros)	**2008**	**2007**	**2006**
Executive Management fees	-2,899	-2,880	-2,710
Other external expenses	-429	-404	-439
Operating expenses	**-3,328**	**-3,284**	**-3,149**
Overheads	458	441	95
Partnership	123	-	-
Operating revenue	**581**	**441**	**95**

8.2 Benefits granted to executives

The Company's governing bodies consisted of the members of the Board of Directors (11 members as of December 31, 2008) and of the Executive Committee (13 members as of December 31, 2008).

(in thousands of euros)	2008	2007	2006
Benefits granted to executives			
Short-term benefits [1]	2,148	2,126	2,253
Post-employment benefits	75	94	137
Other long-term benefits			
Share-based payments	451	838	310

[1] Short-term benefits included fixed and variable compensation, benefits in-kind and director's fees.

Jean-Michel Aulas and Patrick Bertrand have been employees of ICMI since 1999.

As such, they receive most of their compensation from ICMI, which invoices Cegid Group for management assistance services rendered to the Group's executive management.

9. FEES PAID TO THE STATUTORY AUDITORS OF GROUP COMPANIES

Fees paid to the Statutory Auditors of the Company and its subsidiaries	Grant Thornton		Mazars		Other auditors	
(in thousands of euros)	Amount	%	Amount	%		
Audit						
Auditing of consolidated and parent company financial statements	123	100%	134	97%	138	91%
Related assignments			3	2%	4	3%
Sub-total	**123**	**100%**	**137**	**99%**	**142**	**93%**
Other services						
Legal, tax, labor relations			2	1%	8	6%
Information technologies					2	1%
Other						
Sub-total	**-**		**2**	**1%**	**10**	**7%**
TOTAL	**123**	**100%**	**139**	**100%**	**152**	**100%**

10. SIGNIFICANT EVENTS SUBSEQUENT TO CLOSING

On January 29, 2009, Cegid and Groupama confirmed that they had implemented an agreement reached in December 2007, under which ASPX sold 50% of the shares of Comptanoo to Groupama/Gan Assurances, Comptanoo thereby becoming a joint venture. On January 2, 2009 tacit approval was obtained from the French Economy minister, enabling one of the agreement's conditions precedent, related to regulations on industry consolidation, to be lifted. As a result, the sale was able to take place.

In 2009, Cegid Group implemented two interest rate hedging arrangements: standard collars with a two-year maturity and a zero premium vs. 1-month Euribor. The notional amount in both transactions is €20 million at maturity:

Start 1/29/09, floor 1%, cap 3.60%,

Start 2/27/09, floor 1%, cap 2.90%.

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, 2008, on:

- our audit of the consolidated financial statements of Cegid Group SA, as attached to this report;
- the basis for our assessments;
- 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 French professional standards. These standards require the use of due diligence to ascertain with reasonable assurance that the consolidated financial statements do not contain any significant misstatements. 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 - Justification of our assessments

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:

- Allocation of the purchase price of business combinations

As indicated in notes 2.1.1 and 4.1.1, the Company must measure the fair value of various identifiable assets and liabilities, including intangible assets, when it recognizes the business combinations it carries out. These valuations, generally carried out by independent experts, are based on assumptions about the acquired businesses and parameters related thereto.

Our work consisted in analyzing the methodology employed, the assumptions on which they are based and the models used to value the identifiable assets and liabilities, as well as the reasonableness of the parameters.

- Asset impairment tests

At each balance sheet date, the Company 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 " Impairment tests on property, plant & equipment and intangible assets ". 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 notes to the financial statements provided appropriate disclosures in this regard.

- 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 and verifying their recoverable value. We have obtained assurance that note 2.1.4 " Development costs " provides appropriate disclosures.

The assessments thus made are an integral part of our audit of the consolidated 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 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 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANTTHORNTON
François Pons

"Parent company financial statements December 31, 2009"

(in thousands of euros)	Notes	2008	2007
Sales			
Fees	2.8	4,306	4,195
Total sales		**4,306**	**4,195**
Merchandise and equipment consumed			
Other purchases and external expenses		3,882	3,962
Sub-total		3,882	3,962
Operating expenses			
Taxes other than income taxes		30	2
Salaries		125	
Employment taxes		44	
Amortization & provisions		227	227
Other expenses		98	98
Sub-total		524	327
Total expenses		**4,406**	**4,289**
Operating income		**-100**	**-94**
Financial income		18,349	35,725
Financial expense		7,162	17,671
Net financial income	**5.2**	**11,187**	**18,054**
Pre-tax income		**11,087**	**17,960**
Extraordinary gains		2,480	666
Extraordinary losses		2,441	2,026
Net extraordinary items	**2.9**	**39**	**-1,359**
Income tax		-1,745	-247
NET INCOME FOR THE YEAR		**12,872**	**16,848**

Assets

(in thousands of euros)	Gross 12/31/08	Amortization and provisions	Net 12/31/08	Net 12/31/07
INTANGIBLE ASSETS				
Intangible assets of acquired businesses	447	447		
Property, plant and equipment				
Non-current financial assets				
Equity investments and related receivables	140,407	11,844	128,563	118,323
Other long-term investments	8,093	3,268	4,825	1,149
Other non-current financial assets	192		192	626
Non-current assets	**149,139**	**15,559**	**133,580**	**120,097**
Receivables				
Trade receivables and similar accounts	2,943		2,943	1,548
Supplier receivables	6		6	6
Income tax receivables	992		992	
Sales tax receivables	214		214	280
Other receivables	83,218		83,218	73,866
Miscellaneous				
Marketable securities	1,474		1,474	1,147
Cash & cash equivalents	124		124	
Current assets	**88,972**		**88,972**	**76,847**
Accruals				
Prepaid expenses	33		33	36
Expenses amortized over several periods	40		40	267
Total accruals	**73**		**73**	**303**
TOTAL ASSETS	**238,183**	**15,559**	**222,624**	**197,247**

(in thousands of euros)	Net 12/31/08	Net 12/31/07
Share capital	8,771	8,771
Share premiums	95,726	95,726
Legal reserve	877	824
Regulated reserve	18	18
Retained earnings	7,749	12
Net income for the year	12,872	16,848
Regulated provisions	8	
Shareholders' equity	**126,020**	**122,198**
Provision for contingencies		1,190
Provisions for contingencies and losses		**1,190**
Bonds		
OBSAR bonds	44,228	44,257
Borrowing and other liabilities due to credit institutions		
Borrowings	43,000	20,000
Overdrafts, bank lines	146	375
Borrowings and miscellaneous financial liabilities		
Group	7,654	7,030
Accounts payable and similar accounts	1,306	1,225
Tax and employee-related liabilities		
Personnel	4	
Employment taxes payable	26	
Income tax payables		768
Sales tax payable	112	94
Other taxes and employee-related liabilities	7	11
Other liabilities	121	100
Total liabilities	**96,604**	**73,859**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**222,624**	**197,247**

(in thousands of euros)	2008	2007
Net income	**12,872**	**16,848**
Net amortization & provisions	2,309	12,207
Elimination of non-cash income and expenses	687	1,150
Capital gains and losses	1,742	665
Cash flows from operating activities	**17,610**	**30,870**
Change in working capital requirement	-3,315	2,902
Net cash from operating activities	**14,295**	**33,772**
Acquisitions of non-current financial assets	-7,198	-39
Acquisition of Civitas shares	-10,206	
Acquisition of shares allocated under bonus share plans	-1,741	
Impact of mergers		238
Net cash from investing activities	**-19,145**	**199**
Change in shareholders' equity		13,253
Dividends paid to shareholders	-9,058	-8,254
New borrowings	23,000	20,000
Repayment of borrowings		-43,000
Other changes in borrowings [1]	-7,321	-5,651
Net cash from financing activities	**6,621**	**-23,652**
Net change in cash	**1,771**	**10,319**
Opening cash and cash equivalents	**-5,822**	**-16,141**
Closing cash and cash equivalents	**-4,051**	**-5,822**

[1] Cegid SA borrowing account.

Cash and cash equivalents included intercompany accounts with credit balances of €7,579 thousand as of 12/31/2008 and €6,594 thousand as of 12/31/2007 and intercompany accounts with debit balances (excl. the Cegid borrowing account) of €1,930 thousand as of 12/31/2008 (n.a. at 12/31/2007), which were repayable on demand. Cegid Group has a medium-term line of credit with an undrawn balance of €157,000 thousand.

Detail of cash and cash equivalents	2008	2007
Marketable securities	1,474	1,147
Cash	124	
Shareholder loans, excl. Cegid Group	1,930	
Overdrafts, bank facilities		-375
Intercompany accounts (credit balances)	-7,579	-6,594
Total cash and cash equivalents	**-4,051**	**-5,822**

Cegid’s 2008 consolidated financial statements were approved by the Board of Directors on March 3, 2009.

1. SIGNIFICANT EVENTS

1.1 Acquisition of Civitas

On September 24, 2008, Cegid acquired 100% of the shares of Civitas, a provider of business management software for local authorities and other public entities.

Through this transaction, Cegid has expanded its product range and demonstrated its determination to become a major player in management solutions for the public sector.

1.2 Acquisition of treasury shares

The Company has a program to buy back its own shares under an authorization granted to the Board of Directors by shareholders at their Ordinary Shareholders' Meeting of June 22, 2007 to purchase securities under Articles L.225 - 209 to L.225 - 212 of the French Commercial Code.

The Board of Directors of Cegid Group has decided to use this authorization to repurchase Cegid Group shares up to a limit of 10% of the share capital.

During the 2008 fiscal year, Cegid Group acquired 486,788 Cegid Group shares for a total of €8,939,370.26. These purchases were made under a contract with Exane.

As of December 31, 2008, a provision of €3,268 thousand was recognized against shares held in treasury.

The characteristics of the share buyback program are detailed in the chapter entitled "2008 share buyback program" of this 2008 Annual Report.

2. ACCOUNTING PRINCIPLES AND METHODS

2.1 General principles

The financial statements for fiscal year 2008 have been prepared in accordance with the standards defined by the 1982 chart of accounts, the law of April 30, 1983, the decree of November 29, 1983, and CRC Regulation 99-03. 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 fees related to the acquisition. A provision for impairment is recognized on equity investments when their carrying value, calculated on the basis of 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;
- value based on recent transactions involving companies in the same sector. Nevertheless, a provision is recognized only when the company has reached a normal level of operations in the case of a newly-created company, or when the process of integrating the company into the Group has been completed in the case of an acquisition.

Costs related to acquisitions that are incorporated into equity investments are subject to special straight-line amortization over five years.

At December 31, 2008, special amortization of €8 thousand was recognized.

• Liquidity contract

The items held pursuant to the liquidity contract are recognized as non-current financial assets:

- €380 thousand in treasury shares;
- €192 thousand in other non-current receivables.

• Treasury shares

Shares held in treasury are subject to provisions for impairment depending on their purpose:

- shares that are to be canceled (€835 thousand at 12/31/2008) are not provisioned;
- a provision for impairment of €3,268 thousand was recognized against all other shares. This amount was determined on the basis of the average share price in the last month of the year (€8.40).

2.3 Receivables

Receivables are valued at their face value.

A provision for impairment is recognized when 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 recorded at acquisition cost. Mutual funds are valued at the redemption price on the last trading day of the reporting period.

The value of individual listed securities is determined based on the average quoted price during the last month of the reporting period.

A provision for impairment is recognized if the value calculated using the above methods is less than the historical acquisition price. Such a provision is not recognized, however, if the associated unrealized capital loss 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 Expenses amortized over several periods

Deferred charges consist only of bond issue costs. They are amortized on a straight-line basis over the term of the bonds.

2.6 Bond Issue

OBSAR bonds

In March 2004, Cegid Group issued bonds with redeemable share warrants (OBSARs).

The OBSAR issue totaled €44,100 thousand, representing 2,004,546 bonds with a par value of €22, earning interest annually at 3-month EURIBOR less 0.20%.

Since each bond was associated with a warrant (BSAR), 2,004,546 BSARs were also issued. Each BSAR confers the rights to subscribe to 1.05 Cegid Group shares at a price of €28.44 per share from March 3, 2004 to March 3, 2009. The bonds (ISIN code FR0010061846) and the BSARs (ISIN code FR0010061853) have been listed separately on Euronext Paris since March 3, 2004.

At December 31, 2008, there were 2,004,546 bonds and 1,519,846 BSARs in circulation.

The principal characteristics of the bonds and the warrants are summarized in the part of this report entitled General information.

2.7 Provisions for contingencies and losses

These provisions are recognized on a case-by-case basis after an evaluation of the corresponding risks and costs.

A provision is recognized whenever management becomes aware of a legal or implied obligation deriving from a past event that could result in an outflow of resources in excess of the benefits derived therefrom.

The Company has implemented two bonus share plans. In accordance with recommendation 2008-17 of the CNC (National Accounting Council), dated November 6, 2008, a provision for contingencies related thereto has been recognized, calculated on a prorata basis over the life of the plan.

2.8 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.

2.9 Extraordinary items

Extraordinary income and expenses include non-recurring items as well as items considered extraordinary by their nature (asset disposals, profit or loss on sale of treasury shares).

3. NOTES TO THE BALANCE SHEET

3.1 Property, plant & equipment

(in thousands of euros)	12/31/07	Increases [1]	Decreases	12/31/08
Intangible assets:				
- Value of businesses	447			447
Non-current financial assets:				
- Equity investments	130,172	10,236		140,408
- Other noncurrent financial assets	1,773	7,198	687	8,284
Gross amounts	**132,393**	**17,434**	**687**	**149,139**
Intangible assets	447			447
Non-current financial assets:				
- Equity investments	11,848		4	11,844
- Other non-current financial assets		3,268		3,268
Amortization and provisions	**12,295**	**3,268**	**4**	**15,559**

[1] The increase in equity investments resulted from the acquisition of Civitas in September 2008. The increase in other non-current financial assets resulted from the share buyback program.

3.2. Expenses amortized over several periods

(in thousands of euros)	12/31/07	Increases	Decreases	12/31/08
Expenses amortized over several periods [1]	267		227	40

[1] Only expenses amortized over several periods pertaining to OBSAR issue costs remained on the balance sheet at December 31, 2008.

3.3. Maturity of receivables

(in thousands of euros)	12/31/08	up to 1 year	1 to 5 years	more than 5 years
Current assets and prepaid expenses	87,407	7,693	79,714 [1]	
TOTAL	**87,407**	**7,693**	**79,714**	

[1] Cegid SA borrowing account.

3.4. Revenue accruals included in the balance sheet

Trade receivables and similar accounts: €676 thousand.

3.5. Prepaid expenses

Prepaid expenses totaled €33 thousand at December 31, 2008. They pertained to normal expenses related to the ordinary operations of the Company.

3.6. Provisions for impairment

(in thousands of euros)	12/31/07	Increases	Decreases	12/31/08
Intangible assets	447			447
Non-current financial assets	11,848	3,268	4	15,112
TOTAL	**12,295**	**3,268**	**4**	**15,559**
Provisions and reversals: - operating				
- financial		3,268	4	
- extraordinary				

3.7. Asset items related to affiliated companies

(in thousands of euros)	12/31/08	of which affiliated companies
Non-current financial investments (gross)	148,692	140,907
Equity investments and related receivables	140,407	140,407
Other long-term investments (1)	8,093	500
Long-term receivables from the liquidity contract	192	
Provisions on non-current financial assets	-15,112	-11,844
Non-current financial assets (net)	133,580	129,063
Trade receivables (gross)	87,374	86,161
Provisions for bad debts		
Trade receivables (net)	87,374	86,161
Prepaid expenses	73	

(1) Other long-term investments included treasury shares of €7,197 thousand, against which a provision of €3,268 thousand was recognized (average December 2008 price: €8.40).

3.8. Marketable securities

(in thousands of euros)	Gross value	Market value at 12/31/08
Shares of mutual funds	1,474	1,474
Provisions		
TOTAL	**1,474**	**1,474**

4. NOTES ON LIABILITIES AND SHAREHOLDERS' EQUITY

4.1 Share capital

During the 2008 fiscal year, three BSARs were exercised, leading to the issuance of three new shares with a par value of €0.95 and a total share premium amount of €80.

As of December 31, 2008, Cegid Group's capital consisted of 9,232,679 shares with a par value of €0.95 each, totaling €8,771,045.

4.2 Changes in shareholders' equity

(in thousands of euros)	Share capital	Share premium	Reserves	Retained earnings	Net income for the year	Regulated provisions	Total
Shareholders' equity at December 31, 2007	**8,771**	**95,726**	**842**	**12**	**16,848**		**122,198**
Allocation of 2007 net income [(1)]			53	7,737	-16,848		-9,058
Capital increase							
Net income for the year					12,872		12,872
Other changes [(2)]						8	8
Shareholders' equity at December 31, 2008	**8,771**	**95,726**	**895**	**7,749**	**12,872**	**8**	**126,020**

[(1)] According to the allocation of net income and distribution of dividends approved at the Ordinary Shareholders' Meeting on May 7, 2008.
[(2)] Changes resulting from the special amortization of costs related to the acquisition of Civitas.

4.3 Provisions for contingencies and losses

(in thousands of euros)	12/31/2007	Provisions	Reversals of used provisions	Reversals of unused provisions	12/31/2008
Other	1,190		1,190		
TOTAL	**1,190**		**1,190**		
Breakdown:					
- operating					
- financial					
- extraordinary			1,190		

4.4 Accrued expenses included in the balance sheet

(in thousands of euros)	12/31/2008
Interest expense on borrowings	274
Trade payables	443
Tax and employee-related liabilities	8
Other liabilities (director's fees)	100
TOTAL	**825**

4.5 Liability items related to affiliated companies

(in thousands of euros)	12/31/2008	of which affiliated companies
Financial debt	95,028	7,653
Operating liabilities	1,455	992
Miscellaneous liabilities	121	21
TOTAL	96,604	8,666

4.6 Maturity of liabilities

(in thousands of euros)	12/31/08	up to 1 year	1 to 5 years	more than 5 years
Convertible bonds	44,228	44,228		
Credit lines	43,146	146	43,000	
Misc. financial liabilities	7,653	7,653		
Accounts payable and similar accounts	1,306	1,306		
Tax and employee-related liabilities	149	149		
Other liabilities	121	121		
TOTAL	96,604	53,604	43,000	

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of revenue by type of business

(in thousands of euros)	2008	2007
Fees for use of Cegid Group's brand image and facilities	4,306	4,195
TOTAL	4,306	4,195

5.2 Financial income and expense

(in thousands of euros)	2008	of which affiliated companies
Financial income		
Dividends and other income from equity investments	14,413	14,413
Capital gains on disposals of marketable securities	48	
Interest on intercompany accounts	3,884	3,884
Provisions reversed [1]	4	4
TOTAL	18,349	18,302
Financial expense		
Interest on bonds	1,999	
Interest expense on borrowings (Club deal)	1,370	
Provisions [2]	3,268	
Interest on intercompany accounts	312	312
Other expenses	213	
TOTAL	7,162	312
Net financial income	11,187	17,990

(1) Reversal of an impairment charge on Cegid Services shares.
(2) Writedown of treasury shares.

5.3 Extraordinary gains and losses

(in thousands of euros)	2008	of which affiliated companies
Extraordinary gains		
On operating items [1]	1,290	1,290
Reversals of provisions for contingencies and losses	1,190	
TOTAL	2,480	1,290
Extraordinary losses		
On operating items [2]	2,433	
Special amortization and provisions	8	
TOTAL	2,441	
Net extraordinary gain/loss	39	1,290

(1) Re-invoicing to subsidiaries of the portion of bonus share plans related to their employees. (2) Loss on buyback of shares held in treasury:
- bonus share plan: €1,746 thousand;
- liquidity contract: €687 thousand.

5.4 Increases and reductions of future tax liabilities

(in thousands of euros)	Amount	Income tax
Reductions	8	3
Provisions not yet deductible	8	3
Accrued expenses not yet deductible		
Increases	40	13
Expenses to be deferred	40	13

5.5 Breakdown of corporate income tax

(in thousands of euros)	Pre-tax income	Tax and profit-sharing	Net income
Pre-tax income	11,088	(759)	11,847
Net extraordinary gain/loss	39	(384)	423
Impact of tax consolidation		(602)	602
Net income	**11,127**	**(1,745)**	**12,872**

5.6 Tax consolidation

On January 1, 2000, Cegid Group decided to implement a tax consolidation scheme. The following companies are included in the tax consolidation group:

- Servant Soft SA, Siren 318 762 192
- CGO Informatique SAS, Siren 323 872 721
- Magestel SARL, Siren 339 067 092
- Cegid SA, Siren 410 218 010
- FCRS SARL, SIREN 412 552 317
- ASPX SARL, SIREN 430 048 462
- Quadratus SA, Siren 382 251 684
- Comptanoo SAS, Siren 428 714 299

As a result of the dissolution of VCSTIMELESS, Dirfi, and Monexpertcomptable, retroactive to January 1, 2008 for tax purposes, and following the merger of their assets into those of Cegid SA, the taxable income or loss of these companies was incorporated into that of Cegid SA.

As a result of the dissolution of Etafi, retroactive to January 1, 2008 for tax purposes and following the merger of its assets into those of Servant Soft, Etafi's taxable income or loss was incorporated into that of Servant Soft.

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 consolidation profit of €1,751 thousand in fiscal year 2008.

6. MISCELLANEOUS NOTES

6.1 Average number of employees

	2008	2007
Management level	1	
Non-management level		
TOTAL	**1**	

6.2 Commitments

6.2.1 Commitments given

(in thousands of euros)	2009	2010
Earn-outs on assets acquired (1)		

(1) Earn-outs on the acquisition of Civitas.

6.2.2. Commitments received

(in thousands of euros)	2009	2010	2011	2012	2013
Drawdown authorizations	198,000	194,000	160,000	126,000	2,000
Of which utilized	43,000				

The syndicated line of credit totaling €200 million broke down as follows:

- a €20 million loan amortizable in tranches of €4 million over a period of five years beginning on the date of the first drawdown and no later than March 31, 2009;
- a €180 million revolving credit, repayable at maturity. In April 2008, Cegid exercised the loan extension clause included in the agreement. This clause provides 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, which will now be set at €150 million from June 30, 2011 and €120 million from June 30, 2012.

6.3 Disputes

None

6.4 Other information: Compensation

For fiscal year 2008, gross compensation paid to members of the governing bodies totaled €100,000 (directors' fees).

Jean-Michel Aulas and Patrick Bertrand have been employees of ICMI since 1999. As such, they receive most of their compensation from ICMI, which invoices Cegid Group for management assistance services rendered to the Group's executive management.

6.5 Fees paid to the Statutory Auditors and members of their networks

	GRANT THORNTON		MAZARS	
(in thousands of euros)	Amount	%	Amount	%
Audit				
Auditing of consolidated and parent company financial statements	83	100%	83	97%
Related assignments				
Sub-total	**83**	**100%**	**83**	**97%**
Other services			3	3%
TOTAL	**83**	**100%**	**86**	**100%**

6.6 Significant events subsequent to closing

None.

6.7 Information concerning subsidiaries, equity investments and schedule of securities held

Group company	Share capital	Sh. 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 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	18,606,860	122,174,896	100%	99,509,909	99,509,909	79,714,577	220,376,092	8,809,487	10,233,770
Cegid Services SAS 52 Quai Paul Sédallian 69279 Lyon	37,365	377,516	100%	12,221,424	377,516			4,285	
Quadratus SA Parc du Golfe Bat. 27/29 350 avenue Gautier de la Lauziere 13856 Aix en Provence cedex 3	1,500,000	7,872,331	100%	18,440,000	18,440,000		21,096,322	4,975,280	4,169,983
Civitas SAS Immeuble Le Grand Axe 10-12 bd de l'Oise 95031 Cergy Pontoise cedex	1,000,000	2,399,054	100%	10,235,785	10,235,785	1,930,000	13,005,916	119,215	
2. Equity investments (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				515,314	515,314				9,702
4. General information relating to other marketable securities									
Liquidity contract				571,745	571,745				

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, 2008, on:

- the audit of the year-end financial statements of Cegid Group SA, as attached to this report,
- the basis for our assessment;
- specific verifications and information required by law

The year-end financial statements were drawn up by the Board of Directors. It is our task to express an opinion on these financial statements on the basis of our audit.

I - Opinion on the year-end financial statements

We conducted our audit in accordance with French professional standards. These standards require the use of due diligence to ascertain with reasonable assurance that the year-end financial statements do not contain any significant misstatements. 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 year-end financial statements are, from the standpoint of French accounting rules and principles, true and in good order and fairly present the results of operations for the fiscal year under review, as well as the company's financial position and assets at the end of the same fiscal year.

II - Justification of our assessments

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 equity investments valued according to the methods described in note 2.2. Based on the information currently available, we have reviewed the approach taken and the calculations made by the company and assessed the resulting valuations.

The assessments thus made are an integral part of our audit of the year-end 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 the specific verifications required by law.

We have no comment regarding:

- the accuracy of the information provided in the Board of Directors' management report and in the documents sent to shareholders concerning the financial situation and year-end financial statements, or the consistency of this information with the year-end financial statements,
- the accuracy of the information provided in the management report related to compensation and benefits paid to the executive officers and to commitments made in their favor at the time of their appointment, termination or change in position or subsequent thereto.

As required by law, we have ensured that the various information related to acquisitions of shareholdings and control and to the identity of the holders of share capital was provided to you in the management report.

Lyon and Villeurbanne, April 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

To the shareholders,

In our capacity as Statutory Auditors of your Company, we present our report on related-party agreements and commitments.

1 Agreements and commitments authorized during the fiscal year

Pursuant to Article L.225-40 of the French Commercial Code, we have been advised of the agreements and commitments for which prior authorization was granted by your Board of Directors.

It is not our responsibility to identify other agreements and commitments that may exist, but to inform you, on the basis of the information provided to us, of the essential features and details of those of which we have been advised, without passing judgment on their usefulness or validity. According to Article R.225-31 of 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.

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.

1.1 Cegid Group/Civitas cash management agreement

Inclusion of Civitas in the cash management agreement between Cegid Group and its subsidiaries.

The advances granted in the context of this agreement bear interest based on 3-month Euribor with a margin, differentiated as follows:

• margin when Cegid Group is the borrower: -0.20%

• margin when Cegid Group is the lender: +0.50%

Advances granted by	Advances received by	Balance at 12/31/2008	Income (expense) recognized in € 000
Cegid Group	Civitas	1,930	18

Approved by the Board of Directors on November 26, 2008

1.2 Coordination, consulting, management assistance

Coordination, consulting, management assistance and strategy services provided by Cegid Group to Civitas.

Fees paid for these services are equal to 0.7% of Civitas' sales, excluding VAT and re-invoiced expenses.

The amount of fees invoiced by Cegid Group for the 2008 fiscal year was €36 thousand.

Approved by the Board of Directors on November 26, 2008

1.3 Fee for the use of Cegid Group's brand identity and facilities

Fee for Civitas' use of Cegid Group's brand identity and facilities.

The amount of this fee is equal to 1% of Civitas' sales, excluding VAT and re-invoiced expenses.

The amount of fees invoiced by Cegid Group for the 2008 fiscal year was €52 thousand.

Approved by the Board of Directors on November 26, 2008

2 Agreements and commitments approved in prior years and remaining in force during the past fiscal year

Pursuant to the French Commercial Code, we have been advised that the following agreements and commitments, approved during previous fiscal years, remained in force during the most recent fiscal year.

2.1 Cash management agreement

The advances granted in the context of the cash management agreement bear interest based on 3-month Euribor with a margin, differentiated as follows:

- margin when Cegid Group is the borrower: -0.20%
- margin when Cegid Group is the lender: +0.50%

Advances granted by	Advances received by	Amount at 12/31/2008 in € 000	Income (expense) recognized in € 000
Quadratus	Cegid Group	7,201	(295)
Cegid Services	Cegid Group	377	(17)
Cegid Group	Cegid	79,715	3,866

2.2 Management assistance agreements

Agreement for management assistance services provided by ICMI to Cegid Group. The amount of the variable fee is equal to 5% of consolidated net income. The amount of the fixed fee is tied to changes in the Syntec index.

The amount recognized in fiscal year 2008 broke down as follows:

- fixed amount, tied to the Syntec index: €2,020 thousand.
- variable amount equivalent to 5% of consolidated net income: €879 thousand.

2.3 Coordination, consulting, management assistance

Coordination, consulting, management assistance and strategy services provided by Cegid Group to Cegid and Quadratus.

Fees paid pursuant to these agreements totaled 0.7% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries on the one hand and of Quadratus on the other.

The amount of fees invoiced by Cegid Group for the 2008 fiscal year was:

- Cegid = €1,589 thousand
- Quadratus = €148 thousand

2.4 Fee for the use of Cegid Group's brand identity and facilities

Fee for the use of Cegid Group's brand identity and facilities by Cegid and Quadratus.

Fees paid pursuant to these agreements totaled 1% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries on the one hand and of Quadratus on the other.

The amount of fees invoiced by Cegid Group for the 2008 fiscal year was:

- Cegid = €2,270 thousand
- Quadratus = €211 thousand

Lyon and Villeurbanne, April 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

"Corporate Governance"

Report of the Chairman of the Board of Directors pertaining to the preparation and organization of the Board's activities, the possible limitations applied to the power of the Chief Executive Officer and the internal control procedures set up by the Cegid Group.

In accordance with the requirements of article L.225-37 paragraph 6 of the French Commercial Code, as amended by Law 2008-649 of July 3, 2008, the following report describes 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 Annual Report 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.225-68 of the French Commercial Code, this report specifies which AFEP/MEDEF recommendations have been set aside, if any, and the reasons therefor.

1. Preparation and organization of the activities of the Board

The Board of Directors of your company has eleven members, including nine individual directors and two companies. Among these eleven directors, four can be considered as independent, within the meaning of the AFEP and MEDEF reports, since they do not hold any management positions in the company or Group to which they belong and do not maintain any significant relations with the Company, its Group or its management, that could compromise the exercise of their freedom of judgment.

The Board of Directors is composed of the following members:

- Jean-Michel Aulas, Chairman
- ICMI, represented by Patrick Bertrand, Director and CEO
- Apax Partners, represented by Edgard Misrahi
- Christian Collin, Director
- Benoît Maes, Director
- Franklin Devaux, Director
- Jean-Luc Lenart, Director
- Lucien Deveaux, Director
- Michel Reybier, Director
- Jacques Matagrin, Director
- Benoît de Rodellec du Porzic, Director [1]

[1] At its November 26, 2008 meeting, the Board of Directors appointed Mr. Rodellec du Porzic to replace Eurazeo, represented by Gilbert Saada.

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 in particular for the use of videoconferencing under terms and conditions set forth by law.

The Board of Directors meets five to ten times a year, according to events concerning the Company. It met seven times in 2008. The Statutory Auditors are invited to all meetings of the Board of Directors.

The meeting is called by the Chairman of the Board via post and fax. The average time period for convening the Board is about fifteen days, and a tentative annual schedule is established at the beginning of the year.

Meetings were held at the head office, and the majority of directors were present. The average attendance rate was around 80%.

Confidential documents are distributed to directors at Board meetings and, if necessary, prior to the meetings, so as to present proposals to them that they will be asked to decide upon.

During fiscal year 2008, the Board of Directors focused on the following topics:

- proposed acquisitions;
- implementation of the strategic partnership between Groupama and Cegid;
- first-half and full-year financial results.

At its meeting of March 23, 2005, the Board of Directors appointed a standing Strategy Committee. This committee is currently composed of Jean-Michel Aulas, Patrick Bertrand, Apax Partners, Franklin Devaux and Christian Collin. 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, management reports and forecasts prepared by the Company's management.

The Committee is also consulted on major operational projects.

By August 31, 2009 the Company will ensure it is in compliance with European Directive 2006/43, transposed into French law by Law n° 2008-649 of July 3, 2008, which includes various provisions for adapting French company law to EU law, and by Decree n° 2008-1278 of December 8, 2008, which requires that an Audit Committee be implemented.

There is no Appointments Committee for Board members and executive officers. The Board of Directors, in accordance with the law, the Company's bylaws and the Board's charter, proposes candidates for the Board to shareholders, who alone have the right to appoint directors, via a vote at their Annual Shareholders' Meeting. The Board chooses candidates on the basis of their skills and knowledge of a business sector.

2. Compensation and benefits granted to executive officers

Pursuant to article L.225-37 paragraph 9 of the French Commercial Code, you must be informed of the principles and rules used by the Board of Directors to determine all compensation and benefits granted to executive officers.

In this regard, directors' 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. These directors' fees are distributed to the directors according to their presence at meetings. There is an additional weighting for the two executives and for the members of the Strategy Committee.

In light of the information provided above, there is no Compensation Committee. However, in the event a stock-option plan or a bonus share plan were proposed, the Strategy Committee would examine the plan prior to the Board deciding on the basis of the authorization granted to it by shareholders in their Special Shareholders' Meeting.

Under a Cegid Group bonus share plan approved by the Board of Directors on July 21, 2006, using the authorization granted by shareholders at their Special Shareholders' Meeting of June 8, 2005, the Chairman of the Board and the CEO each received 10,680 Cegid Group bonus shares, which became fully vested on July 21, 2008. The plan initially involved 139,000 Cegid Group shares to be granted to 53 beneficiaries. Based on the rules of the plan, in particular because certain persons had lost their beneficiary status and given the extent to which the Company and its subsidiaries had achieved the performance criteria (consolidated margin on ordinary activities) as of the end of 2006 and 2007, 81,880 shares were fully vested and granted to 41 beneficiaries on July 21, 2008.

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 page 71 of this Annual Report.

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 found on pages 135 and 136 of this Annual Report also include information concerning the compensation of executive and non-executive officers.

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. In particular it has provided that, generally speaking, decisions that fall outside the scope of day-to-day management, as listed below, shall be submitted to the Board of Directors for prior authorization:

- Constitution of guarantees, mortgages and pledges, except for bank guarantees requested to support payment of rent for commercial premises or any request for a guarantee concerning the signature of commercial contracts pertaining to day-to-day management;
- sale of real estate properties;
- total or partial sale of the intangible value of the business;
- acquisitions and equity investments.

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 in accordance with applicable law after having solicited 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, 2008 is shown in the management report for the 2008 fiscal year, found on page 69 of this Annual Report.

Conditions for attending and participating in Annual shareholders' meetings are indicated in Articles 21-29 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 implemented by management so as to achieve the following objectives:

- ensure that corporate operations and employee behavior fall within the guidelines set down by the Board of Directors and are implemented 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 finance, accounting and organization;
- ensure the reliability of financial and management 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 was organized along the same principles and rules as those existing in the Group in 2007.

Cegid's Executive Committee, the CEOs and Delegated 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 Executive Committee meets in general once a month. It can also meet at other times to make important corporate decisions such as acquisitions, alliances, financing or labor negotiations.

Similarly, the Cegid Management Committee, comprised of the principal operational managers at Cegid, also participates in the operational implementation of the Group's strategy. The Management Committee met once during the year. The Strategy Committees in the operating areas, under the responsibility of the respective member of the Executive Committee, serve to disseminate information and implement of all the operational issues pertaining to their fields of activity.

Since the beginning of the 2008 fiscal year, the Strategy Committees in the operating areas have met regularly, with the CEO of the Group in attendance.

Internal control is based on a set of procedures drawn up with the help of the CFO's office by the managers in charge of applying them, including the CEOs and Delegated CEOs of the operating subsidiaries, and made available to the Company's governing bodies. These procedures, covering the Purchasing, Investment, Sales, Human Resources and Research & Development cycles, are available on the Company's intranet or directly brought to the attention of the managers.

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 obligations and signature authorization.

In 2008, internal control procedures and their implementation were improved in the following ways:

- procedures for identifying and monitoring risks implemented in 2007 were improved,
- audits were carried out from time to time to improve operational management and
- a procedure to facilitate the integration of newly acquired companies (in 2008: GD Informatique, VCSTIMELESS and Civitas) was formalized, building on Cegid's experience. In 2009, efforts to improve internal control procedures and their implementation will focus on procedures to streamline operational processes by associating them with internal control objectives.

These objectives follow on from last year's achievements. Specifically, an Organization and Information Systems department (OISD) was formed in 2008, reporting to the Chief Information Officer. OISD's purpose is to optimize the internal processes of the principal areas, with an eye towards improving Group performance.

5.2 Organization of Group level internal control procedures

Internal control is performed by Senior Management, the members of the Company's governing bodies and 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; the Finance Division, including primarily the accounting, finance, purchasing/administrative services and legal departments; and the Logistics department, including in particular the merchandise purchasing committee.

The Internal Audit department, created in 2006 under the responsibility of the Finance Division, continued its activities in 2008. In 2008, this department helped strengthen the degree of control over operations and to develop recommendations for improving it.

It is also responsible for managing the process of internal control and for carrying out audits scheduled by the CFO's office or unscheduled ones as requested by Senior Management.

Furthermore, in the context of their procedures carried out in accordance with professional standards, the Statutory Auditors independently verify the effectiveness and usefulness of the procedures.

5.2.1 Accounting and management system

The accounting and management system, under the responsibility of the CFO, the Accounting Manager and the managers of the audit, organization and internal control departments includes the following features:

- budgeting and monthly variance analysis procedures, both summary and detail;
- daily reporting on the Company's business activities, submitted to the Executive Committee and operational managers;
- monthly reports, prepared using specialized management reporting software, submitted to the Group Executive Committee and the Executive Committees of the operating subsidiaries. These reports contain information regarding
  - the business activities of the period under review in comparison with the budget - and for information, with previous years - and on the financial situation of the Company and the Group, and
  - key performance indicators pertaining to the Company's business activities;
- daily reports containing financial and operational management information;
- rules for signature authority and for the authority to undertake expenditures and investments are applied in accordance with the separation of executive functions.

5.2.2 Human resources management system

The human resources management system, under the responsibility of the Human Resources Manager, is an important aspect of the Company's business activities and is based in particular on the following areas:

- 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, and in particular the variable portion thereof, validated monthly by the various department managers with respect to the achievement of the goals set for each employee;
- skills management;
- compliance with regulations concerning health, safety and working conditions, implemented under the responsibility of the persons in charge of each location, who have specific powers delegated to them;
- 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:

- Research and development:
  - decision-making and monitoring of research and development expenditure under the impetus and responsibility of the relevant operating division manager and of the Technical Manager;
  - product releases, in accordance with the procedures developed by the Technical Department 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 code registrations with the appropriate authorities.
- Services:
  - customer services activities, through business follow-up indicators (activities pertaining to training and deployment, customer support hotline, maintenance, etc.);
- IT risks:
  - procedures for security, backup and monitoring of IT applications in use, internet access and hardware platforms, and more generally procedures for remote premises dedicated to IT resources.

5.2.4 Preparation of financial and accounting information.

Accounting is based on an integrated IT system that facilitates the preparation of accounting and financial information and helps ensure that this information is exhaustive and that transactions are correctly valued. 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.

The Accounting department produces and monitors financial and accounting information, while the CFO's office ensures its consistency.

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 (Compartment C), accounting and financial information is disseminated regularly in several media formats (press releases, the Company's website, the Euronext 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 period ended December 31, 2008.

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 procedures relating to the preparation and processing of financial and accounting information, and
- to 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.

Internal controls 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 procedures pertaining to the preparation and processing of accounting and financial information. These procedures consist in particular in:

- examining the internal control 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 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 certifyy 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 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

Board of Directors

At March 31, 2009, Cegid Group's Board of Directors was composed of eleven directors:

- Jean-Michel Aulas, Chairman
- ICMI, represented by Patrick Bertrand, CEO
- Christian Collin
- Benoît Maes
- Franklin Devaux
- Lucien Deveaux
- Jean-Luc Lenart
- Jacques Matagrin
- Michel Reybier
- Apax Partners, represented by Edgard Misrahi
- Benoît de Rodellec du Porzic

Of these eleven directors, four 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.

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 intended to set out the Board's rules of operation and to supplement 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.

Number of Board Meetings: 7 in 2008. Meetings were held at the head office, and the majority of directors were present. In this regard, 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 the 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, 2009, the Committee was composed of Jean-Michel Aulas, Patrick Bertrand, Apax Partners, represented by Edgard Misrahi, and Christian Collin. The Strategy Committee studies the business development plan, management reports and forecasts prepared by the Company's management. The Committee is also consulted on major operational projects.

The Strategy Committee met 10 times in 2008, with a majority of Committee members in attendance.

Executive Committee

The Group Executive Committee includes the senior managers of the Company's functional and operational divisions.

As of March 31, 2009, it was composed of the following members:

- Patrick Bertrand, Chief Executive Officer
- Christophe Raymond, Executive Vice President
- Nathalie Echinard, Executive Director
- Jean-François Marcel, Executive Director
- Antoine Wattinne, Executive Director
- Valéry Tarondeau, Deputy Director
- Jean-Louis Decosse, Technical Director
- Pierre Dianteill, Director, Marketing & International
- Pascal Guillemin, Director of Human Resources
- Christian Loyrion, Director of Purchasing and Logistics
- Thierry Luthi, Chief Financial Officer
- 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 on the occasion of important decisions such as acquisitions, financing decisions and employee-related negotiations. In addition, a "Top Management" Committee, which includes the principal managers of the Group (approximately 70 people) meets at least once a year.

Executives percentage ownership of the Company's share capital

To the best of the Company's knowledge, as of March 31, 2009, members of the Board of Directors held 687,178 shares, representing 7.43% of the share capital and 12.31% of the voting rights.

Compensation and benefits-in-kind allocated during the most recent fiscal year

a) Director compensation

In their Ordinary Shareholders' Meeting, shareholders voted to allocate a total of €100,000 as director's fees to be paid to members of the Board of Directors for the 2008 fiscal year.

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 two executives and the members of the Strategy Committee.

In 2008, the gross amounts paid for fiscal year 2007 were as follows:

- Jean-Michel Aulas €15,000
- Patrick Bertrand..€15,000
- Franklin Devaux..€13,400
- Apax Partners...€11,800
- Eurazeo €10,100
- Jacques Matagrin...€9,900
- Yves Defoin..€9,900
- Lucien Deveaux..€8,300
- Jean-Luc Lenart..€6,600

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 71 of this Annual Report, Jean-Michel Aulas and Patrick Bertrand have been employees of 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 Cegid Group and Olympique Lyonnais Groupe, which represent combined proforma sales of €453 million and a combined workforce of 2,250. As ICMI plays the role of Cegid's lead shareholder, Messrs. Aulas and Bertrand hold positions in the various companies in the Group.

Table 1: summary of compensation, options and shares attributed to each executive officer

(in thousands of euros)	2008	2007
Jean-Michel Aulas, Chairman		
Compensation in respect of the fiscal year (detailed in table 2)	1,295	1,408
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the day of grant (detailed in table 4)	168	NA
TOTAL	**1,463**	**1,408**
Patrick Bertrand, Chief Executive Officer		
Compensation in respect of the fiscal year (detailed in table 2)	670	669
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the day of grant (detailed in table 4)	168,	NA
TOTAL	**838**	**669**

NA: Not Applicable.

Table 2: summary of each executive officer's compensation

(in thousands of euros)	2008		2007	
	Amounts due [1]	Amounts paid for the fiscal year [1]	Amounts due [1]	Amounts paid for the fiscal year [1]
Jean-Michel Aulas, Chairman				
- Fixed compensation	562	562	482	482
Director's fees	19	19	19	19
- Variable compensation [2]	703	418	897	384
- Collective performance bonus and employee savings plan	17	16	16	16
- Benefits-in-kind	13	13	13	13
- Post-employment benefits: "article 83" supplementary pension plan	NA	NA	NA	NA
TOTAL	**1,295**	**1,009**	**1,408**	**895**
Patrick Bertrand, Chief Executive Officer				
- Fixed compensation	350	350	375	375
Director's fees	21	21	21	21
- Variable compensation [2]	290	187	255	175
- Collective performance bonus and employee savings plan	19	18	16	16
- Benefits-in-kind	5	5	5	5
- Post-employment benefits: "article 83" supplementary pension plan	6	6	18	18
TOTAL	**670**	**566**	**669**	**589**

[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 non-executive officers of Cegid Group

(in thousands of euros)	Amounts paid in 2009 for 2008 (gross)	Amounts paid in 2008 for 2007 (gross)
Franklin DEVAUX	11	13
Apax Partners	11	12
Eurazeo	8	10
Jacques MATAGRIN	11	10
Yves DEFOIN	NA	10
Lucien DEVEAUX	9	8
Jean-Luc LENART	7	7
Christian Collin (paid to Groupama)	8	NA
Benoît Maes (paid to GAN Assurances Vie)	5	NA
Total	**70**	**70**

Director's fees paid to executive officers:

(in thousands of euros)	Amounts paid in 2009 for 2008 (1)	Amounts paid in 2008 for 2007 (1)
Jean-Michel Aulas, Chairman	19	19
Patrick Bertrand, Chief Executive Officer	21	21
Total	**40**	**40**

(1) Director's fees paid by Cegid and all of its subsidiaries

Table 4: bonus shares:

Bonus shares vested for each executive officer	Date of plan (1)	Number of shares vested during the year	Number of shares granted by the Board on 7/21/2006	Vesting terms (2)	Expense recognized for 2008 (3) in thousands of euros
Jean-Michel Aulas	July 21, 2006	10,680	15,000	Consolidated margin on ordinary activities	88
Patrick Bertrand	July 21, 2006	10,680	15,000	Consolidated margin on ordinary activities	88
Total		**21,360**	**30,000**		

(1) Date of Board meeting, using powers granted at Special Shareholders' Meeting
(2) The target set in the plan was 71.2% achieved.
(2) Expense recognized in the consolidated financial statements of Cegid Group.

Table 5:

Executive officers	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 6/20/1983 Date term expires Shareholders' Meeting 2009 statements	No	No	No	No
Patrick Bertrand (1) Chief Executive Officer Date term began - 1st appointment as perm. rep. of ICMI Board meeting of 11/14/1997 - Appointment as CEO Board meeting of 12/20/2002 Date term expires Shareholders' Meeting 2009 statements	No	No	No	No

(1) Patrick Bertrand is an employee of ICMI.The details of his compensation, including his supplementary pension plan, can be found in table 2 above.

c) Compensation paid to executive officers during the period ended December 31, 2008

Gross compensation paid by Cegid Group and its subsidiaries during fiscal year 2008 to salaried members of the Group Executive Committee totaled €2,148 thousand. Jean-Michel Aulas and Patrick Bertrand receive the main share of their compensation from ICMI, Cegid's lead shareholder (see p.71).

Cegid Group bonus share plans

At its meeting of July 21, 2006, the Board of Directors decided to implement a Cegid Group bonus share plan, using the authorization granted by shareholders at their Special Shareholders' Meeting of June 8, 2005. The plan initially involved 139,000 Cegid Group shares to be granted to 53 beneficiaries. Given the extent to which the plan's grant criteria had been achieved and the fact that certain persons had lost their beneficiary status, 81,880 shares were granted to 41 beneficiaries at the end of the vesting period, i.e. on July 21, 2008. These beneficiaries met the criteria specified in the plan.

On March 20, 2007, based on the authorization granted by shareholders at the Special Shareholders' Meeting of June 8, 2005, the Board of Directors decided to implement a new Cegid Group bonus share plan. The plan initially involved 2,500 Cegid Group shares to be granted to a single beneficiary.

As of the Board of Directors' meeting of March 3, 2009, this beneficiary no longer met one of the conditions of the plan, namely that he be an employee or corporate officer of the Company or of one of its subsidiaries at the vesting date, i.e. on March 20, 2009. As a result, this plan became null and void.

A second Cegid Group bonus share plan was implemented in March 2007, but this plan became null and void at the end of 2007.

Agreements with executives or directors - loans and advances

Agreements pursuant to Articles L.225-38 et seq. of the French Commercial Code are reported on pages 125 and 126 of this document.

Since the closing of the 2008 fiscal year, no new agreements, benefits or loans have been granted to executives or directors.

Employee profit-sharing 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 2008, the total amount of profit-sharing paid was €0.6 million and the amount of collective performance bonuses was €2.1 million.

INFORMATION ON DIRECTORS

Board member's first and last name or corporate name	Date of first appointment	Date term expires	Principal function in the Company	Principal function outside the Company	Other positions held in all companies in 2008	Positions held over the previous four fiscal years
Jean-Michel Aulas	June 20, 1983	Shareholders' Meeting approving the 2009 financial statements	Chairman	Chairman and CEO, Olympique Lyonnais Groupe	Chairman ICMI, Chairman CEO Cegid, Chairman CEO Olympique Lyonnais Groupe, Chairman OL Groupe Stadium Investment Committee, Chairman CEO SASP Olympique Lyonnais, Director OL Voyages, Director Quadratus, Director L'Ambassade Limited.	Chairman Cegid Group, Chairman Holding Cegid Services, Director and Chairman ICMI, Director and Chairman Cegid Services, Chairman CEO OL Groupe, Chairman OL Groupe Stadium Investment Committee, Chairman CEO SASP Olympique Lyonnais, Chairman CEO Cegid (ex CCMX), Director OL Voyages, Director Quadratus, Perm. rep. ICMI on CMS of EPT SAS, Director Servant Soft.
ICMI, represented by Patrick Bertrand	September 14, 1983	Shareholders' Meeting approving the 2009 financial statements	Director	Deputy CEO ICMI	**Patrick Bertrand** CEO Cegid Group, Delegated CEO Cegid, Perm. rep. ICMI on Board of OL Groupe, Chairman Quadratus, Director Comptanoo (1), Director Servant Soft, Director Expert & Finance, Director & Vice-Chairman Figesco, Figesco rep. on Alta Profits Supervisory Board, Director Sup Ambassade Limited, Member of OL Groupe Audit Committee.	**Patrick Bertrand** CEO Cegid Group, Delegated CEO Cegid, Perm. rep. ICMI on Board of OL Groupe, Member of OL Groupe Audit Committee, Chairman Quadratus, Chairman FCRS, Chairman CBI, Chairman ASPX, Director Comptanoo (1), Director Servant Soft, Director GTI Industrie, Director PMISoft, Director Expert & Finance, Director and Vice-Chairman Figesco, Figesco rep. Supervisory Board Alta Profits.
Franklin Devaux	June 9, 1987	Shareholders' Meeting approving the 2009 financial statements	Director		Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate.	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 2008 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Board member Deveaux SA, Chairman Supervisory Board Armand Thiery, Chairman Supervisory Board Ecce SA, Chairman Devlocation, Chairman SCI Du Foie, Director Lyonnaise de Banque.	CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Board member Deveaux SA, Chairman Supervisory Board Armand Thiery, Chairman Supervisory Board Ecce SA, Chairman Devlocation, Chairman Tissage de Montagny, Chairman SCI Philip II, Chairman SCI Philip I, Chairman SCI Du Foie, Director Lyonnaise de Banque.
Jean-Luc Lenart	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director	Chairman ACLAM Sarl	Director & member Supervisory Board Imagination SA, Chairman Les Sources SC, Director & member Supervisory Board Rhapso SA, Chairman Supervisory Board Kayentis SAS.	Director Cegid Group, Director & member Supervisory Board Imagination SA, Chairman Les Sources SC, Director & member Supervisory Board Rhapso SA, Chairman Supervisory Board Kayentis SAS, Chairman & CEO CCMX Holding, Chairman & CEO CCMX.
Jacques Matagrin	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenetrier Informatique	Chairman Tout Lyon, Director Eurazis, Director OL Groupe, Member OL Group Stadium Investment Committee, Chairman Association OL, Director OL Voyages, Chairman SAS OL Restauration, Chairman ATF, Chairman Noirclerc Fenêtrier Informatique, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland).	Chairman Tout Lyon, Director Eurazis, Director OL Groupe, Member OL Groupe Stadium Investment Committee, Chairman Association OL, Director OL Voyages, Chairman ATF, Chairman Noirclerc Fenêtrier Informatique, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland).
Apax Partners, represented by Edgard Misrahi	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director		**Edgard Misrahi** Delegated CEO Apax Partners SA, Director Hubwoo.com SA, Director Dxo Labs SA, Director Groupe Outremer Telecom SA, Director Prosodie SA, Perm. rep. Apax Partners SA on Board of Arkadin, Perm. rep. Apax Partners SA on Board of Altran Technologies SA, Perm. rep. Apax Partners SA, Director Camelia Participations SAS, Chairman of Supervisory Board InfoPro Communications SAS, Member CT ETAI SAS, Chairman SC Carmel, Chairman SC Info Invest, Chairman & partner SC Cassiopée, Non-voting director Oseo Garantie, Chairman Apax Partners Midmarket SAS, Director Apax Partners Midmarket SAS, Chairman Financière Midmarket SAS, Director Financière Midmarket.	**Edgard Misrahi** Perm. rep Apax Partners on Board of Cegid Group, Delegated CEO Apax Partners SA, Director Hubwoo.com SA, Director Dxo Labs SA, Director Groupe Outremer Telecom SA, Director Prosodie SA, Perm. rep. Apax Partners SA on Board of Arkadin SA, Perm. rep. Apax Partners SA on Board of Altran Technologies SA, Perm. rep. Apax Partners on Board of Cegid SA, Director Camelia Participations SAS, Chairman of Supervisory Board of InfoPro Communications SAS, Member CT ETAI SAS, Chairman SC Carmel, Perm. rep. Apax Partners SA, Chairman SC Info Invest, Chairman/partner SC Cassiopée, Non-voting director Oseo Garantie, Chairman Apax Partners Midmarket SAS, Director Apax Partners Midmarket SAS, Chairman Financière Midmarket SAS, Director Financière Midmarket SAS, CEO Société Européenne Kleber SA, Chairman Webraska Mobile Technologies, Vice-chairman Supervisory Board Hubwoo.com, Member of Supervisory Board Hubwoo.com, Perm. rep. Apax Partners SA Antalis TV, Director Antalis TV, Director Aims Software, Director Haht Commerce, Perm. rep. Apax Partners SA Virtual Computer, Perm. rep. Apax Partners SA Valoris, Perm. rep. Apax Partners SA CCMX Holding, Perm. rep. Apax Partners SA CCMX SA, Chairman C. Ex. Fintel SAS, Member CE Fintel SAS, Chairman Webraska Mobile Technologies, director Webraska Mobile Technologies, Member Supervisory Board Amboise Investissement SCA, Chairman Supervisory Board Hubwoo.com, Director Groupe Outremer Télécom SA, Chairman/Director Camelia Participations SAS, Chairman Supervisory Board Tsingma SAS, Member CT InfoPro Communications SAS, Director Webraska, Chairman Apax Partners SA SC Info Invest.

Information on directors

Board member's first and last name or corporate name	Date of first appointment	Date term expires	Principal function in the Company	Principal function outside the Company	Other positions held in all companies in 2008	Positions held over the previous four fiscal years
Christian Collin	February 1, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Member Supervisory Board Gimar Finance & Cie, Chairman EIG Groupama Logistique, Chairman Groupama – Gan cinema foundation, Director Groupama Health Foundation.	Director Assuvie, Director Capsauto, Director Caisse Centrale de Réassurance, Director Groupama International, Director Cynaps.
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the 2008 financial statements	Director		Chairman Domaine Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan.	Director Cegid Group, Chairman Domaine Reybier, Chairman MJ France, Director GIE Hélipart, Director Pebercan.
Benoît Maes	May 7, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		CEO Gan Assurances Vie, CEO Gan Assurances IARD, Chairman France Gan, Vice-Chairman of Supervisory Board Réunima, Perm. rep. Gan Assurances IARD and member of Board of GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie and member of Board of GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie and Chairman SCI Vieille Voie de Paray, Perm. rep. Gan Assurances Vie and Chairman Gan Saint Lazare, Perm. rep. Gan Assurances Vie and Chairman GAN Investissement Foncier.	CEO Gan Assurances Vie, CEO Gan Assurances IARD, Chairman France Gan, Perm. rep. Gan Assurances IARD and Director GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie and Director GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie, Chairman SCI Vieille Voie de Paray, Perm. rep. Gan Assurances Vie, Chairman Gan Saint Lazare, Perm. rep. Gan Assurances Vie, Chairman GAN Investissement Foncier, Chairman Ameri-Gan, Chairman Assuralpes, CEO/Director Assu-vie, Chairman GIE RIP, Director Groupama Epargne Salariale, Perm. rep. Assu-Vie, Director GIE Groupama Systèmes d'Information, Perm. rep. Gan Assurances Vie, Director France Gan, Perm. rep. Gan Assurances Vie, Director Gan Rendement, Perm. rep. Gan Assurances Vie, Director Gan Court Terme, Perm. rep. Gan Assurances Vie, Director Monde Gan, Perm. rep. Gan Assurances Vie, Director Actions A Techno Monde, Perm. rep. Gan Assurances Vie, Director Securi-Gan, Perm. rep. Gan Assurances Vie, Director Euro Gan, Perm. rep. Gan Assurances Vie, Director Groupama Japon Stock, Perm. rep Gan Assurances Vie, Chairman Gan Foncier, Perm. rep. Gan Assurances Vie, Chairman SC de la Tour Gan, Perm. rep. Gan Assurances Vie, Chairman Gan Saint Lazare (SNC), Director Rampart Insurance Company.
Eurazeo, represented by Gilbert Saada (2)	November 16, 2004	Shareholders' Meeting approving the 2009 financial statements	Director	Member of Management Board of Eurazeo	**Gilbert Saada** Member of Management Board Eurazeo, Chairman Europcar Groupe, Perm. rep. Eurazeo on Board of LT Participations, Chairman Caly Tiles Participations SARL, Chairman Eurazeo Entertainment Lux, Director Bluebirds Participations SA, Chairman Redbirds participations SA, Chairman Legendre Holding 20, Chairman Euraléo (Italy) Chairman Eurazeo (Italy) Perm. rep. Eurazeo on Supervisory Board of Rexel, CEO & Director Legendre Holding 18.	**Gilbert Saada** Member of Management Board Eurazeo, Chairman Europcar Groupe, Perm. rep. Eurazeo on Board of LT Participations, Chairman Caly Tiles Participations SARL, Chairman Eurazeo Entertainment Lux, Director Bluebirds Participations SA, Chairman Redbirds participations SA, Chairman Legendre Holding 20, Chairman Euraléo (Italy) Chairman Eurazeo (Italy) Perm. rep. Eurazeo on Supervisory Board of Rexel, CEO & Director Legendre Holding 18.
Benoît de Rodellec du Porzic (3)	November 26, 2008	Shareholders' Meeting approving the 2009 financial statements	Director		Chairman RPA Conseil, Chairman CIT COM, Chairman Civitas (4).	Chairman RPA Conseil, Chairman CIT COM, Chairman Civitas (4).

(1) Until October 15, 2008
(2) Until September 24, 2008
(3) From November 26, 2008
(4) Until November 26, 2008

"Shareholders' Meeting, May 12, 2009"

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 n° 2273/2003 of December 22, 2003 and in accordance with market practices recognized by the Autorité des Marchés Financiers, with the option of sub-delegation as permitted by law, to buy or sell shares of the Company over an eighteen-month period beginning on the date of your Shareholders' Meeting as part of a share buyback plan and up to 10% of the share capital, it being stipulated that this ceiling shall be measured according to the terms of the second paragraph of article L.225-209 of the French Commercial Code.

This authorization would allow the Company to pursue the following objectives, subject to applicable law and regulations:

- make a market in 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 stock options, to an employee savings plan, or to 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;
- 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 €60 per share (excl. acquisition expenses). The maximum amount of funds allocated to this share buyback plan would be €27,481,080, excluding brokerage costs, taking into account the 465,288 shares held in treasury as of March 31, 2009.

The maximum number of shares that could be acquired, assuming none are resold, is therefore 458,018 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 could 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 Autorité des Marchés Financiers.

You will be asked to 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 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 7, 2008.

2. ITEMS SUBMITTED TO SHAREHOLDERS IN THEIR SPECIAL MEETING

In adopting resolutions two and four of the May 7, 2008 Special Shareholders Meeting, shareholders authorized the Board of Directors to issue securities, with or without waiver of preferential subscription rights, representing a capital increase of up to a maximum par value of €30 million. These authorizations, granted for a period of twenty-six months, are in line with the legal framework described in article L.225-129 of the French Commercial Code.

In their May 7, 2008 Special Meeting, shareholders also authorized the Board of Directors in resolution three to increase share capital by incorporating reserves, earnings or premiums up to a par value of €30 million in common with the first ceiling.

These issues may 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.

2.1 General financial authorizations

Authorization to use the powers granted under resolutions four, five, and six of the May 7, 2008 Special Shareholders' Meeting, pursuant to article L.225-136 of the French Commercial Code, to carry out 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 (resolution five)

In adopting resolution four of the May 7, 2008 Special Shareholders' Meeting, shareholders delegated to the Board of Directors its authority to increase share capital through public offerings of shares (with the exception of preferred shares) or securities giving access to the capital, with waiver of preferential subscription rights, and to issue securities granting entitlement to the allocation of debt securities. The maximum par value of capital increases that might be carried out immediately or in the future under this authorization was set at €30 million and the maximum par value of debt securities that might be issued under this authorization was set at €200 million.

We hereby inform you that Order n° 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, without 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 7, 2008 Special Shareholders' Meeting, to issue equity securities without preferential subscription rights, in one or more transactions through 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 7, 2008 Shareholders' Meeting, within the limit of 10% of share capital per annum.

For all capital increases that might be carried out under this authorization, immediately or in the future, we also ask you to allow the Board of Directors, in accordance with the terms of resolution five of the May 7, 2008 Special Shareholders' Meeting, 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 regulations applicable on the date of the issue, up to 15% of the initial issue, when the Board of Directors recognizes 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 7, 2008 Special Shareholders' Meeting 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 7, 2008 Special Shareholders' Meeting.

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 7, 2008 Special Shareholders' Meeting are valid.

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 7, 2008 Special Shareholders' Meeting.

If the Board of Directors were to use this authorization, it would prepare a complementary report when it makes its decision, in accordance with laws and regulations. This report would 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.

2.2 Special financial authorizations

2.2.1 Authorization for the Board of Directors to issue share warrants to be allocated free of charge to shareholders of the Company (resolution two)

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, both in France and abroad, 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, with the stipulation that 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 the May 7, 2008 Special 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.

This authorization would be granted for a period of eighteen months starting from its adoption at the Special Shareholders' Meeting.

This authorization would cancel and replace the authorization granted in resolution eight of the Special Shareholders' Meeting of May 7, 2008.

2.2.2 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 three)

You will be asked 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, by virtue of the resolutions adopted at the present Special Shareholders' Meeting or by previous Shareholders' Meetings can be used even while a takeover bid or exchange offer is in effect on the securities of the Company, provided 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 nine of the Special Shareholders' Meeting of May 7, 2008.

2.2.3 Authorization for the Board of Directors to use the shares acquired under the share buyback program (resolution six)

You will be asked to authorize your Board of Directors, with the option of sub-delegation, subject to approval of resolution six of the present Ordinary Shareholders' Meeting, to use the shares acquired within the framework of the share buyback program as follows:

- in connection with securities issued and giving access to the Company's capital, pursuant to the authorizations granted under resolutions two, four, five, six and seven of the May 7, 2008 Special Shareholders' Meeting and resolutions two, four and five of the present Special Shareholders' Meeting, provided they are approved;
- as a result of the exercise of stock options or as bonus shares, pursuant to resolutions ten and eleven of the May 7, 2008 Special Shareholders' Meeting.

3. AUTHORIZATION FOR THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY THE CANCELLATION OF SHARES HELD IN TREASURY (RESOLUTION ONE)

We ask that you grant an eighteen-month authorization to the Board of Directors, subject to adoption of resolution six of the May 12, 2009 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 twenty-four month period, shares acquired under resolution six of the June 22, 2007 Ordinary Shareholders' Meeting, resolution six of the May 7, 2008 Shareholders' Meeting and resolution six of the present Ordinary Shareholders' Meeting to reduce the share capital by a corresponding amount.

This authorization would cancel and replace the authorization granted to the Board of Directors in resolution one of the Special Shareholders' Meeting of May 7, 2008.

4. 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 LAW (RESOLUTION FOUR)

Pursuant to Articles L.225-129-2, 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 Articles L.3332-18 et seq. of the French Labor Code. This resolution would allow the increase of the share capital by up to 3%, calculated as of the day the decision to issue shares is made, for a period of twenty-six months in one or several 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 would not be allowed to be greater than the average quoted price over the twenty 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 Articles L.3332-25 et seq. of the French Labor Code, is greater than or equal to ten 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.

5. DELETION OF ARTICLE 13 FROM THE COMPANY'S BYLAWS

In application of the new terms of article L.225-25 of the French Commercial Code as amended by law n° 2008-776 of August 4, 2008, you will be asked to eliminate the requirement that Board members hold one share of the Company and accordingly, to delete article 13 from the Company's bylaws. The numbering of the Company's bylaws would be amended accordingly.

6. POWERS

We ask that you grant full powers to the members of the Board of Directors of the Company, with the option of sub-delegation as permitted under applicable laws and regulations, so as to perform all necessary formalities.

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, 2008 and March 31, 2009.(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: 5.04% (1)
Number of shares cancelled during the last 24 months: 0 (2)
Number of shares held in portfolio: 465,288 (1)
Book value of portfolio: €7,865,381.73 (1)
Market value of portfolio: €4,001,476.80 (1)

(1) As of March 31, 2009.
(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	538,310 (5)	217,727				
Maximum average maturity (2)						
Average transaction price (3)	€16.93	€10.81				
Average exercise price (4)						
Amounts	9,112,094.52	2,352,902.68				

(1) The period under review begins on the day following the date of the report on the previous program and ends on March 31, 2009.
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 forward transactions that have matured.
(5) Including blocks of shares as follows:

on 5/20/2008	4,988	shares at €20.965/share
on 5/23/2008	15,000	shares at €20.262/share
on 6/23/2008	25,000	shares at €19.003/share
on 6/24/2008	15,000	shares at €19.003/share
on 9/22/2008	50,000	shares at €14.869/share
on 9/23/2008	50,000	shares at €14.499/share
on 9/29/2008	30,000	shares at €14.001/share

* 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 term purchases or sales that have not matured as well as purchase options that have not been exercised.

Description of the share buyback program to be submitted for shareholder approval at the Ordinary Shareholders Meeting of May 12, 2009

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 Ordinary Shareholders' Meeting of May 12, 2009.

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. amffrance.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, 2009

As of March 31, 2009, the Company held, owing to the mandate given to CM-CIC Securities for the share buyback program, to the liquidity contract managed by CM-CIC Securities, and to the mandate given to Exane, 465,288 of its own shares, representing 5.04% of the share capital, allocated to the following purposes:

- 0.65% to make a market in and ensure regular price quotations through a liquidity contract;
- 4.39% to allocate shares to the exercise of stock options, to an employee savings plan or to bonus shares;
- offer them in exchange or in payment for acquisitions.

Objectives of the buyback program

The objectives of the program are as follows, in decreasing order of importance:

- make a market in 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 stock options, to an employee savings plan, or to 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 12, 2009 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.

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, i.e. May 12, 2009.

For information, based on the number of shares comprising the share capital on March 31, 2009, this would represent a maximum of 458,018 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 €27,481,080.

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.

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 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 Euronext Paris Compartment C.

ISIN code: FR0000124703

Duration of the buyback program

The program shall be valid for eighteen months, starting from the date of the Meeting, i.e. until November 11, 2010.

STATUTORY AUDITORS' REPORT ON THE REDUCTION OF CAPITAL THROUGH CANCELLATION OF SHARES (ART. L. 225-209 OF THE FRENCH COMMERCIAL CODE) - RESOLUTIONS ONE AND THREE

To the shareholders,

In our capacity as Statutory Auditors of Cegid Group SA, and in execution of our assignment pursuant to article L.225-209, paragraph 7 of the French Commercial Code in the event of capital reductions through cancellation of treasury stock, we have prepared the present report to inform you of our opinion of the reasons for and terms of the proposed capital reduction.

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 are legitimate.

This transaction falls within the scope of your Company's repurchase of its own shares, limited to 10% of its capital, under the conditions provided for in article L.225-209, paragraph 7 of the French Commercial Code. This share buyback authorization is being submitted for your approval at your Shareholders' Meeting (resolution six) and would be valid for a period of 18 months.

Your Board requests that you grant it full authority for 18 months, as part of implementing the share buyback authorization, subject to a maximum of 10% of the Company's capital per 24-month period, to cancel the shares so repurchased.

Your Board of Directors proposes, in resolution three, that you allow it to use this authorization to reduce the share capital while a takeover bid on the Company's shares is in effect.

We have no observations concerning the reasons for and terms of the proposed capital reduction, it being noted that this transaction may be carried out only if you have previously approved your Company's share buyback program at your Shareholders' Meeting.

Lyon and Villeurbanne, April 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

STATUTORY AUDITORS' REPORT ON THE PROPOSAL TO ISSUE FREE SHARE WARRANTS IN THE EVENT OF A TAKEOVER BID (RESOLUTION TWO)

To the shareholders,

In our capacity as Statutory Auditors of Cegid Group SA, 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, 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 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 is responsible for issuing a report in accordance with Articles R.225-113, R.225-114 and R.225-117 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 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 provided for in article L.233-32 III of the French Commercial Code, in accordance with article R.225-116 of the French Commercial Code.

Lyon and Villeurbanne, April 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

Statutory Auditors' report on the increase in capital, with waiver of preferential subscription rights, reserved for employees enrolled in an employee savings plan

To the shareholders,

In our capacity as Statutory Auditors of Cegid Group SA 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 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 reserved for employees of the Company and of companies and groups of companies, as indicated in article L.223-16 of the French Commercial Code, who are enrolled in an employee savings plan.

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 to L.3332-24 of the French Labor Code.

Your Board of Directors proposes, on the basis of its report, that you authorize it to carry out one or more capital increases and to waive your 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 is responsible for issuing a report in accordance with Articles R.225-113, R.225-114 and R.225-117 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 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 increases, we have no observations to make concerning the procedures for determining the issue price of future equity securities, as indicated in the Board of Director's report.

As the issue price for the equity securities to be issued has not been set, we do not express an opinion on the definitive terms under which these capital increases might be carried out, nor, consequently, on the proposal made to you to waive the 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 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

Statutory Auditors' special report on the authorizations to increase share capital, with waiver of preferential subscription rights (resolutions three and five)

To the shareholders,

In our capacity as Statutory Auditors of Cegid Group SA and in execution of our assignment pursuant to Articles L.225-129-2, L.225-135, L.225-136 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 equity securities, with waiver of preferential subscription rights, through an offering reserved for qualified investors as defined by article L.411-2 II of the Monetary and Financial Code, for a maximum amount of 20% of the share capital per annum. You will be asked to vote on this transaction.

Your Board of Directors proposes that you authorize it, with the option of sub-delegation, to use the powers granted to it under resolutions four, five and six of the May 7, 2008 Special Shareholders' Meeting, to issue equity securities in one or more transactions in accordance with article L.225-136 of the French Commercial Code, with waiver of preferential subscription rights, through one or more offers as described in II of article L.411-2 of the Monetary and Financial Code.

On March 28, 2008, we issued a report on these powers.

The present authorization shall remain valid for the duration of the powers granted under resolutions four and six of the May 7, 2008 remain in effect, i.e. until July 7, 2010.

Your Board of Directors also proposes that you waive your preferential subscription rights. Should the authorization be used, it will be the Board's responsibility to set the definitive terms of the issue.

The number of shares to be created may be increased in accordance with article L.225-135-1 of the French Commercial Code, up to 15% of the initial issue and according to the procedures detailed in resolution five of the May 7, 2008 Special Shareholders' Meeting.

Your Board of Directors requests, in resolution three, that you authorize it to use its authorization to increase the share capital during a takeover bid on the shares of your Company, in accordance with Articles L.232-32 and L.233-33 of the French Commercial Code.

Your Board of Directors is responsible for issuing 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 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 this transaction, and the procedures for determining the price of the equity securities to be issued.

Subject to a subsequent review of the terms and conditions of the proposed securities issues, we have no observations concerning the procedures for determining the price of the equity securities to be issued, as indicated in the Board of Directors' report.

As the issue price for the shares to be issued has not been set, we do not express an opinion on the definitive terms under which these issues might be carried out, nor, consequently, on the proposal made to you to waive the 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 10, 2009

The Statutory Auditors

MAZARS
Christine Dubus

GRANT THORNTON
François Pons

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 parent-company financial statements for the period ended December 31, 2008 including the income statement, balance sheet and notes as presented, which result in net income of €12,871,949.25, along with the operations reflected in these statements or summarized in these reports.

Consequently, they fully and unconditionally ratify the performance of the Company's Board of Directors in the execution of their duties for the period under review.

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, 2008 including the income statement, balance sheet and notes as presented, resulting in net income attributable to parent company shareholders of €17,381,484, 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, 2008 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, 2008 resulted in net income of €12,871,949.25, which after addition of retained earnings of €7,748,609.20 makes a distributable total of €20,620,558.45, decide to allocate this amount as follows:

- Payment of a dividend of €1 per share Totaling, for 9,232,679 shares	€9,232,679.00
- Retained earnings	€11,387,879.45
Total	**€20,620,558.45**

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 19, 2009.

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	2007	2006	2005
Number of shares	9,232,676	8,688,908	8,643,271
Dividend per share (€)	1.00	0.95	0.85
TOTAL per share (€)	**1.00**	**0.95**	**0.85**
TOTAL dividend (€)	**9,232,676**	**8,254,463**	**7,346,780**
Dividend eligible for the 40% exclusion (€)	9,232,676	8,254,463	7,346,780
Dividend not eligible for the 40% exclusion	NA	NA	NA

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, decide to allocate director's fees to the Board of Directors with respect to the current year in the amount of €100,000.

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 Reference 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 in one or several transactions at its own discretion and up to the limits stipulated hereafter, shares of the Company up to 10% of the share capital, with the stipulation that this ceiling will be evaluated in accordance with the 2nd paragraph of article L.225-209 of the French Commercial Code.

Shares may be purchased for the following reasons:

- make a market in 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 stock options, to an employee savings plan, or to 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;
- 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 maximum amount of capital purchased or transferred through block trades may reach the total amount of the program.

The maximum purchase price may not exceed €60 per share (excl. acquisition expenses).

The maximum theoretical amount is therefore €27,481,080 (excluding brokerage fees), taking into account the 465,288 shares held in treasury as of March 31, 2009. The maximum number of shares that could be acquired, assuming none are resold, is thus 458,018 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 months starting with the present Meeting.

It cancels and replaces the authorization granted in resolution six of the Ordinary Shareholders' Meeting of May 7, 2008.

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

Having reviewed the report of the Board of Directors, shareholders ratify the interim appointment of Benoît de Rodellec du Porzic as Director, replacing Eurazeo, represented by Gilbert Saada, as Eurazeo has resigned from the Board. Mr. Rodellec was appointed by the Board on November 26, 2008 and 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, 2009.

Resolution eight

Having reviewed the report of the Board of Directors, the shareholders hereby renew the directorship of Lucien Deveaux for a period of six (6) years, in accordance with article 12 of the Company's bylaws, i.e. until the Shareholders' Meeting called to approve the financial statements of the year ending December 31, 2014. Mr. Deveaux's term expires at the end of the present Shareholders' Meeting.

Resolution nine

Having reviewed the report of Board of Directors, the shareholders hereby renew the directorship of Michel Reybier for a period of six (6) years, in accordance with article 12 of the Company's bylaws, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2014. Mr. Reybier's term expires at the end of the present Shareholders' Meeting.

Resolution ten

(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.

2. Resolutions proposed at the Special Shareholders' Meeting

Resolution one

(Authorization for the Board of Directors to reduce the share capital by the 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 twenty-four month period, shares repurchased under the authorization granted by resolution six of the June 22, 2007 Ordinary Shareholders' Meeting, resolution six of the May 7, 2008 Ordinary Shareholders' Meeting and resolution six of this Ordinary Shareholders' Meeting and to reduce the share capital of the Company in due proportion by the cancellation of shares.

The shareholders grant this authorization for eighteen 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 authorization granted in resolution one of the May 7, 2008 Special Shareholders' Meeting.

Resolution two

(Authorization for the Board of Directors to issue share warrants to be allocated free of charge to shareholders of the Company)

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 can 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 approved by shareholders at their May 7, 2008 Special Shareholders' Meeting.

The number of warrants that can 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 hereby decide that the Board of Directors shall have full powers, with the option of sub-delegation as permitted 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 months starting from this Meeting and shall cancel and replace the authorization granted in resolution eight of the May 7, 2008 Special Shareholders' Meeting.

Resolution three

(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)

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, decides 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 adopted by this meeting can 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 authorization granted in resolution nine of the May 7, 2008 Special Shareholders' Meeting.

Resolution four

(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 applicable to the preceding capital increase authorizations.

The subscription price shall not be greater than the average quoted price over the twenty 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 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 five

(Authorization for the Board of Directors to use the powers granted under resolutions four, five, and six of the May 7, 2008 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.)

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.225-129 et seq. of the French Commercial Code, and particular Articles L.225-129-2, L.225-135 and L.225-136 of the same Code:

1 - 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 the May 7, 2008 Special Shareholders' Meeting, to issue equity securities in one or more transactions in accordance with article L.225-136 of the French Commercial Code, with waiver of preferential subscription rights, through one or more offers as described in II of article L.411-2 of the Monetary and Financial Code;

2 - 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 May 7, 2008 Special Shareholders' Meeting;

3 - 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;

4 - 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 of the May 7, 2008 Special Shareholders' Meeting, 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 four of the May 7, 2008 Special Shareholders' Meeting;

5 - hereby decide that for all capital increases that might be carried out under this authorization, immediately or in the future under this authorization, 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 May 7, 2008 Special Shareholders' Meeting, 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;

6 - 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 May 7, 2008 Special Shareholders' Meeting 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 May 7, 2008 Special Shareholders' Meeting;

7 - 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 May 7, 2008 Special Shareholders' Meeting.

Resolution six

(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 by 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 allocate the shares acquired within the framework of the share buyback program as follows:

- in connection with securities issued and giving access to the Company's capital, pursuant to the authorizations granted under resolutions two, four, five, six and seven of the May 7, 2008 Special Shareholders' Meeting and resolutions two, four and five of the present Special Shareholders' Meeting, provided they are approved;
- as a result of the exercise of stock options or as bonus shares, pursuant to resolutions ten and eleven of the May 7, 2008 Special Shareholders' Meeting.

Resolution seven

(Deletion of article 13 from the Company's 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 and the new terms of article L.225-25 of the French Commercial Code as amended by Law 2008-776 of August 4, 2008, hereby decide to eliminate the requirement that Board members hold one share of the Company and accordingly, to delete article 13 from the Company's bylaws. The numbering of the Company's bylaws shall be amended accordingly.

Resolution eight

(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

Persons responsible for the Annual Report ("Document de Référence") and the auditing of financial statements

Name and titles of persons responsible for the Reference Document

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

Chief Executive Officer

Statement of responsibility

We hereby certify, having taken all reasonable measures in this regard, that the information contained in this Reference 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 47 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 Reference Document and that they have read this entire document.

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

Chief Executive Officer

Lyon, April 27, 2009

Information policy

Patrick Bertrand

CEO - Tel.: +33 (0)4 26 29 50 20

Names and addresses of Statutory Auditors

Principal Statutory Auditors

MAZARS

131, boulevard Stalingrad
69624 Villeurbanne Cedex France
Date of first appointment: Combined Shareholders' Meeting of June 18, 1992.

Expiration date of appointment: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2009.

GRANT THORNTON

42, avenue Georges Pompidou
69442 Lyon Cedex 03 France

Date of first appointment: Combined Shareholders' Meeting of May 22, 1996.

Expiration date of appointment: 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 France

Date of first appointment: Shareholders' Meeting of June 4, 2004.

Expiration date of appointment: Ordinary Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2009.

IGEC

Member of the Grant Thornton network

3, rue Léon Jost
75017 Paris

Date of first appointment: Combined Shareholders' Meeting of May 7, 2008.

Expiration date of appointment: Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2013.

To make the reference 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.

Cross-reference index

Correspondence with the annual financial report [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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