EVERY MORNING
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TO CONQUER
THE WORLD.
SO DO WE.

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Annual Report 2009

Cegid Group

“Combining the power of an industrial company with the spirit of an inventor”

2009 was characterized by a worldwide recession and the technology sector was not spared. In this difficult context, Cegid employed and demonstrated a remarkable level of resilience. Our strategy was clearly oriented around providing our customers with specialized software tailored to their line of business and ensuring a constant balance between growth and expense control.

The motivation of all our employees was also an essential factor in Cegid's continued expansion. During the year, adaptation, initiative and imagination guided each person's quest to achieve his or her objectives. These values, together with our dynamic employee relations policy enabled us to succeed in 2009 while preserving the wealth embedded in our human resources.

2009 was also the year in which Cegid extended its international footprint in earnest. The "Cegid touch" is now present on all six continents. Resolutely international, Cegid has won some important contracts with large corporate groups that now use Cegid for homogenous solutions worldwide. We are proud to have reached this new stage in Cegid's development.

We aim to maintain and develop our agile mindset in 2010. The recession has encouraged us to change and adopt a more responsive organization, ever more attentive to the needs of our customers.

Companies targeted software investments better in 2009 and now expect a quicker ROI. The chances are that these new trends will continue into 2010. Cegid is well positioned to respond to this change.

We are a provider of specialized software, diametrically opposed to the "big bang" approach that many companies, particularly mid-sized and large ones, no longer want. We make systems available in SaaS mode. We accompany our customers as they expand abroad. These are the major principles underpinning Cegid's strategy.

Our success will also depend on our ability to reconcile the power of an industrial company with the spirit of an inventor. We must combine the momentum, corporate culture and values of an agile enterprise with the leverage of a large company in a way that gives quality-driven innovation the freedom to express itself.

We will put priority on developing our local relationship with you and on creating innovative, secure solutions for you and with you. Solutions that help you grow and develop.

The Yourcegid brand will be rolled out in 2010. It will embody this commitment.

Jean-Michel Aulas
Chairman

"Capitalizing on our strengths and momentum to ratchet our ambitions up a notch"

Cegid preserved its level of performance remarkably well in 2009. How do you explain this and what is your orientation for 2010?

In 2009, we confirmed that our Group is strong and its strategy judicious. Our resilience did not come by accident. We were attentive, as we always have been, to striking the right balance between an ambitious, long-term strategy, based on product innovation and new sales and marketing practices, and rigorous management of our expenditures and investments. In 2009 we were also successful in preserving the Group's skills and in developing an appropriate human resources policy.

For 2010, we naturally plan to stay the course and apply the fundamentals of our strategy:

Be a specialist. Cegid is a specialized provider, not a generalist. Our objective is to offer our customers enterprise solutions tailored to their line of business. We have always taken the view that an IT system must adapt to the needs of the enterprise and not the reverse. This is possible only if the specificities of each business or sector are integrated at the software development stage. We listen to our customers, in particular through the ties we have developed with user clubs and professional conventions. This makes it easier for us to understand the challenges our customers face. Using this knowledge, we constantly adapt our solutions, in line with changes in each business segment.

Anticipate underlying market trends, by maintaining a constant and ambitious policy of research and innovation. Cegid has been making its applications available to customers in SaaS mode for several years. More and more companies, both large and small, now prefer this usage mode and its numerous advantages: availability, performance, security and minimal cost.

Propose solutions tailored to every size company. The entrepreneur who has just created a company does not have the same needs as a multinational firm. It has always been important for Cegid to reason in terms of each company's size. This approach leads to a pragmatic, efficient and powerful solution. We are convinced that companies will reject the "big bang" mentality when they change their information systems in the future. This is because the economic context demands a quick return on IT investments. Only agile, scalable solutions adapted to the user's line of business can help companies react flexibly to change and to the requirements of their environment.

What are Cegid's principal growth accelerators for 2010?

Apart from strengthening our fundamentals in the ways I have just described, we plan to intensify our efforts around four growth drivers that will increase Cegid's performance.

Develop the ecosystem, whose momentum is now starting to pay back our investment. Initiated in the last few years, the Cegid ecosystem and the application partnerships we have developed with other providers now enable us to offer our customers even more complete solutions. The ecosystem also teams us up with the market's largest integrators in the deployment of solutions requiring extensive customer support. Finally, the relationship we have with the principal technology providers allows us to better anticipate changes in these crucial areas.

Accelerate our multi-channel sales strategy. Nearly 40% of sales to our new customers are now realized through the "indirect" and "influenced" sales channels. This network of carefully-selected resellers and partner-consultants and/or integrators efficiently complements our direct salesforce. We also plan to adapt the sales channel to the customer's purchasing power or the type of product sold by intensifying development of our telesales teams. Finally, the B-to-B e-commerce portal "Cegid Store" and the Comptanoo portal, managed by our joint venture with Groupama, will add to our sales and marketing impact in 2010.

Strengthen our acquisition policy. This is central to our long-term investment strategy. Cegid has developed thanks to organic growth, supplemented by targeted acquisitions. We have made these acquisitions so as to strengthen our expertise in our various fields of specialization and to rapidly extend our installed base and as a result, our market share. In this way, the Manufacturing, Retail, CPAs and Hospitality vertical market suites and the Finance-Accounting functional area have been enriched by competencies that complement our original solutions. Acquisitions are an essential element of our Group's development and are especially important in a consolidating market. Cegid plans to maintain and develop this growth strategy in 2010.

Grow internationally. Apart from accompanying our French customers as they expand abroad, Cegid can now address essentially all companies in the Retail sector from its international offices. Supported by judicious local partnerships, this vector for expansion is now an essential component of our development strategy.

Cegid has made big strides over the last few years. What is the Group's ambition for tomorrow?

Even though we have had to deal with a very uncertain global economic context, and in all likelihood will have to continue doing so in 2010, Cegid was relatively protected from the consequences of the financial crisis. Over the last 10 years, the Group has done a remarkable job of structuring and strengthening itself through the application of a meaningful strategy. This is now paying off. Our sales and earnings more than doubled over the period.

For the future, we aim to pursue our development while maintaining the level of performance that has made us successful. Cegid is prepared to push the frontier much further out. Owing to our stable and ambitious shareholders and the talented, high-quality staff that the Group plans to develop and promote, we can do this. A new generation of users whose points of reference are very different is coming of age among our customers. We will have to remain attentive to them at all times. They can only encourage us to develop our inventiveness and creativity, the essential sources of innovation.

Patrick Bertrand, Chief Executive Officer

We will remain prudent yet confident in 2010, but most importantly we will seek higher rewards in the years to come, as we can combine the potential of new technologies with the essence of our role as a software provider to deliver solutions whose functionality and usage modes respond efficiently to the needs of our customers.

"Cegid, enterprise solutions you can call your own"

Using technologies that run in the background, delivering relevant information wherever you go, Cegid puts your needs at the core of its strategy and offers you industry-specific solutions devoted to the development of your company.

[You]

What you want from your software partner in order to succeed in your job

Beyond performance or rich functionality, you are looking for:

- a perfect understanding of your industry needs,
- an efficient, agile solution that adapts to your organization,
- reliable, easily-available information to facilitate decision-making and top-level coordination of your company,
- a solution organized as a platform for communication and information exchange between staff members.

To do all this, you want a partner that can respond to your day-to-day needs but also one that can accompany you and advise you as you grow.

Us

Targeted areas of expertise

Cegid is a specialist in enterprise solutions in certain targeted areas of expertise and offers companies the best tools for a comprehensive, real-time view of their business activity.

2,000 employees to respond to your functional and industry-specific needs

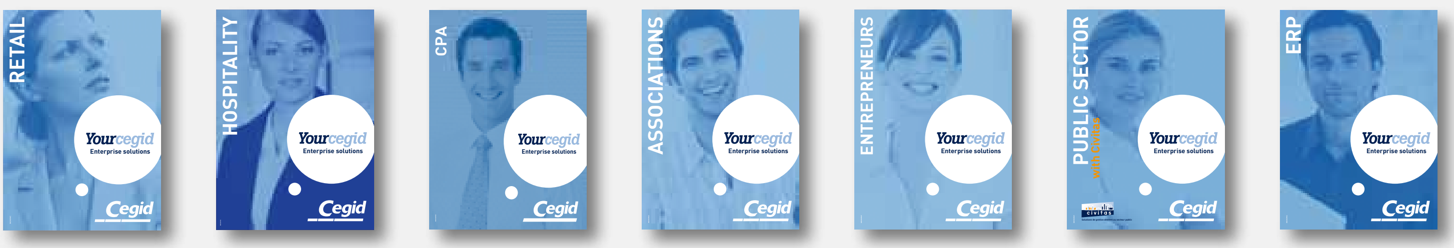
Yourcegid embodies the promise of service and quality extended by all of the Group's employees. They cultivate a dual skillset, combining technical expertise with their knowledge of the customer's business, so as to offer customers the best fit. **They are consultants, developers, salespeople and advisors,** 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 customer loyalty.

Every day, your company must rise to new challenges, so your IT system must adapt to the needs of your enterprise and not the reverse. This is what Cegid's commitment is all about.

cegid
solutions

"Because your company is unique,
because your needs are specific to your business and your environment, Cegid has created Yourcegid*, the integrated enterprise solution that puts your challenges at the core of its design."



* Yourcegid is the new brand name for Cegid solutions.

"Solutions that evolve as your company grows"

Companies are constantly changing. As a start-up, your company must have a light and agile solution. Later on, it will need the **MOST APPROPRIATE AND MOST POWERFUL SOLUTIONS IF IT IS TO GROW AND PERFORM IN LINE WITH EXPECTATIONS.**

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 and its scalable solutions accompany customers on their path to growth, with the same commitment whether the customer is an independent contractor or a large corporate group.

WHO ARE CEGID'S CUSTOMERS?

53,000 ENTREPRENEURS

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 the entrepreneur's accounting firm, **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. Today, these solutions are perfectly adapted to small entities in that they are available

For very small companies with very big ambitions.

in SaaS mode, facilitating access and obviating the need for complex installation or deployment.

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

SMEs want solutions that are not only productive immediately, but also scalable and with services tailored to their size and expectations. **The solution they choose, intended to meet an immediate operational need and boost profitability, should also be able to stay the course while they grow.** Companies start with accounting, CRM and payroll functions, which they view as essential, but very soon thereafter they want to take advantage of more sophisticated analytical functions offered by decision-support and human resource management 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 responses to 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.**

Cegid offers high value-added solutions for all the functional areas of companies and corporate groups. Modular, agile and integrated, they can be implemented rapidly and ensure a tangible return on investment in less time than the market's standard products.

“A solution for every functional department in the enterprise”

FINANCE/TAXATION, PERFORMANCE TRACKING AND REPORTING, HUMAN RESOURCES:
the flexibility of Cegid's integrated, modular approach gives corporate executives functional solutions that communicate or that can be used on a standalone basis.

Yourcegid FINANCE

From accounting to management of property, plant & equipment to cash management, Yourcegid Finance is a comprehensive, user-oriented information system that facilitates decision-making and day-to-day management, regardless of the size of the enterprise. Yourcegid Finance includes the operating dimension and top-level coordination, all in the same enterprise software approach.

Yourcegid TAXATION

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

Yourcegid Fiscalité also offers organization, coordination and archiving functions for better traceability and visibility, as well as auditing and diagnostic functions for anticipating risks and optimizing taxes.

Yourcegid PERFORMANCE MANAGEMENT

Cegid's products are designed to respond to **a company's need for analysis and group coordination,** offering consolidation and financial performance management solutions, as well as budgeting and reporting tools.

Yourcegid HUMAN RESOURCES

Payroll, personnel administration, planning, management of skills, time and business activity, HR internal auditing, reporting and BI.

Cegid's HR solutions enable human resources departments to deliver high-quality HR services and to focus on **enhancing the value of their company's human capital and aligning their HR policy with the strategy of the enterprise.**

By combining technological and functional expertise, Yourcegid Human Resources is positioned as the market's benchmark for a company with a specified budget and a limited timeframe.

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

Every industry has its special characteristics and expectations. Cegid has been offering industry-specific solutions for more than 20 years, integrating the customer's industry dimension in the very core of its products.

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

Yourcegid MANUFACTURING

Manufacturing, CRM, Planning, supply chain, EDM, PLM, after-sales service, EDI, e-commerce, web services, etc.

Yourcegid Manufacturing responds to the operational and decision-making needs of manufacturing companies. Yourcegid Industry offers solutions for every size business, from companies with fewer than 20 employees to large companies and groups. With an increasing number of subsidiaries of large manufacturing groups choosing Cegid's flexible, scalable enterprise solution, appropriate for size of their operation, Cegid has become a compelling alternative to the market's very large ERP systems. Nearly 2,000 mechanical engineering, automotive equipment, aeronautics, cosmetics and agri-food companies have chosen Yourcegid Manufacturing solutions.

Yourcegid SERVICES

Yourcegid Services gives companies that need to track their business on a **per-contract, per-project or per-assignment basis** a comprehensive view of each contract and enables them to focus on their core business.

Simple and intuitive, operating autonomously or integrated with Cegid ERP, Yourcegid Services brings together estimates, resources, agendas, procurement and à la carte invoicing (time & materials, flat fee, subscription, contract) in a single solution, as well as tools for data analysis and monitoring.

Yourcegid WHOLESALE

Yourcegid Wholesale 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.

Yourcegid RETAIL

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

Creating the product line, procurement budget and forecasts, supply, multi-channel merchandising, store management, check-out, CRM and loyalty, customer service, managing performance, etc.

From sourcing to multi-channel sales, from assortment construction to price optimization and from promotions to customer loyalty, Yourcegid Retail helps store chains of all sizes optimize their retailing processes, manage their activities and improve the customer experience. Our solutions facilitate decision-making at the head office, at the procurement level and in the store. Yourcegid Retail already meets the operational and decision-making needs of more than 1,000 retail and wholesale chains.

Yourcegid HOSPITALITY

Calendar, online reservations and management of distribution channels, yield management, CRM and loyalty, payment, supply optimization, inventory management, centralized management, consolidated statistics, autonomous mode, budgeting.

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

Yourcegid CPA

Our expertise in meeting the operational needs of CPAs, optimizing their productivity and unlocking the synergies between them and their corporate clients derives from our long-standing relationship with the public accounting profession.

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, the Yourcegid CPA environment

also offers platforms for collaborative data transfer, enabling CPAs and their clients to work together most efficiently via a set of online services.

Yourcegid ASSOCIATIONS

Receipts-disbursements accounting, in SaaS mode for small associations not subject to tax.

Designed in close collaboration with association accountants and treasurers as well as CPAs, Yourcegid Associations includes, as a standard feature, the avatar Lea who helps volunteer accountants and treasurers learn the basic principles of association accounting and the corresponding software.

Yourcegid ENTREPRENEURS

Cegid offers each of these very small companies—independent professionals and artisans, store-owners, wholesalers—enterprise solutions tailored to their profession. Thanks to SaaS mode, entrepreneurs have access to their

enterprise applications, whenever they want and wherever they are. They no longer have to update or back up and have found the freedom they've always wanted.

Yourcegid PUBLIC SECTOR, WITH CIVITAS

With Civitas, Cegid has expanded its product range and demonstrated that it is determined to expand its presence in management solutions for the public sector. Specialized in local authorities and public services, **Yourcegid Public Sector delivers management software in four functional areas: finance, human resources, technical services and general services.** To deal with the many different changes affecting the public sector, customers can also use the software in SaaS/On Demand mode, while conserving service continuity and improving the quality thereof.

"Cegid technology supporting Cegid content"

Today's users want an information system to combine power, productivity and agility so as to provide efficient, secure but open access to their data. New usage modes do this without adding technological constraints. **THE TECHNOLOGY IS AT ONCE NOWHERE AND EVERYWHERE, TRANSPARENT BUT OMNIPRESENT AND ESSENTIAL.** Cegid understands and every year devotes considerable resources to offering its customers **THE NEXT TECHNOLOGY BREAKTHROUGH.**

OPENNESS AND FLEXIBILITY ARE ESSENTIAL

The Cegid development platform is open to all operating systems. In addition, Cegid application modules can operate with any relational database available on the market. In this way, our applications conform to our customers' technology decisions and preserves their existing technological orientation.

FOR THE 2.0 ENTERPRISE

Internal communication and real-time information sharing require paperless documents and processes, shared virtual space, intranet portals, Employee Self-Service and Web 2.0 tools. Deployment of Cegid's solutions in self-administered mode fosters the use of collaborative tools.

MOBILITY IS THE WATCHWORD

Retailing and wholesaling customers expect a software provider like Cegid to help them get the most out of new technologies, such as the mobile internet and smartphone applications and services.

Mobile applications are creating new usage modes, transforming workflow and enabling communication by secure text messaging and cell phone payment. Enterprise applications must follow suit and incorporate the use of touch screens, intelligent objects that communicate with each other and increasingly prevalent RFID chips.

MAKING COMPUTERS EVER MORE USER-FRIENDLY

Personal usage modes have a direct influence on the needs and demands of business users.

Now professionals too are seeking access to their applications at high speed and in real time. They want information to be available immediately wherever they are geographically, and the technology must respond to these demands. Cegid anticipated that professionals would change the way they use software and has designed solutions to accommodate these changes.

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

"Everywhere, every time"

For several years now, Cegid's business development strategy has involved offering solutions to customers in SaaS (Software as a Service) mode. We have positioned ourselves as a provider and host and have committed the human and technical resources necessary to operate our own hosting platform. We confirmed this strategy in early 2009 by creating Cegid Interactive, a business unit devoted to SaaS and internet.

A SIMPLE, OPEN, UNFETTERED USAGE MODE

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

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

FROM ERP TO A PACKAGE OF SERVICES

A far cry from monolithic ERP systems, resource hungry and difficult to deploy, Cegid's integrated solutions are deployed module by module, without a "big bang". They adapt to the company's pace of change. Cegid solutions communicate and can be enhanced with market-leading solutions, with functionality from specialized providers or with specialized content.

Cloud computing now enables users to have their own ERP, one that corresponds perfectly to their needs. Reaching far beyond the simple software application, putting priority on access to information, integrating the most advanced functionality and the most powerful technology, tomorrow's ERP will be called upon to do even more for the enterprise.

KEY FIGURES

10,000 entrepreneurs on line (50 new users every week)

More than 200,000 online declarations via the Etafi.fr submission portal

More than 100,000 comptanoo.com members

200 mid-sized and large customers:

- from Retail, Manufacturing, Services and the Public Sector
- 4,000 users
- 205,000 pay slips per month
- 1,500 CPA firm employees
- 650 points of sale

"Cegid, a local presence throughout the world"

Through its subsidiaries and international network of partners, Cegid solutions are deployed in more than 65 countries. VCS Timeless entered the Group and made a contribution right from 2009, significantly altering CEGID'S GEOGRAPHICAL FOOTPRINT AND POSITIONING.

IN FRANCE

Cegid's head office

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

Spread over all of France, Cegid's sales offices maintain a local relationship with their customers. Our salesforce of nearly 420 people possesses in-depth knowledge of the industries in which our customers are active. Attentive to their concerns, these salespeople often have a dual skillset: technical expertise, along with knowledge of the customer's business. This makes their recommendations and suggestions particularly valuable.

THE OFFICE-BASED SALES STAFF IS ALWAYS AVAILABLE

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

A NETWORK OF 175 PARTNERS

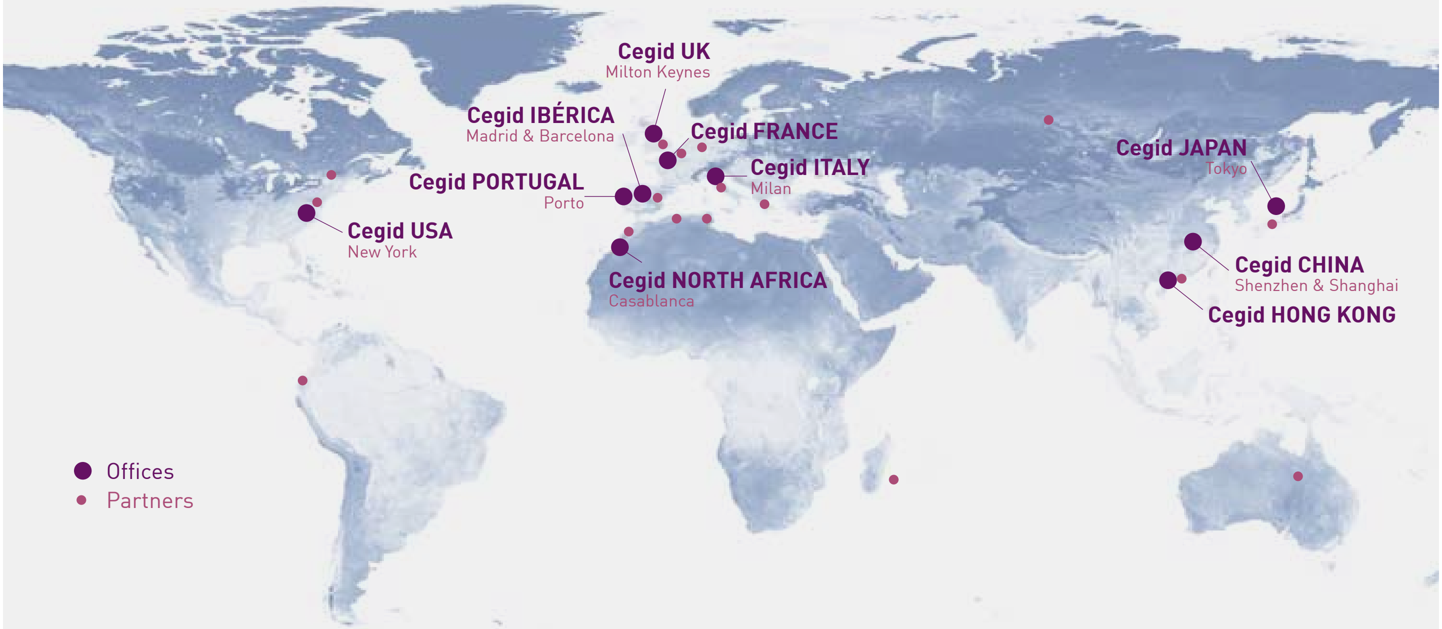
A network of 175 carefully-selected, trained and certified partners strengthens Cegid's presence throughout the country and is complementary to Cegid's salesforce.

CEGID STORE: VIRTUAL BOUTIQUES DEDICATED TO BOTH INDUSTRY-SPECIFIC AND FUNCTIONAL SOLUTIONS

As part of our internet services strategy, we launched the B-to-B e-commerce site "Cegid Store" in 2010.

Cegid Store has been designed as a new distribution channel, whose first mission is to respond to the demands of all Cegid customers and certified resellers.

Navigation is simple and intuitive and the user will easily be able to find the appropriate service or solution in the boutiques devoted to the industries and functional areas of our customers and prospects.



ABROAD

In 2009, Cegid strengthened its presence in Europe, North America, North Africa and the Asia-Pacific region, opening a new office in Shanghai. **By combining its existing locations with newly-acquired ones and signing new strategic partnerships,** Cegid gave its international growth a boost and scored some major commercial successes, in particular in the Asia-Pacific region.

SUBSIDIARIES CLOSE TO THEIR CUSTOMERS

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

These subsidiaries can offer all of Cegid's products and manage both local and global customers.

25 INTERNATIONAL RESELLER-PARTNERS

To step up international development, Cegid also relies on a network of resellers and partners. They are spread around North America, Europe, Asia and North Africa, contributing their skills and adding value to Cegid's existing distribution network. These carefully-selected companies, prominent in their local markets, **have full knowledge of the specific employment, tax and accounting parameters** 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.

KEY FIGURES

Presence in more than 65 countries

Solutions in more than 25 languages

A hotline for every country

20,000 points of sale use Cegid solutions

January 11-12, 2010: Cegid was in New York for the NRF trade show

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

Now more than ever, leveraging partnerships and developing a robust economic and business environment are 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 be able to count on a sound network of partners capable of enriching and adding value to our products.

A NETWORK OF 200 RESELLERS IN FRANCE AND ABROAD ENSURE LOCAL DISTRIBUTION

Complementing Cegid's industry-specific solutions and direct presence in local markets, 130 certified Cegid Business Partners make their expertise available to the small and mid-sized businesses in their regions. These partners are chosen on the basis of their skills and are specialized in enterprise software. They advise customers in their choice of a Cegid solution and in its deployment. New partners are now entering the network, focused especially on very small companies, to which they offer solutions that correspond to their line of business, their size and their needs.

45 Cegid Partners, 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 are now applying their skills to deploying Cegid solutions. Members of the Cegid Club Conseil (C3), or formerly from IT service companies and consulting firms, these consultants know how to fully leverage the advantages that Cegid products have to offer and promote them to their customers.

PARTNERSHIPS THAT ENRICH THE PRODUCT RANGE

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

SELECTED INTEGRATORS TO HANDLE LARGE-SCALE PROJECTS

Implementing large application projects often requires a high degree of on-site integration and support. For these customers, Cegid has developed centers of excellence within its IT service company partners. Carefully selected and trained, these integrators, including some of the market's majors, will help Cegid put its solutions into production at customer sites.

CEGID AND GROUPAMA-GAN, AN AGREEMENT TO DEVELOP INNOVATIVE PRODUCTS AND SERVICES

Now that the strategic agreement between Cegid and Groupama-Gan Assurances is operational, CPAs have access to innovative and comprehensive solutions that help them in their advisory role. "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 about changes in collective bargaining agreements, offers suggestions in terms of social welfare benefits, employment & labor law news and technical information. This product line has since been enriched by decision-support tools for retirement indemnities, salary optimization, professional reminders and community sites such as Comptanoo, CPA Community and the new portal devoted to associations. Since the launch of Cegid Agricole, the agriculture market now also has a set of solutions deriving from this agreement.

LONG-STANDING PARTNERSHIP WITH CPAS

More than 7,000 accounting firms use Cegid solutions and can 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 600 PARTNERS AND MORE THAN 15,000 STUDENTS TRAINED EVERY YEAR

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

With its ERP officially recognized by the French Government since 2005 as an important teaching tool, Cegid Education has already attracted more than 500 secondary schools, business schools and professional training centers (public & private), as well as 100 universities and prestigious *"grandes écoles"* and trains more than 15,000 students per year. Specific partnerships have been signed with these schools. In addition to training students they aim to create specific courses of study, research programs or to endow a corporate-academic chair.

"Motivation and diversity through HR policy; long-term commitments through concrete initiatives"

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 new initiatives, all with the same objective: **BRING COMPANIES AND THE PEOPLE WHO WORK TO DEVELOP THEM CLOSER TOGETHER.**

For a company to grow and develop, **every employee must be motivated. For this reason,** Cegid has been built from the outset **on a dynamic HR environment, linking corporate performance to the individual's development and sense of fulfillment.** Sound management of our Group's human capital has been an essential factor in giving us a stable, highly-skilled workforce and a satisfied customer base.

10 company-wide agreements enrich employee status

Cegid endeavors to structure and formalize its initiatives in the form of company-wide agreements. These reflect a **stable relationship with employees, ongoing dialogue and a common outlook between the company and the employee representative bodies,** who are signatories to the agreements. These agreements cover areas such as equality between men and women, and in 2009 focused in particular on **collective performance bonuses (intéressement), planning of future skills and staffing requirements, disabilities in the workplace and senior employees.**

Profit-sharing and saving

Cegid has always encouraged **employees to share in the company's growth and development** and has fostered employee savings by offering, in addition to the legally-mandated profit-sharing plan, collective performance bonuses (intéressement), employee savings plans, and employer matching contributions. In addition, Cegid offers restaurant vouchers, day care, death & disability insurance and other employee services.

LEARNING FROM THE MOST EXPERIENCED EMPLOYEES

Infusing our youngest employees with the knowledge and skills of our most experienced staff members is of strategic importance in maintaining and managing the enterprise's talents.

In this regard, Cegid has participated in senior employee recruitment events for several years. **In 2009 a company-wide agreement in favor of senior employees was signed with employee representatives.** The agreement calls for specific measures to be introduced that will develop the value of senior employees' experience and change the way their careers are managed.

OUTDISTANCING DISABILITY

Convinced that an **HR policy that recognizes diversity is a factor in performance and in building value,** Cegid is continuing its **efforts to hire workers with disabilities.** We now have a long-term commitment to a realistic, structured, open and compassionate employment policy for disabled people.

This reasoning prompted us to sign **a company-wide agreement on May 7, 2009** promoting a socially responsible policy with regard to the employment of people with disabilities, be they inside or outside the Company.

It was in this spirit that Cegid once again participated in the **13th annual national handicapped employment week,** organized by ADAPT, an association that promotes employment and social integration for people with disabilities, from November 16th to 22nd in Lyon. **The week was punctuated with job forums, interviews with recruiters over coffee and speed recruiting sessions.**

All of these events were opportunities to meet people and for Cegid to identify skills. **Six candidates joined Cegid in 2009.**

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

OL Fondation is a corporate foundation created by OL Groupe in 2007. It has identified six associations and made a long-term commitment to each of them. Cegid is a corporate partner in OL Fondation. We support numerous initiatives, both financially and through the contribution of our expertise or the commitment of our employees. Cegid is particularly sensitive to the issues of diversity, disability and integration into employment.

Specifically, Cegid helped **Handicap International** by contributing its technology expertise to the redesign of the "ICOM" center's website and by hosting "Liberté, Égalité, Handicapés", an exhibit starring the French comic strip hero Titeuf. ICOM facilitates access to ICTs for people with disabilities.

Cegid also supports **APFEE,** an association that promotes equal scholastic opportunity and focuses on reading and writing skills among children in difficulty, and **ASUP Brazil, an association that helps enroll children from the "favelas" in school.**

In healthcare, Cegid supports the **IDEE foundation**, which promotes the **treatment of childhood and adolescent epilepsy.** And **Doctor Clown's professional entertainers bring a moment of happiness to children hospitalized** in the Rhône-Alpes region and in particular in the new maternity/pediatric hospital in the Lyon suburb of Bron.

A PARTICULARLY STRONG COMMITMENT TO "SPORT DANS LA VILLE"

"Sport dans la Ville" is an association that helps young people in difficulty, by using sports to guide them towards training and to land their first job.

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

Cegid has been working with Sport dans la Ville for several years now, as part of its support for OL Fondation, because this association's mission dovetails with the values of diversity and solidarity championed by Cegid. Cegid's employees share these values to a great extent and 14 of them made a commitment to Sport dans la Ville in 2009 by agreeing to be sponsors. This is a significant commitment. For a full year, they each accompany a young adult on their path to learning a profession. They help them understand the rules of the business world and what employers expect of them, and they support and advise them in the various steps they take, when the young person might need a boost from someone already integrated into the business world.

Meanwhile, Cegid's top-level managers are helping two young entrepreneurs through "Entrepreneurs dans la Ville". Initiated at the end of 2008 and implemented in 2009, this full-fledged coaching program gives these young entrepreneurs support, advice and tangible assistance in launching their project.

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

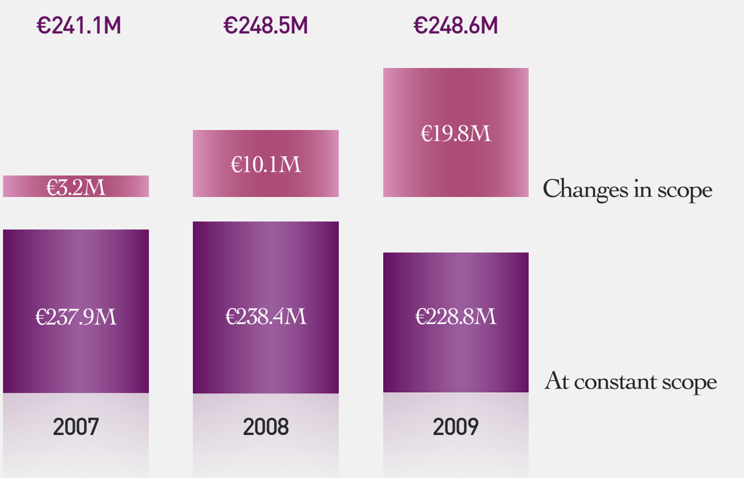
This association is dedicated to improving the quality of life for hospitalized children and their families at Lyon's new pediatric hospital.

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.

SUPPORT FOR THE HOMELESS, TREES FOR THE CITY

Cegid has been participating in this initiative of the Foyer Notre-Dame des Sans Abri, a shelter for homeless people. A donation is made to the shelter, and a tree is planted in the city, in the name of the donor company. Cegid is proud to be part of this corporate effort to help society's least fortunate members.

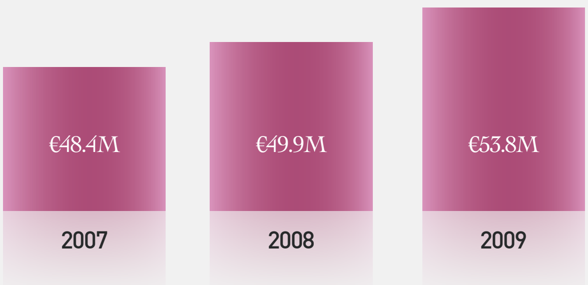
SALES AND EARNINGS



FINANCIAL STRUCTURE

INCREASE IN CASH FLOW

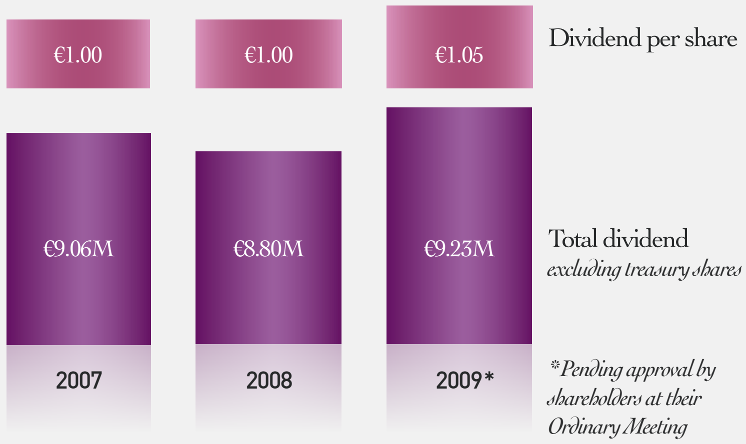
After interest and taxes paid



GEARING

Gearing, the ratio of net debt (€63.5 million) to consolidated shareholders' equity (€164.3 million) was 38.6% (53.6% at December 31, 2008).

DIVIDENDS



Stock market: Eurolist Paris Compartment C

ISIN stock code: FR0000124703

Reuters: CEGI.PA

Bloomberg: CGD FP

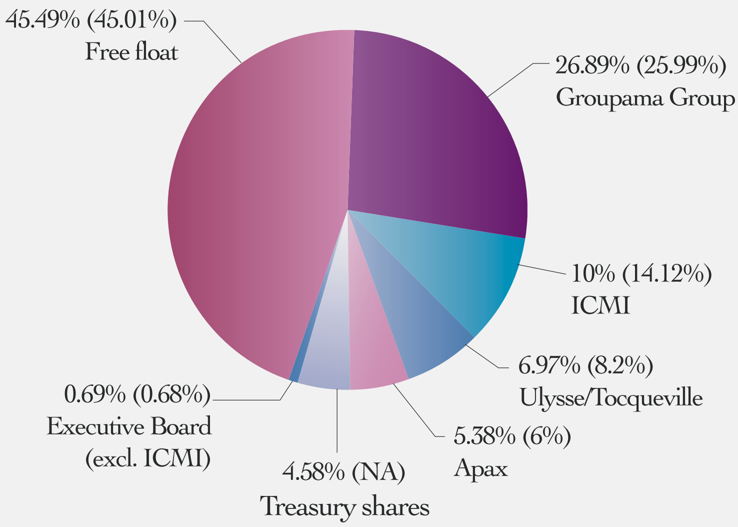
Segment NextEconomy - FTSE: 9537 Software

Indices: Small 90, Mid and Small 190 and ITCAC

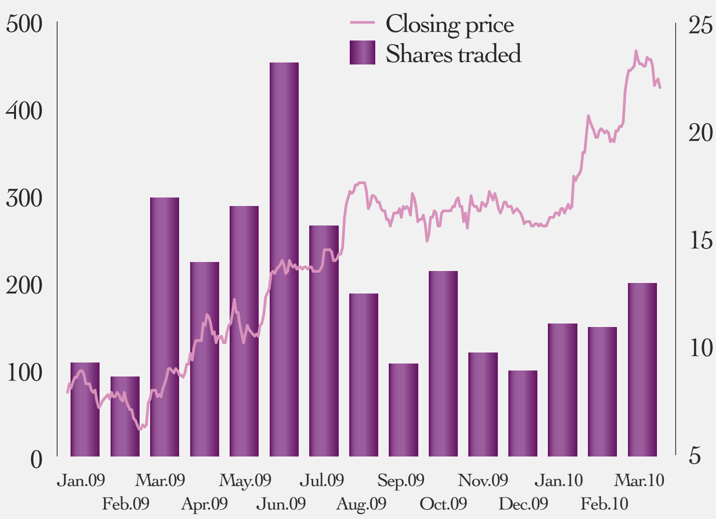
CEGID GROUP

DISTRIBUTION OF SHARE CAPITAL AS OF APRIL 15, 2010

Percent of shares (percent of voting rights)



CEGID GROUP SHARE



KEY FIGURES

€248.6 million in sales
2,000 employees
40 sales offices in France
200 resellers
including **25** international reseller-partners
More than **600** Cegid Education partners
80,000 customers
Nearly **400,000** users
Presence in **65** countries
Solutions in more than **25** languages
A hotline for every country
Nearly **15,000** international users

THE CEGID MANAGEMENT TEAM

From left to right:

Thierry Luthi, Valéry Tarondeau, Nathalie Echinard, Jean-François Marcel, Pierre Diantell, Patrick Bertrand, Antoine Wattine, Pascal Guillemin, Jean-Louis Decosse, Christian Loyrion and Sylvain Moussé.

SATISFIED CUSTOMERS

Yourcegid
Solutions de gestion

Aelia • AREVA T&D • Autogyre • Base • Billabong • Blanco • Buffalo Grill • Bugatti Station • Burger • Bwkids • Calvin Klein Jeans • Camachos • Caroll • Cat • Chattawak • Cheyenne • Clive Mark Schoolwear • CNOUS • Coelima • Conseil Général du Loiret • CPE Lyon • Dammann • DBA • Devanlay – Lacoste • DG Diffusion • Dosatron • EKTRO • Emporlojas • Encuentro Moda • Erich Brodheim • Estee Lauder • Esri • Etnias • Eureka Kids • Gant • GGF • Gifi • Guess • Habitat • Hamleys • Hermes Govantes • Historic Royal Palaces • Hobie Cat • Ibernegocio • Impetus • JKR Consulting • Johnstons of Elgin • Kathy Van Zeeland • KL2 • Kusmi Tea • Laboratoires Body Nature • Léa Nature • Leida • Le Joint Technique • L'Erbolario • Les Lolitas • Le Tanneur • Lido • Linedata • Linvosges • L'Occitane • Lollipops • Longchamp • Louis Pion • Lovable • Love Store • Luis Blanco • Man In Italy • Manufacture d'Essai • Mca Ingéniérie • Médicis • Messier Bugatti • Mike Davis • Moa • Modus Profumerie • Molenat • Moulin de la Brague • Myla • Naf Naf • Optic 2000 • Optissimo • Orchestra • Osprey London • Over Kids • Parfois • Past Times • Paul & Joe • Pedradura • Groupe Poncin • Perroton • Picar • PileJe • Piubelle • Protec • Quiksilver • Région Haute Normandie • Rubafilm • Salsa • Sakata Vegetables Europe • SICTIAM • Sodikart • Sogrape • Sol Concepts • Groupe Soufflet • STI Plastics • Strego • STVA • The Phone House • Torini • UMR • V.C.M • Villa Plancha • Ville d'Auxerre • Ville du Chesnay • Villeroy & Boch • Yves Rocher • Watt Brothers • Zama Germano • Groupe Zannier •

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

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

Fiscal year 2009

Cegid Group

Management report
Financial statements
Legal information

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This document is an English-language translation of the French Reference Document ("document de référence") filed with the *Autorité des Marchés Financiers* (AMF) on April 23, 2010, in compliance with Article 212-13 of the AMF's General Regulation. Only the original French version can be used to support a financial transaction, provided it is accompanied by a prospectus (note d'opération), duly certified by the AMF. The document was produced by the issuer, and the signatories to it are responsible for its contents.

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

- the 2008 management report of the Board of Directors, consolidated financial statements, parent company financial statement, and Statutory Auditors' reports on the consolidated and parent company financial statements can be found in the Reference Document filed with the AMF on April 27, 2009 under number D.09-321.
- the 2007 management report of the Board of Directors, consolidated financial statements, parent company financial statement, and Statutory Auditors' reports on the consolidated and parent company financial statements can be found in the Reference Document filed with the AMF on April 23, 2008 under number D.08-285.

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

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

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REPORT OF THE BOARD OF DIRECTORS

2009 SHARE BUYBACK PROGRAM

GENERAL INFORMATION ABOUT THE COMPANY

Name: Cegid Group

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

Legal form

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

Applicable law

French law.

Date of incorporation
Term

The company was created on August 26, 1983 for a term of 99 years from the date of its registration in the Companies Register, unless extended or dissolved before term.

Corporate Purpose (Article 2 of the bylaws)

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

- sell and provide information technology services;
- design, develop and sell computer software;
- provide training and assistance of any kind to users of computer hardware and software;
- conduct any kind of information technology activity for the accounting profession or for other businesses;
- conduct any kind of industrial, commercial or research activity related to electronic and information technology products and equipment, including in particular the manufacture, purchase, sale, wholesaling and maintenance of said products and equipment and, more generally, provide any service in the fields of electronics and information technology;
- purchase, sell and operate any kind of information system, both hardware and software;
- purchase and resell any kind of information technology equipment and 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 any country;
- and generally conduct any type of commercial, industrial, financial transaction or transaction on moveable or immovable property directly or indirectly related to or that might further the company's purpose or facilitate the fulfillment thereof.

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

Distribution of earnings according to the bylaws (Article 30)

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

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

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

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

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

Nevertheless, except in the case of a reduction in capital, no distribution 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 20-29 of the bylaws)

Article 20: Invitation to Shareholders' Meetings

"A notice of meeting is published in the BALO (Bulletin of Mandatory Legal Announcements) 35 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 15 days before the Meeting date. However, when the meeting is called in application with the measures of Article L.233-32 of the French Commercial Code, the timeframe within which the publication of a notice of a meeting in the BALO must take place is reduced to 15 days and the delay for the publication of a notice of a meeting in a journal of legal announcement in the département and in the BALO must take place is reduced to six days."

Access to Meetings - Powers (Article 22)

"All shareholders have the right to participate in Shareholders' Meetings and to take part in deliberations personally or through a proxy, regardless of the number of shares they own, on proof of their identity, by recording the shares in their name or in the name of the intermediary registered as acting on their behalf, in application of the seventh paragraph of Article L.228-1 of the French Commercial Code, 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."

Exercising voting rights

Thresholds specified in the bylaws

Article 11 of the bylaws stipulates that "any shareholder acquiring at least 2% of the share capital or any multiple thereof must inform the Company within 15 days by 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 timeframe to benefit from a double voting right from two years to four years (article 24 of the bylaws).

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

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

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

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

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

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

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.

Following the exercise of Cegid Group redeemable share warrants (BSARs), share capital as of the July 22, 2009 Board of Directors meeting was increased by a par value of €359.10 through the issuance of 378 new shares with a par value of €0.95 each. This increase brought share capital from €8,771,045.05 to €8,771,404.15, divided into 9,233,057 shares with a par value of €0.95 each, and fully paid up.

Unissued authorized capital

At their May 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.

At their May 12, 2009 Special Meeting, shareholders authorized the Board of Directors to:

- Issue bonus share warrants to Company shareholders.
- Use the powers granted under resolutions four, five, and six of the May 7, 2008 Special Shareholders' Meeting, pursuant to Article L.255-136 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 II of Article L.411-2 of the Monetary and Financial Code.

Securities not representing capital

None.

Pledges of "pure" registered Cegid Group shares

As of December 31, 2009, 18,920 Cegid Group shares were pledged.

Assets pledged as security

As of December 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 2,004,566 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 were 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 plan

In 2009, 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, at the date of this Reference Document, there was no Cegid Group bonus share plan with unvested shares.

3 - Total potential dilution

As of December 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 April 15, 2010

Shareholder	Number of shares	% of capital	Number of votes	% of voting rights
Groupama group (1)	2,482,531	26.89	2,482,531	25.99
ICMI (2)	923,604	10.00	1,348,742	14.12
Ulysse/Tocqueville Dividende/Odyssée (3)	643,458	6.97	783,458	8.20
Apax (private equity fund)	496,465	5.38	572,739	6.00
Executive Board (4)	63,839	0.69	65,210	0.68
Treasury shares (5)	422,636	4.58	NA	NA
Free float	4,200,524	45.49	4,306,079	45.01
TOTAL	**9,233,057**	**100.00**	**9,558,759**	**100.00**

(1) Groupama group corresponds to the following entities: Groupama SA, Gan Assurance Vie Compagnie Française d'Assurances Vie Mixte, Gan Eurocourtage Vie.
(2) ICMI is Cegid's lead holding company. Jean-Michel Aulas holds a 98.73% stake representing 99.20% of the voting rights.
(3) Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP S.L.C, F.C.P Sphynx Finance).
(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 composing 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 April 15, 2010, there were a total of 9,558,759 exercisable voting rights.

The Company requested a study of identifiable shareholders, which was carried out on January 29, 2010. The results of the study showed that 7,963 shareholders held their shares in bearer form and 938 in nominative form.

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

SHAREHOLDING CHANGES OVER THE PAST THREE YEARS

Shareholder	% of shares as of 12/31/2007	% of voting rights	% of shares as of 12/31/2008	% of voting rights	% of shares as of 12/31/2009	% of voting rights
Groupama group (1)	17.23	15.84	23.86	20.59	26.89	22.98
Apax (private equity fund)	13.00	11.95	11.34	19.58	10.78	19.03
Ulysse/Tocqueville Dividende/Odyssée (2)	8.08	8.82	7.33	7.64	6.97	7.49
Eurazeo	6.93	6.37	0.30	0.52	-	-
ICMI (3)	6.77	12.45	6.77	11.69	4.60	8.13
Executive Board (4)	0.59	0.57	0.67	0.61	0.69	0.62
Treasury shares (5)	0.23		4.91	NA	4.74	NA
CPAs	0.80	0.95	0.79	0.94	0.79	0.94
Free float	46.37	43.05	44.03	38.43	44.54	40.81
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

This composition of share capital reflects BSAR exercises up to March 3, 2009 recognized at the Board Meeting on July 22, 2009.

(1) Groupama group corresponds to the following entities: Groupama SA, Gan Assurance Vie Compagnie Française d'Assurances Vie Mixte, Gan Eurocourtage Vie.
(2) Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP S.L.C, F.C.P Sphynx Finance).
(3) As of 12/31/2009, 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 composing 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.

At March 31, 2010, to the company's knowledge, the Company's governing bodies held 6.17% of the capital representing 10.49% of the voting rights.

Individuals and legal entities that can exercise direct or indirect control over the Company as of April 15, 2010

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

Ownership threshold disclosures

- In a letter dated March 17, 2009, Tocqueville Finance informed Cegid Group that its ownership interest had declined below the 8% threshold specified in the bylaws. At that date, Tocqueville Finance held 729,601 Cegid Group shares for the funds it manages.
- In a letter dated July 28, 2009, supplemented by a letter dated July 30, 2009, Groupama declared that it had, both directly and indirectly through Gan Assurances Vie, Compagnie Française d'Assurances Vie Mixte and Gan Eurocourtage Vie, subsidiaries it controls, exceeded the following thresholds:

  - On July 22, 2009, the number of voting rights it held in Cegid Group increased beyond the 20% threshold. It directly and indirectly held 2,230,340 Cegid Group shares representing as many voting rights, i.e. 24.16% of the 9,233,057 Cegid Group shares and 20.02% of its 11,142,214 votes.
  - On July 24, 2009, the number of shares it held in Cegid Group exceeded the 25% threshold. On that date it directly and indirectly held 2,482,533 Cegid Group shares representing as many voting rights, i.e. 26.89% of the Company's share capital and 22.80% of voting rights.
- On July 24, 2009, ICMI informed Cegid and the Autorité des Marchés Financiers that the number of shares it held had dropped below the 5% threshold, and the number of voting rights it held had dropped below the 10% threshold. This is because ICMI transferred 200,000 Cegid Group shares to Groupama, Gan Assurances Vie and Gan Eurocourtage Vie as an extension of the agreement under which Groupama acquired a stake in Cegid Group on December 19, 2007.
- In a letter dated January 14, 2010, AXA Rosenberg Group LLC informed Cegid Group that the number of shares it held had increased beyond the 2% threshold as of December 23, 2009. At that date, it held 185,367 shares, representing 2.01% of the share capital and 1.70% of the voting rights.
- In a letter dated April 16, 2010, ICMI informed Cegid and the Autorité des Marchés Financiers that it had exceeded the legal thresholds of 5% and 10% of share capital and 10% of voting rights. ICMI's ownership interest rose from 4.60% to 10% of share capital and from 8.83% to 14.12% of voting rights at Cegid Group's Shareholders' Meetings.
- In a letter dated April 15, 2010, Apax Partners, representing the Apax and Altamir Amboise funds, informed Cegid that the portion of share capital it held had declined below the 10% threshold and that the voting rights it held had declined below the 15% and 10% thresholds. Apax Partners, representing the Apax and Altamir Amboise funds, reduced its interest to 5.38% of share capital and 6% of voting rights at Cegid Group's Shareholders' Meetings.

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

Shareholder agreement, signed December 19, 2007, between ICMI, a "simplified share company" (1), Groupama SA and Jean-Michel Aulas

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

	Shares	% of shares	Voting rights	% 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 shall obtain an identical commitment from any third party to which it might sell its shares. This commitment shall remain associated with the Cegid shares for 10 years.

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

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

A right of first refusal agreement, signed April 11, 2010, between ICMI and the Apax fund

ICMI and the venture capital funds Apax France IV, Apax France VA and Apax France VB, represented by fund manager Apax Partners and Apax Parallel Investment I, Altamir Amboise SCA, collectively referred to as "Apax", entered into an agreement on April 11, 2010 stipulating that any Cegid Group shares Apax transfers to a third party are subject to a right of first refusal granted to ICMI under the following terms:

This right of first refusal shall apply to any transactions subject to valuable consideration or not and which, for any reason, leads to a transfer of ownership, for any reason of more than ten thousand (10,000) shares for a unit price per share of less than €21.15.

This right of first refusal agreement shall remain in force until the earlier of the following two dates: (i) the date on which Apax's holding drops below the threshold of one (1) percent of the Company's share capital or (ii) 18 months after the signing of the right of first refusal agreement.

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 12, 2009 Shareholders' Meeting. A new share buyback plan will be proposed to shareholders at their Ordinary Shareholders' Meeting on May 6, 2010. The terms of the plan are presented on page 128 of this Reference Document. Since passage of the "Law for the confidence and modernization of the economy" (No.2005-842 of July 26, 2005), the approval procedure for the buyback plan prospectus has been eliminated.

CEGID GROUP SHARES

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	2008				2009				2010			
	Highest €	Lowest €	Volume (shares)	Volume €M	Highest €	Lowest €	Volume (shares)	Volume €M	Highest €	Lowest €	Volume (shares)	Volume €M
January	31.66	17.51	527,322	11.53	9.05	6.80	107,471	0.85	19.89	15.51	152,427	2.62
February	27.95	20.00	497,869	11.45	7.90	5.95	91,332	0.64	20.80	18.70	148,525	2.95
March	25.23	20.80	169,057	3.87	9.10	6.04	297,605	2.40	24.00	19.60	198,978	4.44
April	24.60	19.52	208,829	4.66	11.50	8.70	223,335	2.30				
May	22.00	20.02	218,876	4.56	12.30	9.95	330,301	3.64				
June	20.78	18.45	339,936	6.56	14.12	11.11	452,503	6.03				
July	19.05	14.25	274,588	4.64	15.95	13.20	270,427	3.83				
August	17.48	16.25	125,124	2.08	17.70	16.00	187,164	3.19				
September	17.00	13.45	229,627	3.41	17.15	15.50	106,277	1.75				
October	14.80	9.31	417,359	4.84	16.90	14.75	213,123	3.42				
November	10.32	8.00	93,655	0.86	17.35	15.30	119,125	1.97				
December	8.98	7.80	179,424	1.51	16.98	15.31	98,743	1.58				
TOTAL			**3,281,666**	**59.96**			**2,497,406**	**31.60**			**499,930**	**10.01**

Source: Euronext.

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

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

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.

Earnings of fiscal year	Dividend/share
Au titre de 2005 (1)	€0.85
Au titre de 2006 (1)	€0.95
Au titre de 2007 (2)	€1.00
Au titre de 2008 (2)	€1.00
Au titre de 2009 (2)	€1.05

(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 6, 2010 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 2009 Cegid Group participated in the following events:

- Information meetings: March 4, 2009 and July 23, 2009.
- Meetings organized throughout 2009 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, 2009.

Against a very difficult economic background, your Group demonstrated its resilience, maintaining a favorable level of earnings and cash flow, while pursuing its business development strategy, in particular on the international scene.

As a result, EBITDA rose to €59.4 million, income from ordinary activities stood at €28.5 million and net income totaled €17.9 million, an increase from 2008. At the same time, net debt posted a significant decline of €19.7 million.

HIGHLIGHTS OF THE YEAR

Good operating performance in a difficult economic environment

Resilient businesses

For the full year ended December 31, 2009, the Group posted sales of €248.6 million, identical to that of the previous year, with a significant improvement in the product mix. At constant scope, sales declined by 8%, reflecting a contraction in revenue from "Hardware and installation" of €4.5 million, or nearly 20%. Revenue from "Licenses and Integration services" declined by 5% (down 14% at constant scope).

Healthy operating profitability and increase in net income

High value-added sales rose and the gross margin widened as a result, while operating expenses before depreciation, amortization and provisions were kept under control. These factors led to consolidated EBITDA of €59.4 million, almost 5% ahead of the 2008 figure of €56.8 million.

By pushing the monthly breakeven point of sales down €1 million from the level estimated at the beginning of the year, income from ordinary activities came in at €28.5 million (€31.3 million in 2008), and the margin on ordinary activities was 11.5% (12.6% in 2008). After subtracting net financial expense of €2.5 million (€5.5 million in 2008) and corporate income tax, net income stood at €17.9 million, up from €17.4 million in 2008.

Strong cash flow generation and reinforced financial structure

Cash flow generated by the business stood at €55.5 million (€56.5 million in 2008). Cash flow after interest and tax paid totaled €53.8 million, vs. €49.9 million in 2008. Net cash from operating activities of €59.7 million was up sharply from the previous year and led to a significant reduction in net debt of nearly €20 million to around €63 million at December 31, 2009. Year-end 2009 gearing stood at 38.6% (53.6% at December 31, 2008).

Cegid continued to focus on its software development and enterprise solutions hosting businesses

Sale of the construction industry solutions business

In the fourth quarter of the year, Cegid sold its vertical markets business dedicated to the construction industry to LSE, a software provider specialized in this sector (sales of approx. €1 million, 10 employees). This agreement enables construction industry customers to continue using Cegid Business BTP solutions and to benefit from technical and functional innovation. LSE has joined the Cegid Business Partners network of resellers and also distributes generic accounting and payroll solutions.

Outsourcing of "logistics and equipment preparation" activity

Under a partnership agreement signed in the fourth quarter of 2009, Cegid has delegated its "logistics and equipment preparation" activity (21 employees) to Broke Systèmes, a specialist in this business, and already one of Cegid's partners. Cegid customers who upgrade their IT configuration currently use Broke Systèmes for the management of their used equipment. Through this agreement, Cegid will be able to increase the variable proportion of its expenses against the background of declining equipment sales.

Implementation of the strategic agreement between Cegid and Groupama – Gan Assurances: more solutions for CPAs and small companies

Following the development of the first decision-support tool "Owner-executive status", intended for CPAs, Cegid and Groupama-Gan Assurances will launch, at the end of the 2009-10 tax period, new tools including "Calculation of retirement bonuses", "Optimization of owner-executive's compensation" and "Reminders". These tools will automatically integrate the accounting and corporate data deriving from the financial statements CPAs produce for their customers. They are part of a strategy aimed at enabling CPAs to detect and develop complementary, high value-added assignments based on the data in their customers' files. Downloadable e-learning modules supplement these tools.

At the same time, Comptanoo, which holds the intellectual property rights associated with the products and services deriving from the strategic agreements, launched "CPA community", its first version of the portal dedicated to the accounting profession, and enriched "Comptanoo.com", the one for small companies. Comptanoo is the joint venture created by Groupama and Cegid to develop interactive solutions for companies and their professional advisors. These portals will make a full range of content and practical tools available, thereby fostering the exchange of information and promoting the products and services of Cegid and Groupama - Gan Assurances.

Together with Groupama, Cegid will continue in 2010 to seek out partners who can enrich their specialized tools and portals with complementary content.

Via the associated "CPA Agreements" portal, reminders and automatic updating of payroll plans based on changes in collective bargaining agreements, intended for CPA firms, will be made available in early 2010.

The portal for associations, including related management services, will also open in early 2010 and will supply software online specifically designed for associations.

Comptanoo's "entrepreneur's guided tour" for small companies generated significant interest, with more than 15,000 downloads. The entrepreneur can use the tour interactively, walking through all of the steps necessary for managing his or her company, from inception to future development stages.

Finally, synergies between the sales teams of Cegid and Gan Assurances that started to materialize in 2008 and 2009 will gather pace in 2010 and infuse into the full range of products and services. These synergies include joint efforts vis-à-vis CPAs and encouragement for Gan Assurances insurance agents to recommend IT solutions to their small company clients.

Cegid launched solutions for accounting oversight agencies in agriculture recently brought into the Ordre des Experts-Comptables (CPA industry body)

The entities previously authorized to handle accounting for small companies have been eliminated and the associations that are taking their place–"AGCs"–have been incorporated into the Ordre des Experts-Comptables (CPA industry body). In response, Cegid has developed functions for its CPA solutions that cater to the agricultural industry, which represents 70% of the AGCs' business.

Cegid now has a comprehensive response to the needs of these entities. They often represent a large user community - 100 to 650 work stations each - and are highly integrated into the rural economy. An even more complete version including an agricultural business management module and all of the necessary agricultural functions will be available in 2010.

Several AGCs, representing more 2,000 users, have already chosen Cegid.

Cegid created "Cegid Interactive", a new Group division dedicated to the SaaS/On Demand market

Cegid was ahead of the curve in the development of hosted applications when it launched Cegid On Demand in 2006. With more than €13 million in sales generated by this business model in 2009, Cegid is one of the Top 5 French provider-hosts (source: PAC 2009).

According to a recent Markess International study*, 66% of companies surveyed that have already used applications in SaaS mode plan to increase their expenditures in this area between now and 2010. This represents significant growth potential. At the same time, the current economic environment favors products that enable a company to upgrade its IT system without having to deal with financing issues. In this context, Cegid consolidated its position by creating Cegid Interactive during the first half of the year.

* Survey: "Atouts et bénéfices du modèle SaaS/On demand" ("Strengths and benefits of the SaaS/On Demand model") - February 2009 - www.markess.com

Cegid Interactive's priorities have been defined in such a way as to make the On Demand model one of the drivers of the Group's future growth vis-à-vis CPA firms. The principal objectives are as follows:

- extend Cegid's range of products and services to new markets, such as the public sector, owing to the 2008 acquisition of Civitas, a provider of business management software for local authorities and other public entities. This public sector range has already been selected by SICTIAM, a federation of more than 200 local authorities;
- expand the scope of Cegid's industry-specific solutions for companies and CPAs by including agricultural functionality in SaaS mode for AGCs and members of the AS.CLCP network. This solution has already been chosen by Alliance Centre, a member of the CER France network);
- build service packages with partners–software companies, service or content providers–so as to add still more value to users;
- develop a set of innovative sales and marketing practices, so as to be in phase with changing user behavior.

Cegid Education: Cegid strengthened its ties with high schools, universities and graduate schools

Launched in June 2004, the Cegid Education program enables high schools, universities and "grandes écoles" (business schools and other graduate schools) to put management solutions tailored to the needs of business in the hands of tomorrow's professional users.

Cegid Business Line and Cegid Business Suite have been officially certified as "useful for teaching purposes" by the French Ministry of Education.

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 in Cegid solutions.

Cegid is a founding partner of the ARTEM Chair for Entrepreneurial Innovation

As part of its effort to offer solutions to small companies that facilitate their daily operations and to create a relationship with the academic community through the Cegid Education program, Cegid supports the Chair for Entrepreneurial Innovation at ARTEM.

The ARTEM Chair, which brings together 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–is a year-long program whose principal aim is to federate the academic and corporate worlds around the theme of innovation.

The objective of this chair is to develop innovative projects and thereby help the local French economy expand and remain state-of-the-art. It focuses on managing people, organizational advisory services, e-business and risk prevention and management.

Through this partnership, Cegid contributes its expertise in new technologies and in particular its experience in e-business and online services.

Cegid signed a new agreement in the first half of the year with SUPINFO, the Institute of Information Technology

This agreement, valid for all campuses worldwide, reinforces the partnership established in January 2008. It now applies to all 33 SUPINFO International University campuses in France and abroad with more than 6,500 participating students. Both parties are committed to joint action to promote and develop a community around the Cegid Business technology. Accordingly, this new partnership is the occasion to widen the field of training by incorporating a curriculum dedicated to Cegid Business and a SUPINFO IT Management laboratory open to Cegid Business technologies. It also includes jointly-created teaching content adapted to the teaching methods of the SUPINFO Institute of Information Technology and Cegid projects proposed to SUPINFO students within the framework of their professional training.

Cegid has transformed its web showcase "www.cegid.fr" into a network of specialized communities

Cegid, the leading French provider of enterprise software, has completely redesigned its web site, www.cegid.fr, to provide a meaningful response to the needs and challenges of the professional communities that are its customers.

Organized around communities dedicated to specific industry sectors and corporate functions, the site offers every user, from retailers to restaurant owners, from CFOs to HR directors and from CPAs to industrial business owners, an environment that can be personalized to his or her liking.

This user orientation makes the new www.cegid.fr site an important forum for communication between Cegid, its customers and its prospects by offering a variety of video content (practical information, expertise and product content).

International expansion

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

- become a world-class player in management solutions for the Retail sector (25% of our Retail business derives from abroad);
- accompany customers and enable them to deploy their business management solutions on the three principal continents (North America, Europe, Asia);
- become the leading provider of solutions for the accounting profession in French-speaking countries.

Over the past two years, Cegid's presence on the principal continents (Europe, North America, Africa and Asia-Pacific) has moved up a notch by combining organic growth, partnerships and acquisitions in the Fashion and Specialist Retail sectors. Cegid's Retail solutions are now available in more than 25 languages and in 65 countries.

Direct presence through subsidiaries

Over the last two years, Cegid has strengthened its international reach and now has a direct presence on the three principal continents (Europe, North America and Asia), thereby bolstering its position as leader in IT solutions for the Retail sector. We already had representative offices in Spain (Madrid and Barcelona), Portugal (Porto), Italy (Milan), the UK (Milton Keynes), the US (New York), China (Shenzhen), Japan (Tokyo), Singapore and North Africa (Casablanca). In 2009, we opened an office in Shanghai.

Leading a network of partners and resellers

In 2009, Cegid entered a new phase in its European expansion through the signature of some ten new distribution agreements. Through these agreements, we aim to move closer to customers and to continue localizing our solutions by leveraging the local expertise that is joining our international network of resellers. This network will enable us to:

- strengthen our presence in the countries where we already have a subsidiary (agreements have been signed in the UK, Italy, Spain and the US);
- be represented through our distributors in the countries where we do not have a direct presence (Belgium, Netherlands, Poland, Russia, Greece, Ecuador, Canada, Algeria, Morocco, Tunisia, and others).

Strategic partnership with Tectura in the Asia-Pacific region

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.

In 2009, Cegid and Tectura made their partnership operational in the Asia-Pacific region, where Cegid can leverage Tectura's ten locations. Tectura has now integrated Cegid Business Retail into its catalog of applications for this region and has also created a new center of excellence in Asia articulated around Cegid solutions. The consultants of this new center will be based in Hong Kong, Tokyo and Sydney. They are currently working on their first joint deployment with Cegid staff in Asia (China and Japan).

Initial sales of Cegid solutions in Australia and significant commercial successes, in particular in Asia-Pacific

On the strength of our presence in Asia and our partnership with Tectura, we have successfully completed an installation in Occitane's Australian boutiques. In addition, we have signed an agreement with Longchamp to deploy our vertical Cegid Retail solutions, which were implemented in 2009 in Europe and are slated to be introduced in Japan and the United States in 2010 and in China and Korea in 2011.

In 2009, Cegid successfully integrated the subsidiaries of VCS Timeless and expanded sales throughout the world. This will enable the company both to manage its global customers and to win over more and more local companies, either through the Group's network of structured subsidiaries or through the 20 local partners who distribute Cegid solutions in the countries in question.

CONSOLIDATED SALES AND EARNINGS

The Group's consolidated 2009 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, 2009.

Fiscal year 2009

Good operating performance in a difficult economic environment
Consolidated sales resilient at €248.6 million (€248.5 million in 2008)
EBITDA: €59.4 million
Income from ordinary activities: €28.5 million (€31.3 million in 2008)
Net income: €17.9 million (€17.4 million in 2008)
Net margin: 7.2% (7.0% in 2008)
Cash flow generated by the business: €55.5 million
Reduction in net debt of nearly €20 million

Consolidated figures, in €M	2009	2008	Change
Sales [(1)]	248.6	248.5	-
EBITDA	59.4	56.8	+4.6%
Income from ordinary activities	28.5	31.3	-8.9%
Operating income	26.5	30.5	-13.0%
Net financial expense	-2.5	-5.5	+55.0%
Income tax	-6.1	-7.6	-20.1%
Net income attributable to parent company shareholders	17.9	17.4	+2.8%
Net margin	7.2%	7.0%	

(1) Net effect of changes in the scope of consolidation over all of 2009: €19.8M (Civitas and VCS Timeless entered the scope of consolidation on October 1, 2008). Sales for all of 2009 reflected a decline in the "Hardware and installation" business of €3.2 million, unadjusted for changes in scope (€4.5 million at constant scope).

Consolidated income statement

Consolidated 2009 sales totaled €248.6 million, identical to that of the previous year (€248.5 million). At constant scope, sales declined by 8% after accounting for the decline of €4.5 million or nearly 20% in "Hardware and installation" revenue.

Revenue from "Licenses and integration services" contracted by 5% (down 14% at constant scope).

Revenue from recurrent contracts of €121 million in 2009 represented 49% of total sales, vs. 45% in 2008.

The annual portfolio of recurrent contracts totaled more than €120 million as of January 1, 2010.

EBITDA was €59.4 million, or 23.9% of sales (€56.8 million, or 22.8% of sales in 2008), representing growth of nearly 5%.

Income from ordinary activities was €28.5 million (€31.3 million in 2008) after accounting for €30.1 million in depreciation, amortization and provisions (an increase of €3.4 million over 2008).

The consolidated margin on ordinary activities was 11.5% of consolidated sales, vs. 12.6% in 2008.

Excluding the 2009 increase in amortization of development costs, income from ordinary activities totaled €31.1 million, representing a consolidated margin on operating activities of 12.4% of consolidated sales, close to that of the previous year.

Operating income totaled €26.5 million, vs. €30.5 million in 2008. It reflected other operating expenses related to reorganization of €1.6 million.

Net financial expense, which included principally interest paid on OBSAR bonds and on drawdowns under the syndicated line of credit, less interest earned on invested cash, totaled €2.5 million, vs. €5.5 million in 2008.

Tax expense stood at €6.1 million (€7.6 million in 2008) and included tax savings related to debt forgiveness in favor of loss-making foreign subsidiaries of €1.9 million.

Net income totaled €17.9 million in 2009, an increase from the €17.4 million posted in 2008.

Consolidated balance sheet: strengthened financial structure and reasonable level of gearing

Shareholders' equity before allocation of earnings totaled €164.3 million. After including medium-term bank loans and provisions for contingencies and losses, long-term capital totaled €235.6 million. Non-current assets totaled €263.1 million at December 31, 2009 and included €55.2 million in investment in software development and €185.8 million in goodwill.

Gearing, the ratio of net debt (€63.5 million) to consolidated shareholders' equity (€164.3 million), was 38.6% at December 31, 2009 (53.6% at December 31, 2008), reflecting €31.1 million in capital expenditures during 2009.

In addition, since July 2006 Cegid has had a syndicated line of credit available to it, which totals €198 million. The line had an initial maturity of five years and has been extended 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 general business and investment needs in the years to come, in particular related to acquisitions. Drawdowns under the facility totaled €68 million as of December 31, 2009.

Cash flow statement

Net cash from operating activities reached €59.7 million (€43.2 million in 2008). This sharp increase derived primarily from a €6.0 million reduction in working capital requirements (WCR), reflecting optimized management of accounts receivable, compared with a €6.7 million increase in WCR in 2008.

This cash flow fully financed capital expenditures, which consisted primarily in development costs for new software products (€29.3 million), and the dividend paid by Cegid Group. Net debt diminished by €19.7 million to €63.5 million at December 31, 2009, vs. €83.2 million a year earlier.

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 1,519,486 outstanding redeemable share warrants (BSARs) that were not exercised by March 3, 2009 have expired with no value.

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 2009, Cegid achieved revenues of €4.6 million, consisting of fees for corporate expenses and brand image costs (€4.3 million in 2008).

Cegid Group posted operating income of €0.1 million (loss of €0.1 million in 2008) and net income of €10.9 million (€12.9 million in 2008) after accounting for financial income of €9.6 million, representing dividends received from subsidiaries. As of December 31, 2009, shareholders' equity stood at €128.1 million (€126.0 million at December 31, 2008) and net debt, which included €68 million in drawdowns under the syndicated line of credit, totaled €72.8 million.

Payment terms

Pursuant to Article L.441-6-1 of the French Commercial Code, we hereby inform shareholders that as of December 31, 2009, Cegid Group's trade payables more than 60 days old totaled €13 thousand and those less than 60 days old totaled €556 thousand.

Non-tax-deductible expenses

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

SUBSIDIARIES

Principal operating subsidiaries

Subsidiaries of Cegid Group

Cegid SA

Business
Consolidated 2009 sales totaled €216.9 million (vs. €220.4 million in 2008). These sales included those of GD Informatique, Servant Soft, Magestel, CGO Informatique and FCRS, which are operated under lease-management agreements.

In 2009, operating income totaled €19.8 million (€21.8 million in 2008) and net income was €12.2 million (€8.8 million in 2006).

At December 31, 2009, shareholders' equity stood at €127.4 million (€119.8 million at December 31, 2008). Net cash at December 31, 2009 was €0.5 million.

Quadratus

Sales in 2009 totaled €21.1 million (€21.1 million in 2008), operating income was €8.0 million (€7.9 million in 2008) and net income was €4.8 million (€5.0 million in 2008).

As of December 31, 2009, shareholders' equity stood at €7.7 million and net cash at €7.3 million after payment of a €5.0 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 €12.8 million (€13.0 million in 2008). Operating income was €1.9 million (€0.3 million in 2008). The bottom line was a net loss of €0.15 million (vs. net income of €0.1 million in 2008).

2009 was devoted to finalizing the Finance and Human Resources solutions using Full Web technology, enabling Civitas to offer innovative applications to local authorities and the rest of the public sector in traditional or On Demand mode.

At December 31, 2009, shareholders' equity was €3.9 million and net cash was €-2.0 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 solutions and online services for small companies (www.comptanoo.com and www.club-comptable.com), Comptanoo became a 50-50 joint venture between Aspx (100% - owned by Cegid) and Groupama - Gan Assurances.

Authorization from the Ministry of the Economy, pursuant to Article L.430-4 of the French Commercial Code, was obtained 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

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.

Comptanoo posted sales of €1.2 million in 2009 (€1.3 million in 2008), of which €0.6 million represented recurrent revenue, up 14%. The company posted an operating loss of €0.2 million (operating income of €0.1 million) and a net loss of €0.2 million (net income of €0.2 million in 2008).

At December 31, 2009, shareholders' equity was €0.04 million and net cash was €-0.02 million.

I&C

Informatique et Communications (I&C), specialized in enterprise solutions for winegrowing companies, posted 2009 sales of €0.2 million (€0.2 million in 2008), operating income of €0.01 million (€0.03 million in 2008) and net income of €0.01 million (€0.03 million in 2008).

2009 was dedicated to rewriting the Amphora winegrowing suite of solutions marketed by the company.

At December 31, 2009, shareholders' equity was €-0.03 million and net cash was €-0.1 million.

International subsidiaries

Europe

Spain

Cegid Ibérica

Cegid has been present in Spain since 2002 via its subsidiary Cegid España, a company organized under Spanish law. In 2007, Cegid acquired ASINFOR Innovating Retail, located in Barcelona, and in 2008, Madrid-based VCS Timeless Premiere as a result of Cegid SA's acquisition of 100% of the shares of Timeless.

In November 2009, to simplify the group's legal structure, Timeless Premiere absorbed Cegid España and ASINFOR Innovating Retail and became Cegid Ibérica.

In 2009 Cegid Ibérica posted sales of €1.1 million (the cumulative sales of the three merged companies totaled €1.8 million in 2008), an operating loss of €0.3 million (the cumulative operating loss of the three merged companies was €0.5 million in 2008) and a net loss of €0.5 million (the cumulative net loss of the three merged companies was €0.6 million in 2008).

At December 31, 2009, shareholders' equity was €0.1 million and net cash was €-0.5 million.

Italy

VCS Timeless Italy

In 2009, VCS Timeless Italy posted sales of €0.8 million in 2009, an operating loss of €0.2 million and a net loss of €0.2 million, vs. €0.3 million, €0.01 million and €0.5 million, respectively, for the period from October 1 to December 31, 2008.

At December 31, 2009, shareholders' equity was €-0.2 million and net cash was €-0.3 million.

United Kingdom

Cegid Limited

In 2009, Cegid Ltd. posted sales of €1.0 million, vs. €0.2 million during the period from October 1 to December 31, 2008. Operating income totaled €0.1 million (breakeven in the October 1 to December 31, 2008 period) and net income was €0.02 million (breakeven in the October 1 to December 31, 2008 period).

At December 31, 2009, shareholders' equity was €0.1 million and net cash was €0.1 million.

North America

Cegid Corporation
Sales rose nearly 50% to €0.6 million, compared with €0.4 million in 2008. The company posted an operating loss of €0.2 million and a net loss of €0.2 million.

At December 31, 2009, shareholders' equity was €-1.9 million and net cash was €-2.2 million.

Asia

Cegid Hong Kong Holdings Limited - Cegid Software (Shenzhen)
In 2009, Cegid Software (Shenzhen), 100%-held by Hong Kong Holdings Limited, posted sales of €0.1 million (€0.02 million for the October 1 to December 31, 2008 period). The company posted an operating loss of €0.2 million (breakeven in the October 1 to December 31, 2008 period) and a net loss of €0.2 million (breakeven in the October 1 to December 31, 2008 period).

At December 31, 2009, shareholders' equity was €0.1 million and net cash was €-0.4 million.

Other companies in the scope of consolidation

GD Informatique
GD Informatique was acquired in April 2008 and entered into a lease-management agreement with Cegid as of January 1, 2009. In 2009, the company posted sales of €0.11 million and net income of €0.03 million.

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

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

Net income totaled €0.2 million.

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

CGO Informatique
Sales of CGO Informatique totaled €0.05 million and consisted essentially of lease-management fees, paid by Cegid for use of the company's intangible assets. Net income totaled €0.06 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 (€0.37 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
ISTimeless-Portugal has a sales & marketing presence in Portugal and provides services throughout Spain and Portugal. As of December 31, 2009 it was not consolidated. Cegid SA holds 10% of this company.

Altaven
To strengthen the partnership signed in March 2008 between Cegid SA and Altaven related to the "Optim'IS" tax consolidation solution, Cegid SA took a 5% stake in Altaven.

Products and services, technology and research & development

Research and development strategy

Cegid's strategy is oriented around the following principles:

- be a specialized software provider, both in terms of functional areas (finance-accounting, taxation, payroll/HR, etc.) and vertical markets (CPAs, manufacturing, retail, public sector, etc.);
- offer solutions for small and mid-sized companies as well as for large companies, be they independent or group subsidiaries; propose insourced or SaaS (Software as a Service) mode; sell in France and abroad through direct and indirect distribution channels.

This strategy implies the use of technologies that vary depending on the application, the size of the company and the utilization and distribution modes, so that Cegid can propose the most appropriate solutions for each target market.

It is also strategically important for Cegid to master the various technological environments.

Interoperability

Business management solutions, involving operational data, product flow and collaborative access, are among the most central applications in a corporate information system. It is therefore essential that applications be interoperable with the rest of the environment: BI, office equipment, portals, complementary applications. Web services have also become a vital part of any system, which Cegid has taken into account in designing inter-application and workflow functions.

The proliferation of internet-linked communication modes has rendered Cegid's communication and information transfer tools even more compelling. In 2009, we introduced responses tailored to each situation.

Interface with partners

To encourage users to adopt Cegid solutions, the system available to partners now has numerous points of entry. Standard functions can thus be personalized and to a certain degree, verticalized.

Cegid Business Studio was enriched with all the R&D improvements already present in Cegid Business Platform.

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

SaaS

SaaS is an access mode that will be critical for technology strategy, and we devoted considerable effort to it in 2009.

The development platform now offers more complete handling of remote access, internet access security and maximum availability issues.

The applications based on Cegid Business Platform and web access technology benefit from these advances and handle authentication, downloading and operation in hosted mode.

Similarly, Cegid is gradually expanding its ability to make the other products in the range available in SaaS mode.

Cegid's technical platforms (Framework)

In 2009, Cegid encouraged and extended the integration of new technologies into its development tools and platforms.

These new technologies offer a response to the major changes taking place today in:

- usage modes and models: internet access, online applications, social networks;
- technologies: 64-bit, multi-core, virtualization;
- ergonomics: web interfaces, portals, touch screens, smartphones.

The recent Microsoft .Net and Java development frameworks are playing an increasingly important role in the design of our development tools and platforms.

PRODUCT RANGES ENRICHED AND RENEWED IN 2009

CPA firms and accounting oversight agencies dedicated to agriculture

Cegid Expert Agricole in hosted/SaaS mode

Cegid has confirmed its ambition to service the accounting oversight agencies focused on the agricultural sector. The **Cegid Expert Agricole** ERP includes enhanced functionality for accounting, tax and payroll operations, internal operations and invoicing.

The 1st agricultural solution offered in 100%-hosted/SaaS mode, Cegid Expert Agricole is accessible via the technical infrastructure hosted at Cegid.

Expert On Demand

New usage mode for integrated management solutions: Cegid solutions for the accounting profession are accessible in hosted mode, from accounting operations to CRM to internal management of the CPA firm.

A veritable decision-support tool, completely modular, **Cegid Expert On Demand** is available in the **Cegid Expert** and **QuadraEXPERT product ranges**.

QuadraWebExpert

The Quadra collaborative platform (QWE) was designed to allow CPAs to optimize their client communications over the internet.

Easy to implement, the tools enable CPAs to communicate efficiently with clients and prospects by proposing a showcase site and a portal for communication and services.

"QuadraWebServices" (QWS) are associated with the platform (iPhone, accounting, payroll).

Entrepreneurs

Cegid Business Line

The Cegid Business Line enterprise software, designed for the smallest companies, includes all the advantages and flexibility of hosted solutions. **Cegid Business Line** is also available in SaaS mode, which is particularly suited to small companies: rapid deployment, real-time data availability, accelerated implementation of applications, reduced investment budget.

Cegid P@ss Compta

A new accounting program for very small companies (less than five employees) that use outside accountants, including "auto-entrepreneurs" (a new self-employed status in France), start-ups, independent professionals and other small companies.

Available 24/7, exclusively in SaaS mode, Cegid P@ss Compta records invoices, payments and other accounting data, without requiring any knowledge of accounting techniques. The company's books can be opened simply and quickly, using a configuration wizard that helps the user personalize accounts, journals, transaction files and VAT.

Comptanoo

"The e-guided tour", the 1st interactive guide for the entrepreneur, is one of the solutions for very small companies offered by Comptanoo, a joint venture between Cegid and Groupama - Gan Assurances. Available on line and free of charge on the www.comptanoo.com portal, "e-guided tour" presents entrepreneurs with a selection of information, tools and services to help them manage structural change and development, from the time the company is founded onward.

Vertical markets

Retail with .next

A new range of Retail modules devoted to specialist retailers. Three high value-added .next expert modules, .next Open to Buy, .next Assortment and .next Sourcing Optimization, have enriched the product range. They are dedicated, respectively to (i) building budgets and tracking purchase rights, (ii) managing and optimizing collections and (iii) planning and managing the supply chain.

Hospitality

Cegid Business CHR and Cegid Business Restaurant

These integrated and modular solutions constitute a veritable information system dedicated to individual businesses and chains in the hospitality industry. The latest release of these two products includes many new functions: agency fees, centralized management of online reservation entities, multiple file statistics, electronic payment terminals, rate/price management.

Cegid WinRestau and Cegid WinHôtel

New functions were added to Cegid WinHôtel and Cegid WinRestau, solutions devoted especially to independent hotels and restaurants, to take into account market developments and the industry's enterprise software needs.

Cegid WinHôtel includes modules such as reservations, planning, invoicing, administration and statistics. The optional OnLine module enables Cegid WinHôtel to interface with the Reserv'IT reservations center.

Cegid WinRestau is composed of check-out, cook-station printing, back office and mobile order-taking modules, and manages the entire operation of an independent restaurant. The **Cegid WinStock** add-on manages items added to and removed from the wine cellar.

Cegid Manufacturing

The product range was enriched with new functionality: radio inventory management. This function enables storeroom clerks to enter all inventory transactions from anywhere in the warehouse and in real time using a radio terminal with a barcode reader.

Functional areas

Human resources with Cegid Business

Launch of paperless human resources document service.

Cegid has been a precursor in many areas, such as declarations of social welfare contributions that French employers must file. Now Cegid has launched a service that sends paperless employee declarations to the national health insurance service.

Taxation and the launch of the new Etafi.fr portal

Already a pioneering and innovative solution in 2001, the Etafi.fr portal now has over 5,000 customers and transmits 60,000 tax returns and more than 140,000 VAT declarations to the tax authority every year.

The new Etafi.fr portal is part of our strategy of ongoing innovation to help companies perform better and respond to their needs in terms of increased security and traceability.

New services have been added to the submission portal, such as the ability to send tax declarations to the Banque de France. New functions are also available. For example, user profiles, scope of consolidation, reminders and submission follow-up can all be personalized.

Consolidation with Etafi Conso now available in SaaS mode

Etafi Conso: major improvements in our solution for legally-mandated consolidation in France. New tools for added efficiency, traceability and full control of the consolidation process:

- a new workflow includes consolidation and statement and compliance verification;
- an audit trail facilitates the justification process, from the separate accounts to the consolidated accounts;
- the various steps are fully configurable;
- the reporting template can be customized and personalized.

The solution is now available in SaaS mode, offering more flexibility and customization.

Public sector

eCivi-RH (Human resources management)

Civitas' 100% web range has been enriched with a module devoted to training and intended to help local authorities and other public entities manage and track training. If they use the more comprehensive "planning of future skills and staffing requirements" module, public sector users will be able to manage the entire HR chain within their organization, from matching skills with positions to preparing and managing training to managing the total size of the workforce. The business intelligence range has been strengthened. A multi-dimensional analysis module is now available, based on OLAP cube technology: select from a set of workforce and absenteeism indicators.

eCivi-GF (Financial management)

A new module for managing public contracts now integrates into a Full Web compatible financial management chain. The module meets regulatory requirements and is an administrative aide for purchasing and finance departments.

Multi-dimensional analysis module based on OLAP cube technology: select from a set of budgeting indicators.

"Cegid Interactive"

This new Group division strengthens Cegid's leadership in the SaaS/On Demand market.

Cegid Interactive has established a roadmap with three strong strategic orientations:

- extend its solutions to new markets, such as hospitality and the public sector;
- build service packages in partnership with software developers, service providers or content providers;
- develop a set of innovative sales and marketing practices; so as to be in phase with changing user behavior.

Capitalized development expenditures in the 2009 consolidated statements totaled €28.8 million, or 11.6% of consolidated sales (10.3% in 2008), while depreciation and amortization totaled €24 million in 2009.

Development costs increased primarily because of investments made by our Civitas subsidiary (solutions for the public sector) as part of the additional functionality integrated into its new Full Web range.

SUSTAINABLE DEVELOPMENT AND HUMAN RESOURCES

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	2009	2008	2007
France			
Cegid	1,738	1,847	1,875
Quadratus	141	137	141
Civitas [1]	123	129	
VCSTIMELESS [1] [2]		115	
Informatique et Communications	4	4	4
GDI Informatique [3]		15	
Foreign subsidiaries			
Spain	6	8	3
United Kingdom	10	10	
Italy	5	4	
USA	2	3	3
China	7	4	
TOTAL	**2,036**	**2,276**	**2,026**
Comptanoo [4]	21	14	11

(1) Companies that entered the scope of consolidation in 2008.
(2) All assets and liabilities of this company were transferred to Cegid SA as of December 31, 2008.
(3) This company entered into a lease-management agreement with Cegid SA as beneficiary on January 1, 2009.
(4) This equity-accounted company has been 50% held by Cegid SA under a joint venture with Groupama-Gan since January 1, 2009.

The average number of employees in all consolidated companies in 2009 was 2,143 (2,089 in 2008, 1,992 in 2007), including Comptanoo, which was accounted for using the equity method.

The Group hired 159 new employees in 2009, including 83 under permanent contracts and 76 under fixed-term contracts.

A new organizational structure was decided in 2009 and led to 19 lay-offs for economic reasons. Cegid terminated the contracts of 115 employees for individual reasons, including 40 that were initiated in the fourth quarter of 2008.

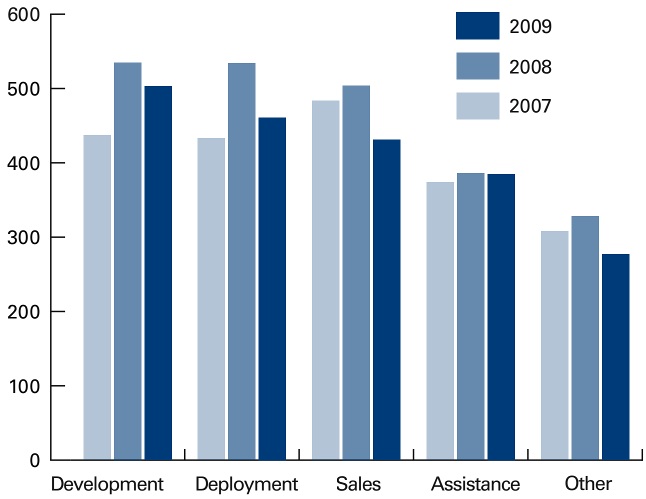
During the first quarter of 2009, the Group continued to refocus its business. We sold our vertical solutions for the construction industry and outsourced our logistics and equipment preparation business. These changes involved 31 employees.

Number of employees by function and type of contract

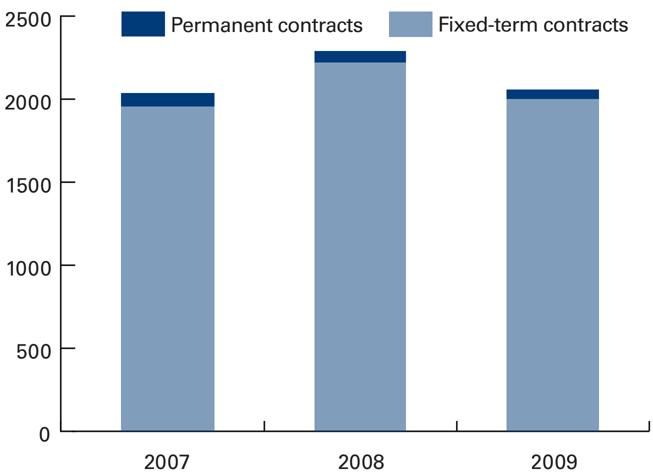
Apart from refocusing the business in accordance with the Group's strategy, Cegid slowed hiring in 2009 and managed departures in accordance with the absence of visibility on economic conditions.

Employees by function

(Figures as of December 31 of each year).



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 2009, 11 fixed-term contracts were converted into permanent contracts. Fixed-term contracts represented 47 full-time equivalent positions in 2009, vs. 52 in 2008, a decline of 9.6 %.

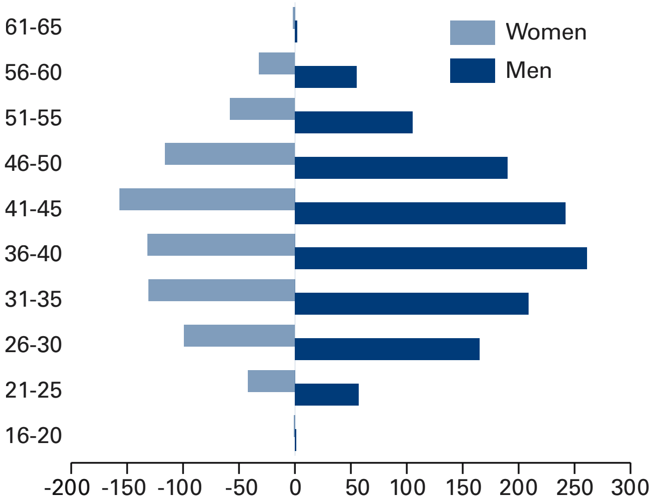
Temporary employment totaled only 327 work days, or less than 0.1% of total hours worked (0.1% in 2008).

Number of employees by age and seniority

The average seniority as of December 31, 2009 was ten years (nine years at year-end 2008 and 2007).

The average age of employees remained stable at 40 (39 at year-end 2008 and 38 at year-end 2007).

Age distribution, 2009



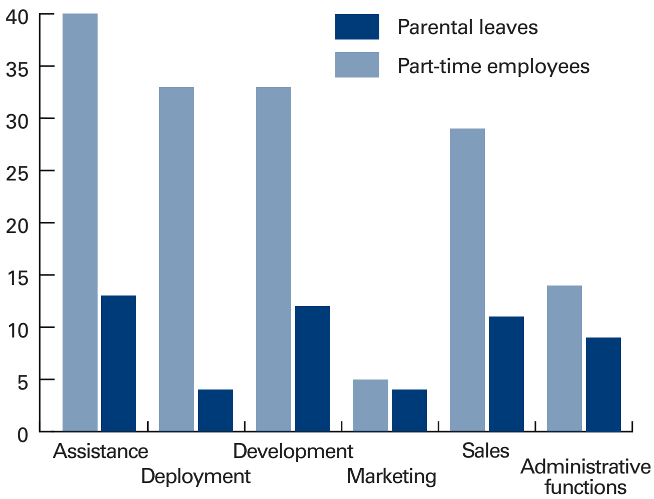
Work-time organization / Part-time work / Overtime and outsourcing

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

The system takes into account the constraints under which each business activity operates and the compensation in terms of reduced working hours and distinguishes special activities (deployment and customer assistance).

Cegid has 207 employees who have chosen to work part-time. Part-time work schedules respond to the wishes of employees, in some cases for a finite period of time, such as parental leave, in others as a permanent arrangement. The agreement on equal status between men and women 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 3,694 overtime hours in 2009 (3,878 in 2008). 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)	2009	2008	2007
Illness	15,734	14,196	14,944
Occupational injury (incl. commuting)	2,013	790	1,023
Maternity leave	6,080	5,842	4,780
Other absences	2,781	521*	892*
TOTAL	**26,608**	**21,439**	**21,639**

*Excluding absences for births, deaths, weddings, sick children, moving and days taken without pay.

Corrected for the change in 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 our various lines of business, we pay particular attention to automotive risks, and regularly raise awareness among employees.

In 2009, 17 short-term disability leaves (longer than two days) for traffic accidents represented a total of 427 days of lost work. In 2008, 21 such absences represented 435 days of lost work and in 2007, 27 absences represented 661 days of lost work.

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

Human resources policies

Corporate culture

Cegid's development strategy is closely tied to the performance of the people composing the workforce. For this reason, development of resources is a key factor in Cegid's objectives and businesses, both in France and abroad, so as to provide customers with the highest quality software and services in our respective areas of expertise.

To pursue and achieve our objectives, we must share and build common values held by all of the Group's stakeholders–employees, customers/partners and shareholders–as we have done for many years now.

Desire to win, sharing and exchanging ideas, innovation and technology, quality & reliability, performance: these are our fundamental values.

This entrepreneurial approach orients our human resources development and helps employees to become personally involved and to succeed.

Against a distressed economic background, Cegid continued its policy of valuing its human capital using an approach that combines economic performance and workforce vitality.

Agreements signed in 2009

Planning of future skills and staffing requirements

Meeting the needs evolving business activities has always been in the forefront of long-term development of employee skills and planning for new positions.

In this regard, Cegid uses both individual and collective means at the operational level to identify and manage employee skills proactively and in so doing accompany employees as they grow professionally.

The company-wide agreement signed in March 2009 constituted a first, practical step in the management of employee mobility.

Collective performance bonuses

Collective performance bonuses are one of the ways to reinforce employee loyalty and to give employees a share of the company's earnings.

When the collective performance bonus plan was renewed, Cegid renegotiated criteria in June 2009 that tie individual bonuses to the company's operational and expected performance.

The agreement covers the period from 2009 to 2011 and aims to motivate employees around certain minimum levels of corporate performance, to be used as criteria for distribution.

Employees with disabilities

As an extension of the company-wide agreement on professional equality between men and women, Cegid signed an agreement on May 7, 2009, approved by the employee representative bodies, in favor of employees with disabilities. Cegid has created a specific budget in this regard and has ambitious plans to recruit disabled workers with new skills and to keep these workers employed.

This initiative involves partnerships with outside organizations.

Senior employees

Cegid's diversity policy extends to senior members of the job market, so as to foster the greatest possible variety of professional experience within the Group.

We strengthened our policy for combating all forms of discrimination in all areas of human resources management (recruiting, access to training, mobility, skills development management, health and security in the workplace). This policy has been in place for several years and applies to employees and candidates alike.

In December 2009 an agreement was signed aimed at keeping seniors employed and meeting legal requirements in this regard.

Organization of human resources

Human resources management at Cegid is organized so as to include the functions that best meet the needs of the Group. The HR department works closely with operating units, who manage human resources for most employees. HR information is centralized in a common database accessible to operational staff depending on their role in the organization.

In accordance with these principles, the HR department carries out the following activities: recruiting and integration, legal and employee relations, compensation and statistical analysis, skills and talent development, training, personnel administration, payroll.

Labor relations

For several years now, Cegid has maintained dialogue between management and employees to accompany the Group in its growth and strengthen the base upon which its employee relations are founded.

Dialogue, mutual respect and partnership with the employee representative bodies lead to constant improvement in HR policy. There are now 10 company-wide agreements in place in the following areas:

- Equal status for men and women
- Employee status
- Professional expenses
- Reduction and flexibility of working hours
- Death and disability insurance
- Collective performance bonuses
- Employees with disabilities
- Senior employees
- Employee-management dialogue
- Planning of future skills and staffing requirements

We follow this approach so as to find the necessary balance between the interests of employees, who give the company its vitality, and the Group's economic interests.

Compensation and benefits

Compensation

Because of the numerous competencies within the Group, compensation policy 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.

Gross payroll amounts over the past five years were as follows (in €M):

2009	2008 [1]	2007
88.1	86.2	78.3

[1] VCSTimeless and Civitas over 3 months.

Particular attention was paid to managing the payroll in 2009. Relevant indicators were devised, tracked and analyzed, and on the basis of these, adjustment measures were implemented.

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).

Employee benefits

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

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

Gross matching contributions to employee savings plans totaled €0.62 million in 2009 (€0.6 million in 2008).

Total profit-sharing for Quadratus and Civitas totaled €0.66 million in 2009 (€0.63 million in 2008).

The collective performance bonus totaled €3.2 million for 2009, representing a 43% rise over the previous year's figure of €2.2 million.

Employee services include the cost of restaurant vouchers, the group death & disability insurance plan and contributions to the employee representative bodies. For 2009, these amounts totaled €4.5 million (excl. non-French subsidiaries).

Taken together, these employee benefits represented a total of €8.3 million in 2009, or 10% of gross payroll.

Health and safety

The health and safety of employees in the workplace is of paramount importance to the Group, and we have always devoted ourselves to maintaining safe working conditions for all employees. In this regard, Cegid has an employee prevention policy and related procedures. Risks are evaluated, anticipated and managed based on the specific characteristics of each activity and the needs of the affected group of employees, and the procedures are based thereon.

Health and security issues are managed primarily at the site level. This makes it possible to implement the prevention and protection measures that are the most appropriate for the specific imperatives of each work site.

Employee awareness is considered an essential factor and is the subject of specific prevention plans based on the risks involved (driving risks, risk of pandemic, etc.).

Growth in Cegid's activities, in particular internationally, requires us to pay close attention to the safety of employees when they travel or spend time away from home.

Finally, tools and procedures operating round the clock ensure security in the IT systems employees use in carrying out their assignments. Additional measures will be introduced in 2010 in this regard and employee awareness about IT security will be strengthened.

It is the responsibility of operating units and subsidiaries to implement these health, safety and security measures.

Diversity and corporate social responsibility

In the current economic context, corporate social responsibility is more than ever a central aspect of our business strategy.

Information and communication technologies have a key role to play. Paperless information exchanges, less travel and new modes of collaborative work are but a few of the techniques our customers can use to optimize their productivity while reducing their environmental impact and improving working conditions for their employees.

This corporate responsibility and sustainable development approach creates long-term value in that it lets us control our risks, gives us incentive to innovate and enables us to seize growth opportunities deriving from society's new expectations. It also helps optimize internal operations and make them more efficient.

Cegid has always endeavored to eliminate discrimination of any kind and in particular that based on sex, race, religion, national origin, political opinion, sexual orientation, economic status, age or disability.

In certain areas, such as equality between men and women and senior employees, Cegid has entered into specific company-wide agreements.

In this way, through 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 promotes them both internally and externally.

These principles – respecting and promoting diversity – boost performance and enhance business practices for the entire Group. They constitute the bedrock of our operations and of our communications.

Human resources development - Communication

The "Cegidpeople" program includes a variety of themes, such as equality between men and women, disabilities, landing a first job, senior employees, diversity and skills development.

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.

Mobility

Cegid continued to develop internal mobility and related tools such as the annual performance review, the "Horizon Cegid" internal job posting system, the skills database and professional gateways, so as to make career opportunities more visible to employees and ensure that the Group's skills are preserved and developed. The principle of mobility is based on identifying internal potential and on developing skills internationally.

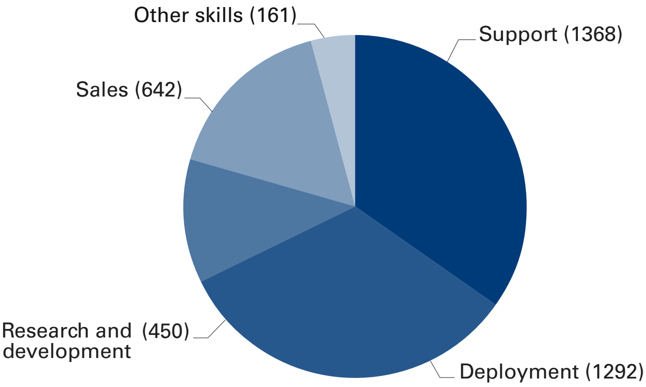
Managing talent

We continued to pursue the "Envol" program, designed to identify the enterprise's major areas of expertise and talent. Around 100 employees had individual interviews to determine their career plans and the support they need to succeed. To continue providing this support, we introduced individualized programs representing more than 2,000 hours of training.

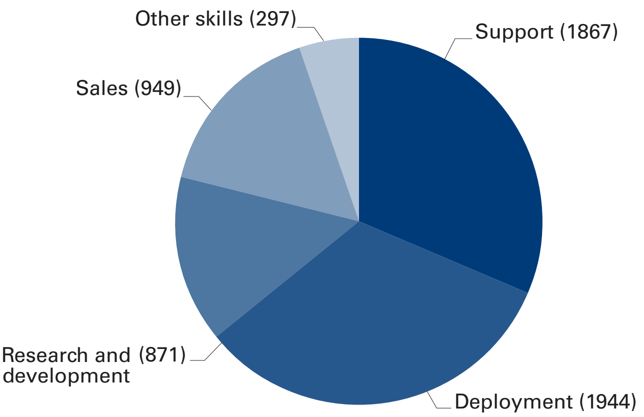
Training

Our investment in training is more than 60% focused on products and technology, the core of our business as a software developer and provider. As part of our ongoing strategy, we are constantly adapting the skills of our employees so as to respond to the needs of customers and to changing technology. Certain training courses in 2009 focused on understanding the environment and strengthening specific competencies, such as in sales, project management and acquiring best practices. We also invested significantly in customer relations training and skills certification.

Number of trainees by function



Number of days of training by function



Equal status for men and women

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

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

In 2009, Cegid continued to work towards equality in hiring and promotion.

Young people

Cegid took part in several projects and events in 2009, in particular through initiatives aimed at young people from disadvantaged urban neighborhoods, such as the "Nes et Cité" event.

We also participated in numerous academic forums and several trade fairs devoted to the recruiting and hiring of young people, opening the way to permanent jobs or training programs.

In 2009, 15% of our new hires were entry-level young people just out of school.

Outlook

In 2010, work will continue on the themes of disability, diversity and planning of future skills and staffing requirements, so as to optimize internal skills development and actively increase performance.

Partnerships and patronage

Cegid's corporate social responsibility policy is oriented around the following themes:

- investment in programs for young people and disadvantaged segments of the population with an eye towards developing diversity. These programs include the Phenix project, handicap week, 100 chances for 100 jobs, diversity week and others;
- recurrent programs in the context of OL Fondation, including Handicap International, Sport dans la ville, Entrepreneur dans la Ville, Elle dans la Ville, Asupbrésil and Docteur Clown.

Cegid's goal in participating in these programs is to help finance long-term programs for young people or others in difficulty.

In 2009, Cegid pursued the programs it initiated several years ago and continued to help young people in cultural, athletic and general interest areas, in particular through its partnership with the association "Sport dans la Ville".

Company employees who have chosen to become directly involved in the "Job dans la ville" campaign have helped more than 15 young people in their career orientation and training curriculum.

These initiatives will continue in 2010.

Environmental impact

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

SIGNIFICANT EVENTS SUBSEQUENT TO CLOSING

No significant event took place between December 31, 2009 and the date of this report.

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

Current economic conditions offer little visibility on an economic recovery in France. In this context, Cegid intends to use its sound business model, continued improvement in its product mix and its rigorous management of operations to strengthen its market positions.

Internationally, Cegid can now support its retailing customers on all continents and has become an international partner for the world's major retailing companies. Cegid has a direct presence in the United States, China and the principal European countries and also works with numerous local partners.

Cegid has numerous strengths that will help it benefit from any improvement in economic conditions:

- specialization and leadership positions in its areas of expertise: ERP, Finance and Taxation, Human Resources, Retailing, Manufacturing, Hospitality, Wholesaling-Services, Cleaning Services, CPAs and the Public Sector;
- strong skills in SaaS (On Demand) solutions and portals;
- new products and services for the agricultural sector, both insourced and in On Demand mode;
- international presence, which has been stepped up in recent years;
- an installed base of 80,000 customers that generate annual recurrent revenue in excess of €120 million, or nearly 50% 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 customer concentration;
- successful experience in acquisitions and in integrating acquired companies into the Group.

Cegid is thus poised to demonstrate its ability to generate a favorable level of operating profitability in 2010 and to take advantage of the economic recovery in the years to come.

RISK FACTORS

Market risks

(see Note 4.3.2.3 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.

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

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

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.

Maturity of financial assets and liabilities as of December 31, 2009

(in €000)	Amount	Interest rate	Maturity
Liabilities due in one year or less	4,776		
Variable-rate debt	4,776	Base Euribor	Court terme
Liabilities due in one to five years	64,000		
Variable-rate debt	64,000	Base Euribor	Moyen terme
TOTAL	69,227		

(in €000)	Up to 1 year	1 to 5 years	More than 5 years
Financial liabilities	4,776	64,000	
Financial assets	4,436		
Net position	(340)	(64,000)	-
Net position after management*	(340)	(64,000)	-

* Net position after management at variable rates: €-64,340 thousand.

Exchange-rate risks

To a small extent, Cegid is exposed 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 €250,000 forward currency transaction was realized in 2009.

Equity market risks

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

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

At December 31, 2009 Cegid held 404,908 shares in treasury in connection with its share buyback program. These shares had an acquisition value of €7,197,580.72. The Group also held 32,106 shares for the purpose of making a market in and ensuring regular price quotations for its shares through a liquidity contract. These shares were valued at their year-end closing price of €15.6 (see pages 53 and 121).

Liquidity risks

To finance its growth and ensure constant, flexible, financial resources into the medium term, the Group has a syndicated line of credit available to it. This line totaled €200 million at the outset; at December 31, 2009, €198 million was available under the facility, which broke down as follows:

- a loan in an initial amount of €20 million, amortizable in tranches of €4 million over a five-year period beginning on March 3, 2009, the date of the first drawdown. At December 31, 2009, €18 million was available;
- 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.

  The maximum outstanding amount will be reduced to €150 million from June 30, 2011 and to €120 million from June 30, 2012 until June 2013.

The loan agreement includes the customary covenants and clauses regarding accelerated maturity, specifically:

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

Cegid Group must also adhere to the following covenants:

- consolidated net debt/consolidated shareholders' equity less than 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.

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

Business risks

Customer risk

Customer risk is low:

- Cegid's sales are highly dispersed, and no customer invoiced in 2009 represented more than 0.4% of the Group's consolidated annual sales;
- accounts receivable are spread among more than 53,000 customer accounts and no single customer represents more than 0.8% of this line item.

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

Distribution of the Group's products to customers in a greater number of countries increases the operational risks and the liability that result therefrom.

Supplier and technology risks

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

These tools and the architectural bricks used in the deployment of Cegid solutions are based principally on standard market technologies developed by 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 compatible with prominent market standards, and Cegid should therefore be able to turn to existing alternative solutions if need be. This limits Cegid's technological dependence. Nevertheless, the very nature of Cegid's business remains very closely tied to changes at the major technology providers.

The Group 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 in two separate locations.

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 require the Group to incur costs to enforce its rights. There is also a risk that third parties may believe that Cegid's products infringe their intellectual property rights and attempt to prohibit the use of those rights and/or obtain compensation.

Such a situation could expose 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.

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, 2009, 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 Group is naturally dependent on its ability to maintain this expertise within the Group over the long term.

Were this expertise to become unavailable, either temporarily or permanently, the Group's operations could be disrupted, with a resulting negative impact on sales and earnings. In an effort to limit this potential impact, Cegid regularly adapts its operating structure to better distribute expertise on technology and tools within the Group.

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

Environmental risks

The nature of Cegid's business and that of its subsidiaries does not generate significant environmental risks. These activities do not require specific measures to limit harm to biological equilibria or natural habitats.

Insurance and risk management

To limit the consequences of the major risks related to its business, Cegid has insurance policies, 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:

- professional liability up to €10 million per insurance year;
- professional and/or post-delivery liability up to €10 million per loss event and per insurance year. This insurance covers 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. m². This geographic dispersion limits risks, in particular the risk of business interruption that could result from a casualty.

No Group company owns the premises in which it exercises its business activity.

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

- all IT, office equipment and telematics risks: €7.5 million;
- fees and miscellaneous losses: €4 million.

Other insurance policies

Risks concerning liability of executives and other executive officers, 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 property damage, general liability, worker's compensation and employer's liability.

Insurance premiums

Cegid recognized approximately €0.7 million in insurance premiums in 2009.

DISPUTES AND EXCEPTIONAL ITEMS

Disputes related to operations

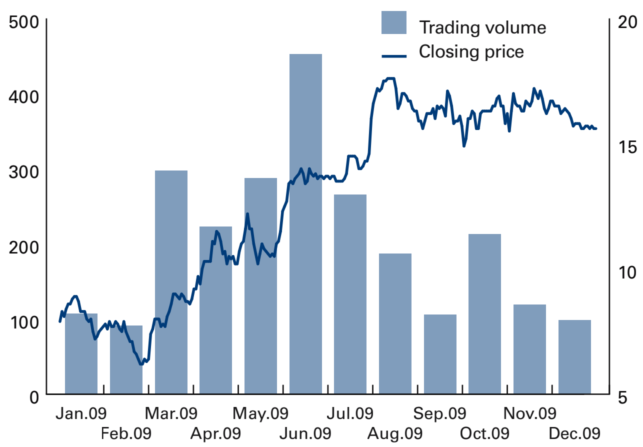
Litigation involving mainly labor and commercial disputes, as well as certain lawsuits for which summonses have been served, have led to recognition of several provisions to cover the estimated risk, after internal analysis and review by the Group's attorneys.

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, 2009, the share closed at €15.60 (€7,93 at December 31, 2008). The number of shares traded in 2009 was 2,497,406 (3,281,666 shares traded in 2008), compared to a total share capital at December 31, 2009 of 9,233,057 shares.

Price and trading volume of Cegid Group shares (FR0000124703) in 2009



CEGID GROUP SHARE CAPITAL AND EQUITY INVESTMENTS

Cegid Group share capital

During the year under review, the Board of Directors recognized on March 3 that three redeemable share warrants giving the right to subscribe to three shares were exercised and on July 22 that 360 redeemable share warrants, giving the right to subscribe to 378 shares, were exercised.

As of December 31, 2009, the share capital totaled €8,771,404.15, divided into 9,233,057 shares with a par value of €0.95 each. As of the date of this report, no change therein had taken place.

Changes in equity investments

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

There were no changes in equity investments except that ASPX sold 50% of the shares of Comptanoo, representing 50% of the voting rights, to Groupama - Gan, with retroactive effect to January 1, 2009.

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

Purchase and/or sale of shares during 2009

Under the liquidity contract signed August 31, 2001 with CM-CIC Securities 247,494 Cegid Group shares were acquired in 2009 at an average price of €14.34 and 263,327 shares were sold at an average price of €13.81. 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 11, 2010.

No Cegid Group shares were acquired during 2009 under the share buyback program outside of the liquidity contract.

At December 31, 2009, Cegid Group held 437,014 of its own shares, representing 4.74% of the share capital of the Company. The value of these shares, at their purchase price, was €7,718,797.41. 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 €30,652,080, taking into account the 412,438 shares held in treasury as of February 28, 2010.

SHARES OF CEGID GROUP HELD BY EMPLOYEES

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

We reiterate that as a result of the partial asset contribution approved by shareholders at their Special Shareholders' Meeting of November 30, 2006, Cegid Group no longer has any employees.

Consequently, the customary mention of the percentage of Company shares held by employees at fiscal year end was not applicable.

SHARES OF CEGID GROUP HELD BY EMPLOYEES OF GROUP COMPANIES

At December 31, 2009, under the employee savings plan managed by Société Générale in the form of two mutual funds, the employees of the companies belonging to the Group held a total of 53,800 Cegid Group shares (40,036 shares at December 31, 2008), representing 0.58% of the share capital.

As of January 29, 2010, the date of the most recent Identification of bearer shareholders' analysis, employees of companies in the Group, excluding executives, held 168,580 Cegid Group shares, directly or indirectly (168,484 shares at December 31, 2008), or 1.83% of the share capital.

At the Special Shareholders' Meeting of December 22, 2009, shareholders authorized the Board of Directors to issue redeemable share purchase warrants ("BAAR"). This authorization is valid for 18 months, affects a maximum of 404,908 shares and represents 4.4% of the share capital as of the date of the Shareholders' Meeting. As of this date, the Board of Directors has not yet used this authorization.

COMPOSITION OF SHARE CAPITAL - OWNERSHIP THRESHOLD DISCLOSURES

Composition of share capital at December 31, 2009

To the best of our knowledge, the principal shareholders of Cegid Group as of December 31, 2009 were as follows:

Shareholder	% of shares	% of voting rights
Groupama group [1]	26.89	22.98
ICMI [2]	4.60	8.13
Apax (private equity fund)	10.78	19.03
Ulysse/Tocqueville Dividende/ Odyssée [3]	6.97	7.49
Executive Board [4]	0.69	0.62
Treasury shares	4,74	NA
Free float	45.33	41.75
TOTAL	**100.00**	**100.00**

[1] Groupama group corresponds to the following entities: Groupama SA, Gan Assurances Vie, Gan Eurocourtage.
[2] As of 12/31/2009, Jean-Michel Aulas held 98.73% of ICMI, representing 99.20% of the voting rights.
[3] Tocqueville Finance holds Cegid Group shares in the context of its fund management business (Ulysse/Tocqueville Dividende/FCP Odyssée, FCP SLC, FCP Sphynx Finance).
[4] The Chairman, Chief Executive Officer and Board members are considered members of the Executive Board. Nevertheless, the percentage ownership of ICMI is listed separately in the table. 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, 2009, there were no securities giving access to the capital of Cegid Group.

Ownership threshold disclosures

- In a letter dated March 17, 2009, Tocqueville Finance informed Cegid Group that its ownership interest had declined below the 8% threshold specified in the bylaws. At that date, Tocqueville Finance held 729,601 Cegid Group shares for the funds it manages;
- In a letter dated July 28, 2009, supplemented by a letter dated July 30, 2009, Groupama declared that it had, both directly and indirectly through Gan Assurances Vie, Compagnie Française d'Assurances Vie Mixte and Gan Eurocourtage Vie, subsidiaries it controls, exceeded the following thresholds:

  - On July 22, 2009, the number of voting rights it held in Cegid Group increased beyond the 20% threshold. It directly and indirectly held 2,230,340 Cegid Group shares representing as many voting rights, i.e. 24.16% of the 9,233,057 Cegid Group shares and 20.02% of its 11,142,214 votes.
  - On July 24, 2009, the number of shares it held in Cegid Group exceeded the 25% threshold. On that date it directly and indirectly held 2,482,533 Cegid Group shares representing as many voting rights, i.e. 26.89% of the Company's share capital and 22.80% of voting rights.
- On July 24, 2009, ICMI informed Cegid and the *Autorité des Marchés Financiers* that the number of shares it held had dropped below the 5% threshold, and the number of voting rights it held had dropped below the 10% threshold. This is because ICMI transferred 200,000 Cegid Group shares to Groupama, Gan Assurances Vie and Gan Eurocourtage Vie as an extension of the agreement under which Groupama acquired a stake in Cegid Group on December 19, 2007.
- In a letter dated January 14, 2010, AXA Rosenberg Group LLC informed Cegid Group that the number of shares it held had increased beyond the 2% threshold as of December 23, 2009. At that date, it held 185,367 shares, representing 2.01% of the share capital and 1.70% of the voting rights.

TRANSACTIONS CARRIED OUT BY EXECUTIVES

Pursuant to Articles 621-18-2 of the Monetary and Financial Code and 223-26 of the AMF General Regulation, we hereby inform you that the following transactions took place on Cegid Group shares during 2009 and have been disclosed to the Company:

Jean-Michel Aulas simultaneously acquired then sold 25,768 Cegid Group shares for a total of €267,471.84.

ALLOCATION OF NET INCOME

The financial statements of Cegid Group, as presented to you, show net income of €10,881,726. After allocation of €36 to the legal reserve, the distributable amount with regard to 2009, increased by retained earnings, totaled €22,692,490.

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

- Dividend on 9,233,057 shares €9,694,710
- Allocation to retained earnings........................€12,997,780

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 14, 2010. Shareholders will be informed that the amount distributed as dividends to individual shareholders will be fully eligible for the 40% exclusion from tax under Article 158 of the French Tax Code, as amended by the 2006 Budget law of 30 December 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	2008	2007	2006
Number of shares	9,232,679	9,232,676	8,688,908
Dividend per share (€)	1.00	1.00	0.95
Total per share (€)	**1.00**	**1.00**	**0.95**
Total dividend (€)	**9,232,679**	**9,232,676**	**8,254,463**
Dividend eligible for the 40% exclusion (€)	9,232,679	9,232,676	8,254,463
Dividend not eligible for the 40% exclusion	NA	NA	NA

DIRECTOR'S FEES

We propose that you authorize the payment of director's fees for the current year in an amount not to exceed €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 Olympique Lyonnais Groupe and Cegid Group, which represent combined proforma sales of €427 million and a combined workforce of 2,372. As ICMI plays the role of Cegid's lead shareholder, Messrs. Aulas and Bertrand hold positions in the various companies in the Group. ICMI, which has six employees, also provides financial, accounting and legal services. In 2009, Cegid Group recognized fees of €2,955 thousand for the services of ICMI (€2,889 thousand in 2008).

Compensation for the executive officers of ICMI includes a fixed portion and a variable portion determined principally on the basis of the consolidated results of Olympique Lyonnais Groupe and Cegid Group. The fixed portion(1) of compensation and benefits of all kinds attributed in respect of 2009 by ICMI, the Company and its subsidiaries to Jean-Michel Aulas totaled €678 thousand (€592 thousand in 2008) and the variable portion €501 thousand (€703 thousand in 2008). The fixed portion [1] attributed to Patrick Bertrand totaled €382 thousand (€380 thousand in 2008) and the variable portion €223 thousand (€290 thousand in 2008).

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

Compensation paid to the other executive officers consisted only of director's fees paid in 2009 in respect of 2008 and were as follows:

- Apax Partners.. €11,100
- Eurazeo €7,500
- Jean-Luc Lenart...€7,300
- Jacques Matagrin... €10,900
- Franklin Devaux €11,100
- Lucien Deveaux.. €9,100
- Christian Collin (1) €7,500
- Benoît Maes (2) €5,500

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

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

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 the following Board members:

- Jean-Michel Aulas
- ICMI, represented by Patrick Bertrand
- Franklin Devaux
- Jean-Luc Lenart
- APAX Partners, represented by Edgard Misrahi
- Benoît de Rodellec du Porzic

RENEWAL OF THE TERMS OF THE PRINCIPAL STATUTORY AUDITOR, CABINET MAZARS, AND OF THE ALTERNATE STATUTORY AUDITOR, PIERRE SARDET

You will be asked to renew the terms of the principal Statutory Auditor, Cabinet Mazars, and of the alternate Statutory Auditor, Pierre Sardet.

The Autorité des Marchés Financiers, which was informed by Cabinet Mazars on February 26, 2010, has not made any comment.

The Board of Directors

LIST OF FUNCTIONS EXERCISED BY EXECUTIVE OFFICERS IN OTHER COMPANIES DURING 2009

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 2009
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, Chairman Quadratus, Chairman Cegid Services, Director Civitas (2), Director L'Ambassade Limited, Member Cegid Group Audit Committee. (3)
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 Servant Soft (4), Director Expert & Finance, Director & Vice-Chairman Figesco, Figesco rep. on Alta Profits Supervisory Board, Chairman (5) & Director L'Ambassade Limited, Perm. rep. ICMI, Member of OL Groupe Audit Committee, Director Civitas (2), Prem. rep. ICMI on OL Groupe Stadium Investment 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, Member Cegid Group Audit Committee. (3)
Lucien Deveaux	November 4, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Board member Deveaux SA, Chairman Supervisory Board Armand Thiery, Chairman Supervisory Board Ecce SA, Chairman Devlocation, 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 Aclam SARL, Chairman Les Sources SC, Director & member Supervisory Board Rhapso SA, Chairman Supervisory Board Kayentis SAS, Member Supervisory Board LowendalMasai.
Jacques Matagrin	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenetrier Informatique	Chairman Tout Lyon, Director OL Groupe, Member OL Groupe Stadium Investment Committee, Chairman Association OL, Director OL Voyages, Chairman Noirclerc Fenêtrier Informatique NFI SARL, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland), Member Cegid Group Audit Committee. (3)
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, Chairman Financière Midmarket SAS, Chairman SE Bizet, Member TS Apax Partners SA on Board of Arkadin Holding SAS, Member Cegid Group Audit Committee. (3)
Christian Collin	February 1, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Member Supervisory Board Gimar Finance & Compagnie, Chairman Fondation Groupama – Gan pour le Cinéma, Perm. rep. Groupama SA on Board of Silic, Director Banque Postale Assurances IARD, Vice-Chairman & Director Groupama Banque, Chairman Groupama Asset Management, Chairman Groupama Immobilier, Chairman Compagnie Foncière Parisienne, Chairman Groupama Private Equity, Director Star (Tunisia), Member Cegid Group Audit Committee. (3)
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		Chairman Domaines Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan.
Benoît Maes	May 7, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Chairman France Gan, Non-director CEO Gan Assurances, Non-director CEO Gan-Assurances Vie, Vice-Chairman Reunima, Perm. rep. Gan Assurances on Board of Groupama Systèmes d'Information - Groupama SI EIG, Perm. rep. Groupama Gan Vie on Board of Groupama Systèmes d'Information – Groupama SI EIG, Perm. rep. of Groupama Gan Vie, Chairman SCI Vieille Voie de Paray, Chairman Gan Investissement Foncier, Chairman Gan Saint Lazare. (6)
Benoît de Rodellec du Porzic	November 26, 2008	Shareholders' Meeting approving the 2009 financial statements	Director		Chairman RPA Conseil, Chairman CIT COM, CEO & Director (2) Civitas.

(1) Since May 1, 2009 (2) Since May 6, 2009 (3) Since July 22, 2009 (4) Until May 12, 2009 (5) Since July 6, 2009
(6) Gan Saint Lazare was absorbed by Gan Assurances Vie on May 26, 2009

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 2009	Used	Unused
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 with waiver of 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 granted to 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 granted to Board of Directors to use its powers to increase or reduce share capital when the shares of the Company are subject to a public takeover offer. (May 7, 2008 Special Shareholders' Meeting).		x
Authorization granted to Board of Directors to issue free share warrants to Company shareholders. (May 12, 2009 Special Shareholders' Meeting). Term: 18 months.		x
Authorization for the Board of Directors to use the powers granted under resolutions four, five and six of the May 7, 2008 Shareholders' Meeting, to carry out, pursuant to Article L.255-136 of the French Commercial Code, one or more issues of equity securities with waiver of preferential subscription rights via private placement, as allowed under Article L.411-2, II of the Monetary and Financial Code. (May 12, 2009 Special Shareholders' Meeting).		x

FIVE-YEAR FINANCIAL SUMMARY

Closing date	12/31/2009	12/31/2008	12/31/2007	12/31/2006	12/31/2005
Number of months	12	12	12	12	12
Share capital at closing					
Share capital	8,771,404.15	8,771,045.05	8,771,042.20	8,239,342.40	8,157,987.25
Number of shares					
- ordinary	9,233,057	9,232,679	9,232,676	8,672,992	8,587,355
- preferred					
Maximum number of new shares to be issued	-	1,595,838	1,595,841	2,163,966	2,090,186
Operations and earnings					
Sales (excl. VAT)	4,578,224	4,306,298	4,194,753	3,946,871	131,908,336
Income before tax, depreciation, amortization and provisions	9,645,200	12,145,882	28,808,176	468,280	10,977,809
Income tax	1,243,282	-1,745,449	-247,031	-912,146	519,088
Depreciation, amortization & provisions	-2,479,808	1,019,382	12,206,952	773,349	7,933,030
Net income	10,881,726	12,871,949	16,848,255	607,077	2,525,692
Dividends paid	9,694,710*	9,232,679	9,232,676	8,254,463	7,299,252
Earnings per share					
Income after tax, but before depreciation, amortization and provisions	0.91	1.50	3.15	0.16	1.22
Income after tax, depreciation, amortization and provisions	1.18	1.39	1.82	0.07	0.29
Dividend per share	1.05*	1.00	1.00	0.95	0.85
Personnel					
Average number of employees					1,157
Payroll**	60,000	125,000			40,818,825
Employee benefits and social welfare costs	25,587	44,043			19,440,782

* Proposed dividend to be submitted to shareholders at the Annual Shareholders' Meeting on May 6, 2010.
** Relates to an executive officer.

OTHER INFORMATION

Location and size of the issuer's principal sites

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

Cegid is present throughout France with a strong presence particularly in Lyon and Paris (senior management and administrative functions, research and development, sales offices and telesales, customer support, Cegid Sourcing hosting platform and infrastructure). The Group is continuing to strengthen its presence in France with regard to development, sales and deployment. Staffing of the principal sites in France broke down as follows: Lyon (786 employees at December 31, 2009 vs. 880 at December 31, 2008), Paris and surrounding area (484 employees), Aix-en-Provence (27 employees), Annecy (51 employees), Orléans (77 employees), Rennes (28 employees) and Roanne (57 employees).

The Company does not own any real estate. The Group has commercial leases on the premises of its various geographic locations.

To ensure development abroad, where it has 30 employees, the Group is also present in Spain, Italy, the United Kingdom, the United States, in Asia (China: Shenzhen and Shanghai, Hong Kong, Japan) and in North Africa.

The diversity of our locations enables us to stay close to our customers.

As of December 31, 2009, the workforce of all companies in the Group totaled 2,057 (2,067 at December 31, 2008).

Investment policy

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

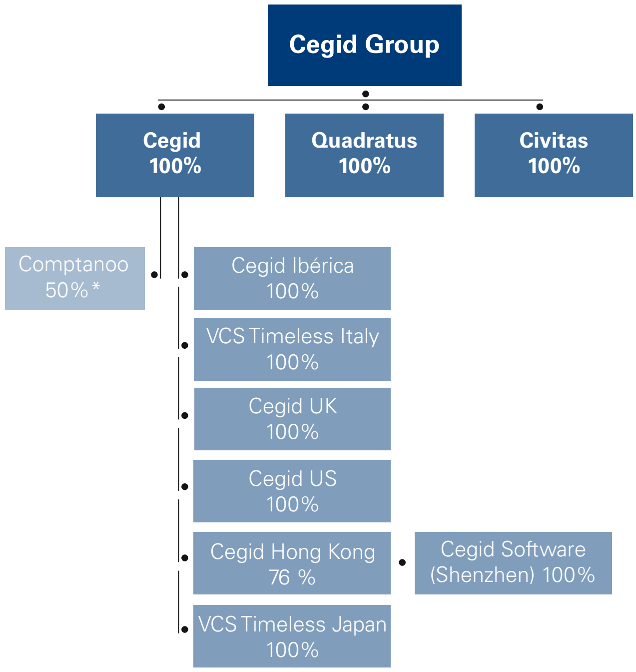
Consolidated figures, in € M	2009	2008	2007
Development costs	28.8	25.5	24.9
Corporate acquisitions	0.0	19.6	17.6
Investment in property, plant & equipment [1]	2.2	1.8	3.6

[1] Gross amounts

- Software development costs: software developed on recent technology platforms (Cegid Business Platform, .Net, Full Web) is mostly capitalized and amortized over five years, while programs developed on other platforms are amortized over three years. Configuration of programs updated annually are amortized over one year. Development teams are located in five principal sites. Development activities involve a workforce of 535 employees.
- Corporate acquisitions: these acquisitions are generally financed either in cash or through the issuance of shares of the acquiring company in exchange for the shares of the acquired company.
- Investments in fixed assets: these relate essentially to computer equipment and improvements to premises.

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

SIMPLIFIED CEGID ORGANIZATION CHART AS OF MARCH 31, 2010



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

1983

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

1986

- Cegid SA is floated on the Second Marché.
- Cegid Kalamazoo 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.
- DEI shares are listed on the Lyon over-the-counter market (computer supplies and consumables).

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 are 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 formed by 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 España, 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 a lease-management agreement is initiated 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 are 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 changes its name to Cegid.
- Cegid, listed on Eurolist by Euronext Paris, Compartment B (ISIN stock code: FR0000124703) changes its name to Cegid Group.
- GTI Industrie, PMI Soft, I&C and Comptanoo are acquired.
- €200M 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 an industry partnership agreement. Groupama acquires a 17.23% equity interest in Cegid Group.

2008

- GD Informatique (Hospitality) is acquired.
- Cegid Software Ltd is formed in Shenzhen.
- VCS Timeless (Retail) is acquired.
- Cegid Ltd. is formed in the United Kingdom.
- Civitas (public sector) is acquired.
- Subject to a condition precedent, Aspx sells 50% of the shares of Comptanoo to transform it into a joint venture between Cegid and Groupama - Gan Assurances.
- Cegid signs a partnership agreement with Altaven (provider of Optim'is) and acquires a minority stake.
- 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.
- Construction industry solutions business is sold to LSE.
- "Logistics and equipment preparation" business is outsourced to Broke Systèmes.

DEVELOPMENTS SINCE JANUARY 1, 2010

Sales and product mix in the first three months of 2010

With corporate investment still sluggish, Cegid posted consolidated sales of €58 million in the 1st quarter of 2010, down nearly 7% from the favorable 1st quarter of 2009.

Revenue from recurrent contracts of €30 million represented 52% of consolidated sales, with a 16% rise in revenue from SaaS (Software as a Service) contracts.

Revenue from "Licenses and integration services" contracted by nearly 11% compared with the 1st quarter of 2009, which was still relatively unaffected by the recession, as the downturn began in earnest in the 2nd quarter of 2009. There was a sharp contrast during the quarter between large customers, which were recovering, and smaller organizations. Cegid posted favorable sales in retailing and in the public sector and is positioned on a significant number of large projects.

The less strategic "Hardware and installation" business saw sales decline by 20%, or €0.9 million.

During the1st quarter of 2010, Cegid signed new contracts in the following sectors: Retail (Carven, Jardi-Dépôt), Public sector (Cannes community assistance center, towns of Carqueiranne and Elne), and Wholesale ERP (Groupe CB).

A better product mix widened the gross margin to 87.9% of sales (87.5% in Q1 2009).

The estimated average monthly breakeven point for the 1st quarter of 2010 should be approximately €18.2 million, or around €0.5 million less than it was in the 1st quarter of 2009, even though amortization of development costs was on average €0.3 million per month higher.

Change in the composition of Cegid Group's share capital: ICMI buys 50% of the shares held by Apax Partners

On April 12, 2010, ICMI, a company controlled by Jean-Michel Aulas, purchased half of the ownership interest in Cegid Group held by Apax Partners SA, acting on behalf of the Apax and Altamir Amboise funds, i.e. 498,466 shares representing 5.40% of the Company's share capital.

Apax has accompanied Cegid's development since 2004 when Cegid and Ccmx merged. Apax had been the majority shareholder in Apax since 1999. As of March 31, 2010, Apax held 10.78% of the shares of Cegid and 11.92% of the voting rights in Shareholders' Meetings. By selling 50% of its holding, at a price of €21.15 per share, Apax's stake declined to 5.38% of the shares and 6% of the voting rights.

ICMI has thus increased its holding so as to continue accompanying Cegid Group as it grows. ICMI's holding has increased from 4.60% to 10% of the shares and from 8.83% to 14.12% of the voting rights of Cegid Group. ICMI has a right of first refusal on the rest of the Cegid Group shares held by Apax, subject to the terms detailed on page 35 of this document.

OUTLOOK

Cegid has numerous strengths that will help it continue to grow and benefit from any improvement in economic conditions:

- specialization and leadership positions in its areas of expertise: ERP, Finance and Taxation, Human Resources, Retailing, Manufacturing, Hospitality, Wholesaling-Services, Cleaning Services, CPAs and the Public Sector;
- strong skills in SaaS (On Demand) solutions and portals;
- new products and services for the agricultural sector, both insourced and in On Demand mode;
- international presence, which has been stepped up in recent years;
- an installed base of 80,000 customers that generate annual recurrent revenue in excess of €120 million, or nearly 50% 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 customer concentration;
- successful experience in acquisitions and in integrating acquired companies into the Group.

Current economic conditions offer little visibility on an economic recovery in France. In this context, Cegid intends to use its sound business model, continued improvement in its product mix and its rigorous management of operations to strengthen its market positions.

Internationally, Cegid can now support its retailing customers on all continents and has become an international partner for the world's major retailing companies. Cegid has a direct presence in the United States, China and the principal European countries and also works with numerous local partners.

In this way, Cegid is poised to demonstrate its ability to generate a favorable level of operating profitability and to take advantage of an economic recovery either this year or in the years to come.

"2009 Financial Statements"

CONSOLIDATED FINANCIAL STATEMENTS

(in €000)	Notes	2009	% of sales	2008	% of sales	2007	% of sales
Sales	5.1	248,588	100.0%	248,515	100.0%	241,136	100.0%
Goods & services purchased and change in inventories		-31,019	12.5%	-36,748	14.8%	-38,725	16.1%
Gross profit		217,568	87.5%	211,767	85.2%	202,411	83.9%
Capitalized expenditures		28,777	11.6%	25,537	10.3%	24,649	10.2%
External expenses		-45,882	18.5%	-43,106	17.3%	-42,759	17.7%
Value-added		200,463	80.6%	194,198	78.1%	184,301	76.4%
Taxes other than income taxes		-6,590	2.7%	-6,310	2.5%	-5,995	2.5%
Personnel costs	5.2	-134,509	54.1%	-131,121	52.8%	-122,566	50.8%
EBITDA		59,364	23.9%	56,767	22.8%	55,740	23.1%
Other ordinary income		457	0.2%	2,129	0.9%	866	0.4%
Other ordinary expenses		-1,178	0.5%	-892	0.4%	-1,245	0.5%
Depreciation, amortization and provisions		-30,137	12.1%	-26,705	10.7%	-22,197	9.2%
Income from ordinary activities		28,505	11.5%	31,299	12.6%	33,164	13.8%
Other operating income and expense	5.3	-1,966	0.8%	-810	0.3%	-70	0.0%
Operating income		26,538	10.7%	30,489	12.3%	33,094	13.7%
Financial income		136	0.1%	202	0.1%	492	0.2%
Financial expense		-2,606	1.0%	-5,690	2.3%	-6,142	2.5%
Net financial expense	5.4	-2,470	-1.0%	-5,488	-2.2%	-5,650	-2.3%
Pre-tax income		24,068	9.7%	25,001	10.1%	27,444	11.4%
Income tax	5.5	-6,090	2.4%	-7,620	3.1%	-9,739	4.0%
Share in net income of equity-accounted subsidiaries		-106					
Net income		**17,872**	**7.2%**	**17,381**	**7.0%**	**17,705**	**7.3%**
Net income attributable to parent company shareholders		**17,872**	**7.2%**	**17,381**	**7.0%**	**17,705**	**7.3%**
Net income attributable to minority interests							
Average number of shares during the year		8,796,328		8,972,130		8,966,512	
EARNINGS PER SHARE ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		**€2.03**		**€1.94**		**€1.98**	

Statement of comprehensive income (in €000)	2009	2008	2007
Transactions on treasury shares	136	-451	-111
IAS 19 Amendment	64	-79	-846
Exchange differences	49	-39	41
Total comprehensive income recognized during the period	**18,121**	**16,812**	**16,789**

Consolidated financial statements - 12/31/2009
Assets

Net amounts (in €000)	Notes	12/31/09	12/31/08	12/31/07
Goodwill	4.1.1	185,833	187,513	178,748
Intangible assets	4.1.3			
Development costs		55,165	51,051	44,212
Brands		1,900	1,900	
Customer relationships		8,433	9,042	
Other intangible assets		557	501	595
Property, plant & equipment	4.1.4			
Technical facilities, equipment and industrial supplies		3,067	2,980	3,233
Other property, plant & equipment		3,280	3,596	3,625
Non-current financial assets	4.1.5			
Financial assets valued at fair value		534	576	1,562
Other long-term investments		180	180	29
Loans and deposits		1,412	1,673	1,351
Other financial assets		279	192	626
Equity-accounted subsidiaries	4.1.6	1,485		
Other receivables	4.3.1	913		
Deferred taxes	4.4	38	1,054	3,273
Non-current assets		**263,075**	**260,256**	**237,254**
Inventories and work-in-progress	4.2.1	1,002	1,455	1,469
Trade receivables and similar accounts	4.3	61,517	69,900	66,540
Other receivables and prepaid items				
Personnel		447	782	426
Sales tax receivables		3,290	2,326	2,158
Income tax receivables		8	1,224	109
Other receivables		439	2,865	697
Prepaid expenses		3,434	3,168	2,751
Cash and cash equivalents	4.2.2	5,227	4,436	3,733
Current assets		**75,364**	**86,156**	**77,883**
TOTAL ASSETS		**338,439**	**346,412**	**315,137**

Net amounts (in €000)	Notes	12/31/09	12/31/08	12/31/07
Share capital		8,771	8,771	8,771
Share premium		94,681	94,671	94,671
Reserves		42,988	28,081	28,758
Net income for the year		17,872	17,381	17,705
Other shareholders' equity			6,237	6,237
Shareholders' equity attributable to parent company shareholders		164,312	155,141	156,142
Minority interests				
Total shareholders' equity	**4.5**	**164,312**	**155,141**	**156,142**
OBSAR bonds (portion > 1 year)				42,242
Other long-term financial liabilities (portion > 1 year)	4.3	63,810	42,709	19,740
Acquisition-related debt (portion > 1 year)	4.3	2,281	2,190	2,274
Deferred taxes	4.4	3,400	1,243	
Provisions for pension obligations and employee benefits	4.6.1	7,480	6,884	5,649
Non-current liabilities		**76,971**	**53,026**	**69,905**
Provisions for other liabilities (portion < 1 year)	4.6.2	8,628	7,829	2,876
OBSAR bonds (portion < 1 year)			43,820	
Financial liabilities (portion < 1 year)	4.3	4,913	1,071	1,202
Trade accounts payable & similar accounts	4.3	22,428	24,769	23,062
Tax and social security liabilities	4.3			
Personnel		35,442	37,296	33,963
Other taxes and employee-related liabilities		1,306	1,726	1,611
Sales tax payable		6,251	5,215	5,120
Income tax payable		3,057		768
Other liabilities				
Acquisition-related debt (portion < 1 year)		210	710	3,105
Payables related to acquired property, plant & equipment (portion < 1 year)		178	278	166
Other liabilities and accruals				
Other current liabilities		4,706	3,611	4,330
Unearned revenue		10,037	11,921	12,887
Current liabilities		**97,157**	**138,246**	**89,090**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**338,439**	**346,412**	**315,137**

(in €000)	12/31/09	12/31/08	12/31/07
Net income	17,872	17,381	17,705
Share in net income of equity-accounted subsidiaries	106		
Depreciation, amortization and provisions and elimination of non-cash revenue and expense items	29,032	25,340	20,006
Capital gains and losses on disposal of property, plant & equipment	261	802	-138
Interest expense	2,098	5,369	5,166
Tax expense	6,090	7,620	9,739
Cash flow generated by the business	55,459	56,512	52,478
Interest paid	-1,659	-3,581	-3,517
Tax paid	-19	-3,007	-536
Cash flow after interest and tax paid	53,781	49,924	48,425
Change in inventories	265	312	1,987
Change in accounts receivable	6,215	180	3,418
Change in other receivables	1,682	-1,586	805
Change in trade payables	-2,437	-3,196	-55
Change in other payables	166	-2,385	698
Change in working capital requirement	5,891	-6,675	6,853
Net cash from operating activities	**59,672**	**43,249**	**55,278**
Acquisition of intangible assets	-29,260	-25,528	-25,170
Acquisitions of property, plant & equipment	-2,203	-1,802	-3,629
Acquisitions of non-current financial assets	-93	-532	-149
Acquisition of companies net of acquired cash	-500	-19,619	-17,587
Disposal or decrease in property, plant & equipment	991	117	1,031
Net cash from investing activities	**-31,065**	**-47,364**	**-45,504**
Capital increase	10		13,241
Acquisition of treasury shares		-8,939	
Dividends paid to parent company shareholders	-8,810	-9,058	-8,243
Dividends paid to minority interests			-3,058
Repayment of OBSAR bonds	-44,100		
Drawdowns under medium-term lines of credit	68,000	43,000	20,000
Repayment of medium-term lines of credit	-43,000	-20,000	-43,000
Change in other financial debt	200	-64	97
Net cash from financing activities	**-27,700**	**4,939**	**-20,963**
Opening cash and cash equivalents	3,805	2,981	14,170
Change in cash and cash equivalents	907	824	-11,189
Closing cash and cash equivalents	**4,712**	**3,805**	**2,981**

(in €000)	12/31/09	12/31/08	12/31/07
Marketable securities	3,208	1,474	1,147
Cash & cash equivalents	2,019	2,962	2,586
Bank overdrafts	-515	-631	-751
Closing cash and cash equivalents	**4,712**	**3,805**	**2,981**

(in €000)	CHANGES IN SHAREHOLDERS' EQUITY								
	Attributable to parent company shareholders							Attributable to minority interests	TOTAL SHARE-HOLDERS' EQUITY
	Share capital	Share premium	Other share-holders' equity	Reserves and retained earnings	Treasury shares	Income or loss recognized directly in equity	Total attributable to parent company shareholders		
Shareholders' equity at 12/31/2006	**8,239**	**80,305**	**6,237**	**36,421**	**-823**	**218**	**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					190	-111	79		79
Changes in scope of consolidation				601			601	-2,360	601
Exchange differences				99		41	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	-3,058	-8,243
Shareholders' equity at 12/31/2007	**8,771**	**94,671**	**6,237**	**47,794**	**-633**	**-698**	**156,142**		**156,142**
2008 net income				17,381			17,381		17,381
Capital increase from BSAR subscriptions and option exercises	NS	NS							NS
Shares held in treasury				-1,746	-6,943	-451	-9,140		-9,140
Exchange differences				-81		-39	-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**	**54,305**	**-7,576**	**-1,267**	**155,141**		**155,141**
2009 net income				17,872			17,872		17,872
Capital increase from BSAR subscriptions and option exercises		10					10		10
Repayment of OBSAR bonds			-6,237	6,237					
Shares held in treasury					-121	136	15		15
Exchange differences						49	49		49
IAS 19 amendment						65	65		65
Securities measured at fair value				-28			-28		-28
Allotment of bonus shares									
Dividends paid by the Company				-8,810			-8,810		-8,810
Shareholders' equity at 12/31/2009	**8,771**	**94,681**		**69,576**	**-7,697**	**-1,018**	**164,312**		**164,312**

Statement of comprehensive income

(in €000)	2009	2008	2007
Net income	17,872	17,381	17,705
Transactions on treasury shares	136	-451	-111
IAS 19 amendment	65	-79	-846
Exchange differences	49	-39	41
Total comprehensive income recognized during the period	**18,122**	**16,812**	**16,789**

Cegid's 2009 consolidated financial statements were approved by the Board of Directors on March 2, 2010 and will be submitted to shareholders at their Annual Meeting on May 6, 2010.

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 2009

1.1 Implementation of the strategic agreement between Cegid and Groupama/Gan Assurances

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. The sale was able to take place because 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. Comptanoo has been accounted for using the equity method since January 1, 2009.

1.2 Repayment of the bonds

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

1.3 Changes in percentage ownership and other transactions during the period

On October 30, 2009, Cegid SA sold its construction industry vertical markets business to L.S.E., a provider of software for the construction industry (sales of approx. €1 million, 10 employees).

On November 16, 2009 Cegid delegated its "logistics and equipment preparation" activity to business specialist Broke Systèmes as part of a partnership agreement. Cegid customers who upgrade their IT configuration currently use Broke Systèmes for the management of their used equipment.

On November 5, 2009, Cegid España SA and AS Infor Innovating Retail Applications SL were merged into Timeless Premiere SL, with retroactive effect to January 1, 2009. Timeless Premiere SL was renamed Cegid Ibérica.

A table showing the scope of consolidation as of December 31, 2009, including changes in percentage ownership and methods of consolidation (Note 1.1) is presented in Note 3.

2. ACCOUNTING PRINCIPLES AND METHODS, CONSOLIDATION METHODS

Compliance statement

Pursuant to EU regulation 1606/2002 Cegid's consolidated financial statements have been prepared in accordance with international accounting standards applicable in the European Union as of December 31, 2009. 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.

This information and the detailed notes hereafter were prepared on the basis of the standards and interpretations in force on December 31 and applicable from January 1, 2009. They are:

- the new version of IAS 1 "Presentation of financial statements", as amended;
- IFRS 8 "Operating segments": Cegid has decided to present information relative to the breakdown of sales by type of business and by business sector, deriving from internal reporting. Implementation of this standard did not cause any significant changes to the information previously disclosed in accordance with IAS 14.

Cegid is not affected by the new, mandatory standards and interpretations, including:

- the amendment to IFRS 2 "Share-based payment";
- the revised version of IAS 23 "Borrowing costs";
- the interpretation of IFRIC 11 "Group and treasury share transactions".

Cegid has opted against early application of the standards and interpretations adopted by the European Union as of December 31, 2009 including the revised versions of IFRS 3 and IAS 27, which will come into force for fiscal years beginning on or after July 1, 2009.

The Group's accounting principles, described below, have been consistently applied to the fiscal years presented herein. The Group's financial statements and notes are presented in thousands of euros.

Presentation of financial statements

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

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

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

Items in the consolidated income statement are presented by nature, based on the CNC (French National Accounting Board) model.

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

Valuation basis

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

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

Use of estimates

Preparation of financial statements that comply with the conceptual IFRS framework requires that certain estimates and assumptions be made 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, in particular provisions for pension obligations, and liabilities related to earn-outs paid in the context of acquisitions (earn-out clauses). These estimates are based on the best information available to management at the statement issue date. The current economic and financial environment makes it harder to value and estimate certain assets and liabilities and increases uncertainty about business trends. Management's estimates are based on the information available at the end of the fiscal year.

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 denominated in other currencies used by foreign companies are converted as follows:

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

Balance sheet date of the consolidated companies

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

Intra-group transactions and accounts

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

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

2.1 Intangible assets

2.1.1 Business combinations

Business combinations are accounted for by the acquisition method, in accordance with IFRS 3, "Business combinations". The Group has 12 months from the date of the acquisition to finalize the estimates related to the business combination in question (evaluation period).

As allowed by 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 measured at fair value. In certain cases, the Group asks outside experts to value the identifiable intangible assets it has acquired.

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.

Commitments to purchase minority shares

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 pro rata share in equity to be acquired as goodwill. At settlement, any change in the purchase price will be reflected in goodwill. As soon as the option becomes available, Cegid plans to retain this accounting method for business combinations which took place before the application date of the revised version of IFRS 3 (for fiscal years beginning on or after July 1, 2009).

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 deemed to have an indefinite lifetime and are not amortized. They are subject to impairment tests as detailed in Note 2.3.

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 identified assets, liabilities and contingent liabilities as measured at the acquisition date.

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

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

Goodwill is not amortized.

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

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

2.1.3 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.

2.1.4 Development costs

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

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

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

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

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

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

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

2.1.5 Acquired software

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

2.2 Property, plant & equipment

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

- Building fixtures and fittings........................ 3 to 10 years
- Computer equipment.................................... 3 or 4 years
- Office equipment .... 5 years
- Office furniture.. 8 years
- Equipment and industrial supplies .... 5 years
- Transportation equipment.............................. 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 operating leases are recognized on a straight-line basis over the life of the contract.

As of December 31, 2009, Cegid did not have any finance leases.

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

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

For this test, fixed 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 values are determined by discounting a normative cash flow over an infinite period based on 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:

- under IAS 39, equity investments in unconsolidated companies are classified as securities available for sale. They are initially recognized at historical acquisition cost, then measured at fair value;
- loans represent loans granted to collector organizations as part of government programs to support residential construction, as well as deposits paid. Contrary to the IAS 39 recommendation they are not discounted, because their amount is not material;
- other financial assets include financial assets used in Cegid Group's liquidity contract.

When fair value cannot be reliably determined because there is no active market, the securities are maintained at cost, net of any impairment losses. In such case, recoverable value is determined as a function of Cegid's stake in the net assets, expected future profitability and business prospects of the entity represented by the investment. 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 taxes calculated on items charged directly to shareholders' equity are recognized in shareholders' equity.

2.6 Inventories

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:

  - gross value of assemblies and subassemblies includes the purchase price and ancillary costs;
  - spare parts are measured according to the weighted average cost method.

- A provision for impairment is recognized to reflect value in use, with reference to the portfolio of contracts in force and the turnover of spare parts, or based on the net realizable value.

2.7 Receivables

Receivables are initially measured at fair value, which in most cases is their face value. An impairment loss is recognized 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 recognized at acquisition cost. Mutual funds are valued at the redemption price on the last trading day of the reporting period.

Changes in fair value are recognized as financial income or expense.

The value of individual listed securities is determined based on the average quoted price during the last month of the reporting period.

An impairment loss is recognized if the above methods yield a value that is less than historical cost. Such impairment loss is not recognized, however, if the unrealized capital loss it represents can be offset by unrealized capital gains on securities of the same type.

In the event that several securities of the same type and conferring the same rights are sold, the cost basis of the securities sold is estimated using the "first in/first out" method.

2.9 Treasury shares

Shares held in treasury are deducted from consolidated shareholders' equity independently of the reason they are acquired or held and of how they are recognized in the separate financial statements of the company that holds them. Any impairment losses and profit or loss on sale of treasury shares are recognized directly in shareholders' equity (net of tax, if any) and do not contribute to the net income or loss of the period.

2.10 Share-based payment

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 or 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 plans

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 Financial instruments

Financial instruments are recognized at fair value. Recognition of future variations in the instrument's fair value is based on whether or not the derivative is designated as a hedge, and in this case, on the nature of the hedged item.

These derivative instruments are recognized on the balance sheet at their market value. Changes in market value are recognized in the income statement, except for transactions qualified as cash flow hedges (cash flows related to floating-rate debt). These changes in value are recognized in shareholders' equity.

Cegid documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and its hedging strategy, from the inception of the transaction.

Hedge accounting is used for financial items hedged by derivatives and can take one of two forms:

- fair value hedge;
- cash flow hedge.

In the case of a fair value hedge, the financial liability underlying the derivative is revalued on the balance sheet as a function of the hedged risk (related to the fluctuation in interest rates). Changes in the value of the financial liability are recognized in the income statement (as a financial expense) and offset the changes in value of the derivative it underlies to the extent of the hedge.

In the case of a cash flow hedge, the hedged financial liability is recognized on the balance sheet at amortized cost. Changes in value of derivative instruments are recognized in shareholders' equity. To the extent that financial expense or income from the hedged item impacts the income statement of a given period, the financial expense or income related to the derivative, recognized in shareholders' equity and pertaining to the same period, is transferred to the income statement.

When a derivative does not satisfy the criteria for hedge accounting, changes in the fair value of the derivative are recognized in the income statement.

2.12 Pension obligations and other post-employment benefits

Pension obligations
Employee benefits (retirement indemnities and long-service awards) are recognized in the consolidated financial statements as non-current provisions. Cegid companies recognize provisions for all of their commitments to employees and executive officers related to retirement, pensions, supplemental pension benefits and 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. The 2009 French Social Security budget had no impact on the calculation of this commitment.

The components of the calculation of pension obligations as of December 31, 2009 are shown in Note 4.6.1.

Transfer of employee benefits
Amendment no. 3 of the nationwide, multi-industry, labor-management agreement of January 11, 2008 was amended on May 3, 2009 and brought into effect on July 1, 2009. It provides terminated employees with health and death & disability insurance for a period following their termination. Cegid accounts for this benefit as a termination benefit and recognizes it only when the contract is terminated by the Company.

2.13 Compound financial instruments (OBSARs)

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 is associated with a warrant (BSAR), 2,004,546 BSARs were also issued. Each BSAR granted subscription rights to a Cegid Group share at a price of €28.44 from March 3, 2004 to March 3, 2009 (1.05 following the distribution of reserves decided at the Shareholders' Meeting of June 22, 2007). The bonds (ISIN code FR0010061846) and the BSARs (ISIN code FR0010061853) were listed separately on Euronext Paris from March 3, 2004 until March 3, 2009.

At March 3, 2009, 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. These warrants have expired and lost all value.

On March 3, 2009, Cegid Group repaid its outstanding bonds for €44,100 thousand. These bonds were refinanced with drawdowns under the syndicated line of credit.

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

Because the OBSAR bonds fall into this category of financial instruments, the Group has separately recognized the liability component and the equity component giving access to capital. 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 remained in shareholders' equity until March 3, 2009 when the instrument expired.

2.14 Provisions

In accordance with IAS 37, provisions are recognized on a case-by-case basis after an evaluation of the corresponding contingencies and losses. A provision is recognized whenever management becomes aware of an obligation (legal or implied) arising from past events that is expected to result in an outflow of resources not matched by at least an equivalent inflow, and when the amount of such obligation can be reliably measured. Provisions are allocated between current and non-current liabilities according to the expected term of the risk. Provisions with a term of more than one year are discounted if the impact is material.

2.15 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.

2.16 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 backed by collateral (mortgages, pledges, security deposits), operating leases;
- purchase commitments;
- obligations and commitments to the Group's employees. Employees' individual rights to training are shown as off balance sheet commitments. No provision has been recognized with respect to these rights.

2.17 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, its parent company ICMI SAS (52 quai Paul Sédallian, 69009 Lyon), their subsidiaries and principal executives and Groupama (8-10, rue d'Astorg, 75008 Paris) and its subsidiaries.

2.18 Earnings per share

Earnings per share are equal to the ratio between:

- net income;
- the weighted average number of shares in circulation, less treasury shares.

Diluted earnings per share are equal to the ratio between:

- net income before dilution plus the amount of interest expense, net of tax, that would be saved if dilutive instruments were converted;
- the weighted average number of ordinary shares in circulation, less treasury shares, plus the number of shares that would be issued following the conversion of convertible instruments into shares and the exercise of rights.

Only dilutive instruments are included in the calculation.

2.19 Components of the income statement

2.19.1 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.

2.19.2 Capitalized expenditures

The development costs incurred by Cegid in the conduct of its software business (creation of marketable enterprise software) essentially involve the development of software applications and are subject to individual monitoring. Development costs are measured on the basis of direct wage costs plus employee benefits and allocated overhead costs, calculated using a coefficient applied to the aggregate operating expenses of the relevant departments.

2.19.3 Taxes other than income taxes

In 2010 the French business tax reform, renamed the "local economy tax" (Contribution Economique Territoriale) will be introduced. This tax is made up of two components: the CVAE (corporate added-value tax) and the CFE (corporate real estate tax). The opinion of the CNC (French National Accounting Board) of January 14, 2010 allows companies to choose whether they classify the CVAE as an operating expense or corporate income tax as defined by IAS 12. At present, Cegid recognizes the CVAE as an operating expense because it considers that the above-mentioned tax reform is largely a change in the method of calculating French local tax and does not change the nature of the tax. Cegid therefore considers it unnecessary to account for the CVAE or the CFE differently to how it previously accounted for the French business tax (taxe professionnelle).

The Group may change its position depending on how the competent authorities rule that this tax is to be recorded.

2.19.4 Operating income

The Group's principal activity is the development, hosting, sale and distribution of business management software and related goods and services. Income from ordinary activities derives from these businesses, whether they are recurring or non-recurring in nature.

2.19.5 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 which is large enough to impair the comparability of income from ordinary activities from one year to the next and give an inaccurate picture of the Group's performance.

2.19.6 Financial income and expense

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

- financial expense, including:
  - interest charges on financing activities, the additional cost generated by the adoption of IAS 39 (interest expense calculated at the effective interest rate);
  - charges relating to impairment in the value of unconsolidated securities;
  - other financial discounting expense;
  - and other miscellaneous financial expense;
- financial income, i.e. income on cash investments, other dividend income, income from the disposal of other financial assets, other financial discounting income and other miscellaneous financial income.

2.19.7 Tax expense

The tax expense included in net income for the year is equal to the total of current and deferred tax. Tax expense is generally recorded in the income statement, with the exception of the portion of tax related to items recognized directly in shareholders' equity.

2.20 Operating Segments

IFRS 8 "Operating segments", which replaces IAS 14 "Segment Reporting", requires companies to present information deriving from the Group's internal reporting.

Consequently, the information published by Cegid, presented in Note 5.1, is in step with internal reporting which records sales by type and business sector. Measures of profitability (such as income from ordinary activities and operating income) are analyzed on an aggregate basis.

Geographic information is not meaningful.

3. SCOPE OF CONSOLIDATION

Company	Head office Siren code	Business	Months consolidated	% control 2009	% ownership 2009	% ownership 2008	
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
CIVITAS SA	Cergy 384626578	Software development	12	100.00	100.00	100.00	Full
CEGID SERVICES SARL	Lyon 341097616	Holding company	12	99.89	99.89	99.89	Full
		Companies held by Cegid SA					
CEGID CORPORATION	USA New York	Software distribution	12	100.00	100.00	100.00	Full
CEGID IBÉRICA SL	Spain Madrid	Software distribution	12	100.00	100.00	100.00	Full
CEGID LTD	United Kingdom Manchester	Software development	12	100.00	100.00	100.00	Full
AS INFOR INNOVATING RETAIL APPLICATIONS SL	Spain Barcelona	Software distribution	12	-	-	100.00	Full
CEGID ESPAÑA SA	Spain Barcelona	Software distribution	12	-	-	100.00	Full
VCS TIMELESS ITALIA SRL	Italy Milan	Software distribution	12	100.00	100.00	100.00	Full
CEGID HONG KONG HOLDINGS LIMITED	Hong Kong	Holding company	12	76.00	76.00	76.00	Full
INFORMATIQUE ET COMMUNICATIONS SARL	Beaune 383837994	Software development	12	51.00	51.00	51.00	Full
SERVANT SOFT SARL	Lyon 318762192	Software development	12	100.00	100.00	100.00	Full
GD INFORMATIQUE SAS	Vienne 390420305	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
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
		Company held by Aspx					
COMPTANOO SAS	Lyon 4287144299	Software development	12	50.00	50.00	100.00	EQ
		Company held by Cegid Hong Kong Holdings Limited					
CEGID SOFTWARE	China Shenzhen	Software distribution	12	100.00	100.00	100.00	Full

Full: Full consolidation
EQ: Equity-accounted

3.1 Internal reorganization and changes in scope

- Effective January 1, 2009, GD Informatique entered into a lease-management agreement with Cegid SA.
- On November 5, 2009, Cegid España and AS Infor Innovating Retail Applications SL were merged into Timeless Premiere SL with retroactive effect to January 1, 2009. Timeless Premiere SL was renamed Cegid Ibérica.
- Following the sale of 50% of its shares to Groupama, from January 1, 2009 Comptanoo was consolidated using the equity method. (Prior to this, it was fully consolidated).

4. NOTES TO THE BALANCE SHEET

4.1 Changes in non-current assets

4.1.1 Goodwill

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

(in €000)	12/31/07	12/31/08	Increases	Decreases	12/31/09
Cegid	162,506	164,789		-1,680	163,109
Quadratus	16,242	16,242			16,242
Civitas		6,482			6,482
TOTAL	**178,748**	**187,513**		**-1,680**	**185,833**

The decrease corresponds to the partial sale of Comptanoo shares and change in the method of accounting for this subsidiary. Goodwill related to companies accounted for by the equity method are recognized in the balance sheet under "Equity-accounted subsidiaries".

4.1.2 Impairment tests

A discount rate of 8.6% was used for impairment tests (9% at December 31, 2008), in accordance with the risk profile of the business. A combined change of +/- 1% in the main assumptions on which the calculations were based (discount rate and growth rate) does not give rise to a loss to be provisioned. The growth rate beyond the reference period is set at 2% p.a. (2% at December 31, 2008).

4.1.3 Intangible assets

Changes during the period broke down as follows:

(in €000)	12/31/07	12/31/08	Change in scope of consolidation	Increases	Decreases	12/31/09
Development costs [1]	175,817	195,660	-423	28,797	-3,146	220,889
Concessions, patents	4,842	4,895	-133	463	-651	4,574
Brands [1]		1,900				1,900
Customer relationships [1]		9,200				9,200
Other intangible assets	278	930	-272			658
Gross amounts	**180,937**	**212,585**	**-828**	**29,260**	**-3,796**	**237,221**
Development costs	-131,605	-144,608	217	-24,238	2,906	-165,723
Concessions, patents	-4,249	-4,485	131	-389	651	-4,092
Other intangible assets	-276	-998	271	-623		-1,350
Depreciation and amortization	**-136,130**	**-150,091**	**619**	**-25,250**	**3,556**	**-171,165**
Net intangible assets	**44,807**	**62,494**	**-209**	**4,010**	**-240**	**66,055**

[1] See Note 2.1.1.

4.1.4 Property, plant & equipment

Changes during the period broke down as follows:

(in €000)	12/31/07	12/31/08	Change in scope of consolidation	Increases	Decreases	12/31/09
Technical facilities, equipment and industrial supplies	11,133	12,246	-106	1,662	-1,329	12,473
Other property, plant & equipment	6,841	8,326	-7	542	-410	8,450
Gross amounts	**17,974**	**20,572**	**-113**	**2,203**	**-1,739**	**20,923**
Technical facilities, equipment and industrial supplies	-7,900	-9,269	97	-1,483	1,246	-9,410
Other property, plant & equipment	-3,216	-4,729	7	-800	354	-5,167
Depreciation and amortization	**-11,116**	**-13,996**	**104**	**-2,284**	**1,600**	**-14,576**
Net property, plant & equipment	**6,858**	**6,576**	**-9**	**-81**	**-139**	**6,347**

4.1.5 Investments and other financial assets

Changes during the period broke down as follows:

(in €000)	12/31/07	12/31/08	Changes in scope	Increases	Decreases	12/31/09
Equity investments and related receivables	1,854	868		-42		825
Other long-term investments	29	182				182
Impairment losses	-292	-294				-294
Total financial investments [1]	**1,591**	**756**		**-42**		**713**
Deposits	511	803		31	-278	556
Loans	922	975		149	-158	966
Impairment losses on loans and deposits	-82	-105		-6	2	-109
Loans and deposits	**1,351**	**1,673**		**174**	**-435**	**1,412**
Other financial assets	626	192		87		279
Net non-current financial assets	**3,568**	**2,621**		**219**	**-435**	**2,404**

[1] Financial investments broke down as follows:

(in €000)	12/31/09	% held	12/31/08	% held
OL Groupe	534	0.52%	576	0.52%
Itool	292	10.71%	292	10.71%
Provisions	-292		-292	
Financial assets measured at fair value	534		576	
Other securities	182		182	
Provisions	-2		-2	
Other long-term investments	180		180	
Total financial investments	**713**		**756**	

4.1.6 Equity-accounted subsidiaries

(in €000)	12/31/09
Opening balance	
Dividends	
Changes in scope	1,591
Share in net income of equity-accounted subsidiaries	-106
Closing balance	**1,485**

4.2 Changes in current assets

4.2.1 Changes related to impairment of current assets

Changes during the period broke down as follows:

(in €000)	12/31/07	12/31/08	Changes in scope	Increases	Decreases	12/31/09
Inventories and work-in-progress	15	84		2	-81	5
Trade receivables and similar accounts	7,472	9,315	-41	4,377	-4,293	9,358
Other receivables	29	29		44	-29	44
TOTAL	**7,516**	**9,428**	**-41**	**4,423**	**-4,403**	**9,407**

4.2.2 Cash and cash equivalents

(in €000)	12/31/09	12/31/08	12/31/07
Shares in mutual funds	3,208	1,474	1,147
Cash	2,019	2,962	2,586
TOTAL	**5,227**	**4,436**	**3,733**

4.3 Financial instruments

4.3.1 Fair value of financial instruments

(in €000) at 12/31/2009	Carying value	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Investments in unconsolidated subsidiaries and affiliates	534		534	
Other non-current financial assets	180			180
Loans	964			964
Deposits and guarantees	727			727
Trade accounts receivable	913			913
Customers	61,517			61,517
Other short-term receivables	4,184			4,184
Cash equivalents	3,208	3,208		
Cash	2,019	2,019		
Financial assets	**74,245**	**5,227**	**534**	**68,485**
	Carrying value	**Financial liabilities at fair value through profit or loss**	**Debt at amortized cost**	**Other liabilities**
Medium-term line of credit	63,810		63,810	
Acquisition-related debt	2,281			2,281
Trade payables	22,428			22,428
Other current liabilities	51,150			51,150
Current financial liabilities	4,913	515	4,000	398
Financial liabilities	**144,582**	**515**	**67,810**	**76,257**

(in €000) at 12/31/2008	Carrying value	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Investments in unconsolidated companies	576		576	
Other non-current financial assets	180			180
Loans	1,674			1,674
Deposits and guarantees	192			192
Customers	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			
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**

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

At December 31, 2009, Cegid had a syndicated line of credit totaling €198 million (original total: €200 million), which broke down as follows:

- a loan originally totaling €20 million and totaling €18 million on December 31, 2009, and amortizable in tranches of €4 million over a period of five years beginning on the date of the first drawdown, March 3, 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, which will now be set at €150 million from June 30, 2011 and €120 million from June 30, 2012 until June 30, 2013.

The loan agreement includes the customary covenants and clauses regarding accelerated maturity, including:

- 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, 2009, drawdowns under the syndicated line of credit totaled €68 million.

Cegid Group repaid the €44.1 million outstanding under the OBSAR bond issue (see Note 2.12) on March 3, 2009, by drawing down on this credit facility.

Undiscounted financial liabilities broke down as follows, by maturity:

(in €000) at 12/31/2009	Up to 1 year	1 to 5 years	More than 5 years
Other non-current receivables		1,046	
Financial assets		**1,046**	
Medium-term line of credit	4,000	64,000	
Acquisition-related debt	210	2,614	
Financial liabilities	**4,210**	**66,614**	

(in €000) at 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**	

4.3.2.2 Credit risks

Commercial credit risks

The Group's Finance division 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, 2009, the Group's accounts receivable included more than 19,900 unpaid balances, and no Group customer invoiced in 2009 represented more than 0.8% of 2009 consolidated sales (0.7% in 2008).

The net amount of receivables more than 60 days past due and unprovisioned was €16 million out of a total of €39 million.

Signature risk

This risk involves principally transactions related to cash investments. Given the amount of cash investments (€3,200 thousand at December 31, 2009 and €1,474 thousand at December 31, 2008) 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.

In January and February 2009, Cegid Group implemented two interest rate hedging arrangements to cover the interest rate risk of its medium-term loan: 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 January 29, 2009, Floor 1%, Cap 3.60%
Start February 27, 2009, Floor 1%, Cap 2.90%

As of December 31, 2009, the fair value of these two financial instruments was not significant and no consolidation adjustments were made.

Based on this hedge, an increase in interest rates of 1%, at constant debt levels, would lead to an increase in interest expense of around €0.5 million (€0.9 million in 2008).

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 €000)	12/31/08	Other changes	Impact on earnings	12/31/09
Deferred tax assets	1,054	-1,011	-5	38
Deferred tax liabilities	1,243	198	1,959	3,400

(in €000)	12/31/07	Other changes	Impact on earnings	12/31/08
Deferred tax assets	3,273	3,490	-5,709	1,054
Deferred tax liabilities		779	464	1,243

As of December 31, 2009, unrecognized tax assets totaled €54 thousand for French subsidiaries and €1,713 thousand for foreign subsidiaries (compared to €55 thousand and €2,905 thousand respectively on December 31, 2008).

4.5 Notes to shareholders' equity

4.5.1 Share capital

Movements in share capital during the 2008 and 2009 fiscal years were as follows:

	Number of shares	Par value (in €)	Share capital (in €)	Share premiums (in €)
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**
Exercise of BSARs	378		359	10,391
As of December 31, 2009	**9,233,057**	**0.95**	**8,771,404**	**94,681,125**

	12/31/07	12/31/08	Changes	12/31/09
Number of shares	9,232,676	9,232,679	378	9,233,057
Par value (in €)	0.95	0.95		0.95
Share capital (in €)	**8,771,042**	**8,771,045**		**8,771,404**

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, 2009, 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.

Cegid buys back its own shares in the market as part of its share buyback program (as of December 31, 2009 it held 437,014 treasury shares). At December 31, 2009, 404,908 of its shares were used to cover employee and executive officer benefits, and 32,106 shares were used under 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:

	2009	2008	2007
Number of shares at end of period	9,233,057	9,232,679	9,232,676
Average number of shares during the period	8,796,328	8,972,130	8,966,512
Number of additional shares to be issued (1)		1,595,838	1,595,841
Number of shares held in treasury at end of period	437,014	452,847	21,503
Consolidated net income			
Net income attributable to parent company shareholders (in €m)	17.87	17.38	17.70
Earnings per share attributable to parent company shareholders (in €) (2)	2.03	1.94	1.98
Fully diluted earnings per share attributable to parent company shareholders (in €) (3)	2.03	1.78	1.67

(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 €42,988 thousand as of December 31, 2009.

4.5.4 Dividend per share

The amount distributable on 2009 earnings totaled €22,692 thousand.

	2009 [1]	2008	2007
Total net dividend (in €M)	9.69	9.23	9.23
Net dividend per share (€)	€1.05	€1.00	€1.00

[1] A dividend on 2009 earnings of €1.05 per share will be proposed to shareholders at their Annual Meeting on May 6, 2010, totaling €9,694.7 thousand before taking into account treasury shares.

4.6 Provisions

4.6.1 Non-current provisions

Provisions for pension obligations and employee benefits (in € 000)	12/31/09	12/31/08	12/31/07
Present value of commitments at start of period	**6,884**	**5,649**	**4,140**
Changes in scope		449	32
Financial costs	364	310	195
Current service costs	138	366	276
Amortization of unrecognized past service costs	69	69	69
Plan curtailments and liquidations [1]			-180
Benefits paid during the period - long service awards	-95	-78	-162
Projected present value of commitments at end of period	**7,360**	**6,764**	**4,371**
Actuarial gains and losses/experience adjustments	120	120	-222
Actuarial gains and losses/changes in assumptions			1,500
Present value of commitments at end of period	**7,480**	**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, 2009 (4.90% as of December 31, 2008). The provision includes employment taxes of 45%.

4.6.2 Current provisions

(in €000)	12/31/07	12/31/08	Increases [1]	Used decreases [2]	Unused decreases	12/31/09
Labor disputes	816	1,855	542	-214	-158	2,025
Customer disputes	848	3,188	1,103	-275	-18	3,998
Reorganization plans	298	1,897	1,694	-1,850	-349	1,392
Other	914	889	659	-194	-141	1,213
TOTAL	**2,876**	**7,829**	**3,998**	**-2,533**	**-666**	**8,628**

[1] The increase corresponds to reorganization costs of certain Cegid SA businesses.
[2] The decreases correspond to the implementation of the reorganization plans related to Timeless, recognized in 2008, and the reorganization plans of certain Cegid SA businesses.

4.7 Breakdown of liabilities by maturity

The breakdown of debt and other liabilities by maturity is as follows:

(in €000)	12/31/09	Up to 1 year	1 to 5 years	More than 5 years
Financial debt	68,723	4,913	63,810	
Trade payables	22,428	22,428		
Tax and social security liabilities	46,056	46,056		
Payables related to acquired property, plant & equipment	2,669	388	2,281	
Other liabilities and unearned revenue	14,743	14,743		
TOTAL	**154,619**	**88,528**	**66,091**	

(in €000)	12/31/08	Up to 1 year	1 to 5 years	More than 5 years
OBSAR bonds (maturing in March 2009)	43,820	43,820		
Financial debt	43,780	1,071	42,709	
Trade payables	24,769	24,769		
Tax and social security liabilities	44,237	44,237		
Payables related to acquired property, plant & equipment	3,178	988	2,190	
Other liabilities and accruals	15,532	15,532		
TOTAL	**175,316**	**130,417**	**44,899**	

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of sales

5.1.1 By type of business

(in €000)	2009	2008	2007
Licenses and integration services [1]	105,367	110,839	104,230
Recurring contracts [2]	121,111	112,290	105,636
Hardware and installation	18,877	22,040	26,575
Other	3,233	3,346	4,695
TOTAL	**248,588**	**248,515**	**241,136**

[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 €000)	2009	2008	2007
CPAs and very small companies	71,197	76,804	79,681
General business (Services, Wholesaling, Cleaning, etc.)	77,572	80,582	78,811
Manufacturing	24,920	28,294	27,033
Fashion, Specialist retailing	40,657	36,164	33,769
Construction, Hospitality	20,775	21,483	21,842
Public sector	13,466	5,188	
TOTAL	**248,588**	**248,515**	**241,136**

5.2 Personnel costs

The bonus share plans Cegid Group implemented in July 2006 and March 2007 and which fall under the scope of IFRS 2 were carried out in 2008. No new plans were introduced in 2009.

5.3 Other operating income and expense

(in €000)	2009	2008	2007
Impact of reorganization plans [1]	-1,617	-1,645	-288
Divestments	1	-555	-371
Payments received in relation to partnerships	-350		665
Impairment of intangible assets			-76
Negative goodwill recognized as income		1,390	
Other operating income and expense	**-1,966**	**-810**	**-70**

[1] Primarily VCS Timeless (2008 and 2009) and Cegid SA (2009) reorganization plans.

5.4 Financial income and expense

(in €000)	2009	2008	2007
Financial income from equity investments	10	12	11
Income from investments	31	47	352
Income related to discounting	63	27	29
Write-back of financial provisions		63	29
Other financial income	32	53	71
Financial income	**136**	**202**	**492**
Interest expense on loans and other borrowings	-1,488	-1,736	-2,155
Expense related to discounting	-91	-104	-90
Interest on OBSAR bonds	-550	-3,576	-3,385
Financial provisions	-383	-310	-195
Other financial expense	-94	36	-315
Financial expense	**-2,606**	**-5,690**	**-6,140**
Net financial expense	**-2,470**	**-5,488**	**-5,648**

5.5 Taxes

5.5.1 Breakdown of taxes

(in €000)	2009	2008	2007
Current tax	-4,136	-1,447	-2,737
Deferred tax	-1,954	-6,173	-7,002
TOTAL	**-6,090**	**-7,620**	**-9,739**

5.5.2 Tax reconciliation

The amount of the Group's income tax expense is different from the theoretical amount that would be derived from applying the weighted average of the tax rates applicable to the consolidated companies because of the following items:

(in €000)	2009	%	2008	%	2007	%
Pre-tax income	24,068		25,001		27,444	
Theoretical tax	-8,287	34.43%	-8,608	34.43%	-9,449	34.43%
Effect of permanent differences	-176	0.73%	872	-3.49%	-638	2.32%
Losses of foreign subsidiaries (1)	1,801	-7.48%	-256	1.02%	-302	1.10%
Use of tax-loss carryforwards	33	-0.14%	359	-1.44%	577	-2.10%
Tax credits	344	-1.43%	57	-0.23%	129	-0.47%
Rate effects and miscellaneous	194	-0.81%	-44	0.18%	-56	0.21%
Income tax	**-6,090**	**-25.31%**	**-7,620**	**-30.48%**	**-9,739**	**-35.49%**

(1) includes tax saving related to debt forgiveness in favor of loss-making foreign subsidiaries (€1,957 thousand). The tax-loss carryforwards of these subsidiaries had not been capitalized.

6. EMPLOYEES

The average number of employees in the Group broke down as follows:

	2009	2008	2007
Management level	1,361	1,286	1,185
Non-management level	782	803	807
TOTAL	**2,143**	**2,089**	**1,992**

As of December 31, 2009 employees were distributed among Group companies as follows:

	2009	2008	2007
Cegid	1,738	1,962	1,875
Quadratus	141	137	141
Civitas	123	129	
GD Informatique (1)		15	
Informatique et Communications	4	4	4
Cegid Corporation	2	3	3
Cegid España (2)		3	2
AS INFOR Innovating Retail Applications (2)		1	1
Cegid Ibérica (2)	6	4	
VCS Timeless Italia	5	4	
Cegid LTD	10	10	
Cegid Software	7	4	
TOTAL	**2,036**	**2,276**	**2,026**
Comptanoo (3)	21	14	11

(1) This company had a lease-management agreement with Cegid SA as of January 1, 2009.
(2) These companies merged on November 6, 2009.
(3) This company was accounted for using the equity method from January 1, 2009.

7. OFF BALANCE SHEET COMMITMENTS

7.1 Commitments received

Commitments received as asset and liability guarantees in connection with acquisitions

(in €000)	Up to 1 year	1 to 5 years	More than 5 years
Commitments subject to limitations	4,558	3,500	

Bank lines of credit

(in €000)	12/31/10	12/31/11	12/31/12	12/31/13
Drawdown authorizations	194,000	160,000	126,000	2,000
Of which utilized 12/31/2009	68,000			

The syndicated line of credit originally totaling €200 million, and totaling €198 million as of December 31, 2009, is composed of a €180 million confirmed revolving credit and originally a €20 million loan, €18 million as of December 31, 2009, amortizable in tranches of €4 million over a period of five years beginning on March 3, 2009. The loan agreement includes various customary covenants.

7.2 Commitments given

These commitments broke down as follows:

(in €000)	Up to 1 year	1 to 5 years	More than 5 years	Total 2009
Bank guarantees	638	698	900	2,236
Commitments related to leases	10,851	24,932	7,572	43,355

- Bank guarantees were principally guarantees given to cover real estate leases.
- Commitments related to leases pertain to:

  - rent on the Group's 47 sites (39 in France). The main commitments are on rents for the head office (until 2012) and the Boulogne and Aix-en-Provence premises (until 2016);
  - 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 financial resources.

The syndicated loan agreement includes 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.

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, 2009 was €409 thousand.
- Individual rights to training
  The law of May 4, 2004 (n°.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 1/1/09	2009 change	Unused rights at 12/31/09
Rights (in hours)	134,667	24,400	159,067

8. RELATED PARTY DISCLOSURES

8.1 Transactions with related parties

For 2009, details of the relationship between Cegid Group and ICMI (52 quai Paul Sédallian, 69009 Lyon) and its subsidiaries and principal executives, as well as with Groupama (8-10 rue d'Astorg, 75008 Paris) and its subsidiaries were as follows:

(in €000)	2009	2008	2007
Trade receivables (gross)	181	267	154
Operating liabilities	220	449	626
(in €000)	**2009**	**2008**	**2007**
Executive Management fees	-2,954	-2,899	-2,880
Other external expenses	-205	-429	-404
Operating expenses	**-3,160**	**-3,328**	**-3,284**
Overheads	227	458	441
Partnership	150	123	-
Operating income	**377**	**581**	**441**

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, 2009) and of the Executive Committee (11 members as of December 31, 2009).

(in €000)	2009	2008	2007
Benefits granted to executives			
Short-term benefits [1]	1,921	2,148	2,126
Post-employment benefits	53	75	94
Other long-term benefits			
Share-based payments		451	838

[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. In this capacity, they receive most of their compensation from ICMI, which invoices Cegid Group for management assistance services.

9. FEES PAID TO THE STATUTORY AUDITORS OF GROUP COMPANIES

	Grant Thornton				Mazars				Other auditors			
	Amount (in €000)		in %		Amount (in €000)		in %		Amount (in €000)		in %	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Audit												
Auditing of consolidated and parent company financial statements												
- Issuer	97	83	52%	67%	94	83	51%	60%				
- Fully consolidated subsidiaries	91	40	48%	33%	91	51	49%	37%	20	138	100%	91%
Other verifications and services directly related to the auditing assignment												
- Issuer						3		2%		4		3%
- Fully consolidated subsidiaries												
Sub-total	**188**	**123**	**100%**	**100%**	**185**	**137**	**100%**	**99%**	**20**	**142**	**100%**	**93%**
Other services provided by the networks to fully consolidated subsidiaries as a whole												
Legal, tax, labor relations						2		1%		8		5%
Other										2		2%
Sub-total						**2**		**1%**		**10**		**7%**
TOTAL	**188**	**123**	**100%**	**100%**	**185**	**139**	**100%**	**100%**	**20**	**152**	**100%**	**100%**

10. SIGNIFICANT EVENTS SUBSEQUENT TO CLOSING

As of the date of the Board meeting, no significant events have occurred subsequent to December 31, 2009.

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, 2009, on:

- our audit of the consolidated financial statements of Cegid Group SA, as attached to this report;
- the basis for our assessment;
- specific verifications pursuant to law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit consists of examining, on a test basis, or by other selection methods, the evidence supporting the information contained in these financial statements. It also consists of assessing the accounting principles applied, the significant estimates used in preparing the financial statements and their overall presentation. We believe that the information we have collected is sufficient and appropriate to form a basis for our opinion.

We hereby certify that the consolidated financial statements provide a true and fair view of the assets and liabilities, financial position and results of operations of the group of companies included in the consolidation, in accordance with IFRS as adopted by the European Union.

Without qualifying the opinion expressed above, we draw your attention to the issues discussed in Note 2 to the consolidated financial statements on new, mandatory standards and early application of standards.

II – Basis for assessment

In accordance with the provisions of Article L.823-9 of the French Commercial Code on the justification of our assessments, we draw your attention to the following items:

- Asset impairment tests

At each balance sheet date, the 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. We have also examined the procedures for verifying their recoverable value, either by assessing projects individually if there is an indication that the asset may be impaired, or together as part of the asset impairment test. We have obtained assurance that Note 2.1.4 "Development costs" provides appropriate disclosures.

The assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion expressed in the first part of this report.

III – Specific verification

In accordance with professional standards applicable in France, we have also verified the information related to the Group, as provided in the management report.

We have no comment regarding the accuracy of this information or its consistency with the consolidated financial statements.

Lyon and Villeurbanne, April 16, 2010

The Statutory Auditors

MAZARS	**GRANT THORNTON**
Max Dumoulin	François Pons

"2009 Financial Statements"

PARENT COMPANY FINANCIAL STATEMENTS

(in €000)	2009	2008
Sales		
Fees	4,578	4,306
Total sales	**4,578**	**4,306**
Merchandise and equipment consumed		
Other purchases and external expenses	4,238	3,882
Sub-total	4,238	3,882
Operating expenses		
Taxes other than income taxes	34	30
Salaries	60	125
Employment taxes	26	44
Amortization & provisions	40	227
Other expenses	100	98
Sub-total	260	524
Total expenses	**4,497**	**4,406**
Operating income	**82**	**-100**
Financial income	13,587	18,349
Financial expense	1,715	7,162
Net financial income	**11,872**	**11,187**
Pre-tax income	**11,953**	**11,087**
Extraordinary gains	209	2,480
Extraordinary losses	37	2,441
Net extraordinary items	**172**	**39**
Income tax	1,243	-1,745
NET INCOME FOR THE YEAR	**10,882**	**12,872**

PARENT COMPANY FINANCIAL STATEMENTS - 12/31/2009
Assets

(in €000)	Gross 12/31/09	Amortization and provisions	Net 12/31/09	Net 12/31/08
Intangible assets				
Intangible assets of acquired businesses	447	447		
Non-current financial assets				
Equity investments and related receivables	140,407	11,848	128,559	128,563
Other long-term investments	8,214	707	7,506	4,825
Other non-current financial assets	279		279	192
Non-current assets	**149,347**	**13,002**	**136,344**	**133,580**
Receivables				
Trade receivables and similar accounts	2,173		2,173	2,943
Supplier receivables	24		24	6
Income tax receivables				992
Sales tax receivables	231		231	214
Other receivables	66,041		66,041	83,218
Miscellaneous				
Marketable securities	3,208		3,208	1,474
Cash & cash equivalents	116		116	124
Current assets	**71,793**		**71,794**	**88,972**
Accruals				
Prepaid expenses	31		31	33
Expenses amortized over several periods				40
Total accruals	**31**		**31**	**73**
TOTAL ASSETS	**221,172**	**13,002**	**208,169**	**222,624**

(in €000)	Net 12/31/09	Net 12/31/08
Share capital	8,771	8,771
Share premiums	95,736	95,726
Legal reserve	877	877
Regulated reserve	18	18
Retained earnings	11,811	7,749
Net income for the year	10,882	12,872
Regulated provisions	45	8
Shareholders' equity	**128,140**	**126,020**
Bonds		
OBSAR bonds		44,228
Borrowing and other liabilities due to credit institutions		
Borrowings	68,000	43,000
Overdrafts, bank facilities	247	146
Borrowings and miscellaneous financial liabilities		
Group	7,897	7,654
Accounts payable and similar accounts	569	1,306
Tax and employee-related liabilities		
Personnel	4	4
Employment taxes payable	12	26
Income tax payable	3,044	
Sales tax payable	145	112
Other taxes and employee-related liabilities	7	7
Other liabilities	104	121
Total liabilities	**80,029**	**96,604**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**208,169**	**222,624**

Cash flow statement

(in €000)	2009	2008
Net income	**10,882**	**12,872**
Net amortization & provisions	-2,480	2,309
Elimination of non-cash income and expenses	-208	687
Capital gains and losses		1,742
Cash flow from operating activities	**8,194**	**17,610**
Change in working capital requirement	5,285	-3,315
Net cash from operating activities	**13,479**	**14,295**
Acquisition of non-current financial assets		-7,198
Acquisition of Civitas shares	-30	-10,206
Acquisition of shares allocated under bonus share plans		-1,741
Impact of mergers		
Net cash from investing activities	**-30**	**-19,145**
Change in shareholders' equity	10	
Dividends paid to shareholders	-8,810	-9,058
New borrowings	25,000	23,000
Repayment of borrowings	-44,100	
Other changes in borrowings [1]	16,140	-7,321
Net cash from financing activities	**-11,760**	**6,621**
Net change in cash	**1,689**	**1,771**
Opening cash and cash equivalents	**-4,051**	**-5,822**
Closing cash and cash equivalents	**-2,362**	**-4,051**

[1] Cegid SA borrowing account.

Cash and cash equivalents included intercompany accounts with credit balances of €7,604 thousand as of 12/31/2009 and €7,579 thousand as of 12/31/2008 and intercompany accounts with debit balances (excl. the Cegid borrowing account) of €1,918 thousand as of 12/31/2009 and €1,930 thousand as of 12/31/2008, which were repayable on demand. Cegid Group has a medium-term line of credit with an undrawn balance of €130,000 thousand.

Detail of cash and cash equivalents	2009	2008
Marketable securities	3,208	1,474
Cash	116	124
Loans from shareholder/subsidiaries (excl. Cegid SA)	1,918	1,930
Overdrafts, bank facilities		
Intercompany accounts (credit balances)	-7,604	-7,579
Total cash and cash equivalents	**-2,362**	**-4,051**

The 2009 financial statements were approved by the Board of Directors on March 2, 2010.

1. Significant events

1.1 Repayment of the OBSAR bonds

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

2. Accounting principles and methods

2.1 General principles

The financial statements for fiscal year 2009 have been prepared in accordance with the standards defined by the 1999 chart of accounts. General accounting conventions were applied in accordance with the following basic assumptions:

- continuity of operations;
- consistency of accounting methods from one fiscal year to the next;
- independence of fiscal years.

The valuation method generally used was the historical cost method.

2.2 Non-current financial assets

• Equity investments

Equity investments are valued at their historical acquisition cost. Beginning on January 1, 2007, this amount includes fees related to the acquisition. A provision for depreciation is recorded for equity investments whose valuation, established based on the following criteria, is less than the balance sheet value:

- value in use based on the subsidiary's re-estimated net asset value and expected profitability;
- value based on recent transactions involving companies in the same sector.

However, a provision for depreciation is recorded only if the company has achieved a normal rate of operation in the case of a new company, or if the integration phase into Cegid 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, 2009, special amortization of €37 thousand was recognized.

• Liquidity contract

Items held in connection with the liquidity contract are recorded as non-current financial assets:

- €501 thousand in treasury shares;
- €279 thousand in other long-term receivables.

• Treasury shares

Shares held in treasury were subject to provisions for impairment totaling €707 thousand. This amount was determined on the basis of the average share price in the last month of the year (€16.03).

2.3 Receivables

Receivables are valued at face value.
An impairment loss 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 recognized 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 Provisions for contingencies and losses

These provisions are recognized on a case-by-case basis after an evaluation of the corresponding contingencies and losses.

A provision is set up whenever the Company's governing bodies become aware of a legal or constructive obligation resulting from a past event that is likely to result in an outflow of resources not matched by at least an equivalent inflow.

2.6 Operating revenue

Operating revenue consists of fees for the use of Cegid Group's facilities and brand image. These fees are calculated based on the sales (excl. VAT) of the operating subsidiaries.

2.7 Extraordinary items

Extraordinary income and expenses include non-recurring items as well as items considered extraordinary by their nature (asset disposals, gain or loss on sale of treasury shares).

3. NOTES ON ASSETS

3.1 Property, plant & equipment

(in €000)	12/31/08	Increases	Decreases	12/31/09
Intangible assets:				
- Value of businesses	447			447
Non-current financial assets:				
- Equity investments	140,407			140,407
- Other non-current financial assets	8,284	208		8,493
Gross amounts	**149,139**	**208**	**-**	**149,347**
Intangible assets:	447			447
Non-current financial assets:				
- Equity investments	11,844	4		11,848
- Other non-current financial assets	3,268		2,561	707
Amortization and provisions	**15,559**	**4**	**2,561**	**13,002**

3.2 Expenses amortized over several periods

(in €000)	12/31/08	Increases	Decreases	12/31/09
Expenses amortized over several periods [1]	40		40	

[1] Expenses amortized over several periods pertained to issue costs on the OBSAR bonds, which were repaid in March 2009.

3.3 Maturity of receivables

(in €000)	12/31/09	Up to 1 year	1 to 5 years	More than 5 years
Current assets and prepaid expenses	68,500	4,926	63,575 [1]	
TOTAL	**68,500**	**4,926**	**63,575**	

[1] Cegid SA borrowing account.

3.4 Revenue accruals included in the balance sheet

Trade receivables and related accounts: €877 thousand.

3.5 Prepaid expenses

Prepaid expenses totaled €31 thousand at December 31, 2009. They pertained to normal expenses related to the ordinary operations of the Company.

3.6 Impairment

(in €000)	12/31/08	Increases	Decreases	12/31/09
Intangible assets (value of HCS business)	447			447
Non-current financial assets	15,112	4	2,561	12,555
TOTAL	**15,559**	**4**	**2,561**	**13,002**
Provisions and reversals: - operating				
- financial		4	2,561	
- extraordinary				

3.7 Asset items – related parties

(in €000)	12/31/09	of which related parties
Non-current financial investments (gross)	148,900	140,907
Equity investments and related receivables	140,407	140,407
Other long-term investments [(1)]	8,214	500
Long-term receivables from the liquidity contract	279	
Provisions on non-current financial assets	-12,555	-11,848
Non-current financial assets (net)	136,345	129,059
Trade receivables (gross)	68,469	68,232
Provisions for bad debts		
Trade receivables (net)	68,469	68,232
Prepaid expenses	31	-

(1) Other long-term investments included treasury shares of €7,197 thousand, against which a provision of €707 thousand was recognized (average December price: €16.03).

3.8 Marketable securities

(in €000)	Gross value	Market value at 12/31/09
Shares of mutual funds	3,208	3,208
Provisions		
TOTAL	**3,208**	**3,208**

4. NOTES ON LIABILITIES AND SHAREHOLDERS' EQUITY

4.1 Share capital

During the 2009 fiscal year, 360 BSARs were exercised, leading to the issuance of 378 new shares with a par value of €0.95 and a total share premium amount of €9,879.

At December 31, 2009, Cegid Group's capital consisted of 9,233,057 shares with a face value of €0.95, i.e., €8,771,404.15.

4.2 Changes in shareholders' equity

(in €000)	Share capital	Share premium	Reserves	Retained earnings	Net income for the year	Regulated provisions	Total
Shareholders' equity at December 31, 2008	8,771	95,726	895	7,749	12,871	8	126,020
Allocation of 2008 net income [(1)]				3,639	-12,871		-9,232
Capital increase		10					10
Net income for the year					10,882		10,882
Other changes [(2)]				423		37	460
Shareholders' equity at December 31, 2009	8,771	95,736	895	11,811	10,882	45	128,140

(1) According to the allocation of net income and distribution of dividends approved by shareholders at their Ordinary Meeting of May 12, 2009.

(2) Changes resulting from dividends on treasury shares and the special amortization of costs related to the acquisition of Civitas.

4.3 Provisions for contingencies and losses

None.

4.4 Accrued expenses included in the balance sheet

(in €000)	12/31/2009
Interest expense on borrowings	247
Trade payables	226
Tax and employee-related liabilities	8
Other liabilities (director's fees)	100
TOTAL	**582**

4.5 Liability items - related parties

(in €000)	12/31/2009	of which related parties
Financial debt	76,144	7,897
Operating liabilities	3,781	209
Miscellaneous liabilities	104	4
TOTAL	**80,029**	**8,110**

4.6 Maturity of liabilities

(in €000)	12/31/09	Up to 1 year	1 to 5 years	More than 5 years
Credit lines		4,247	64,000	
Misc. financial liabilities	7,897	7,897		
Accounts payable and similar accounts	569	569		
Tax and employee - related liabilities	3,212	3,212		
Other liabilities	104	104		
TOTAL	**80,029**	**16,029**	**64,000**	**-**

5. NOTES TO THE INCOME STATEMENT

5.1 Breakdown of revenue by type of business

(in €000)	2009	2008
Fees for use of Cegid Group's brand image and facilities	4,333	4,306
Other (re-invoicing)	245	
TOTAL	**4,578**	**4,306**

5.2 Financial income and expense

(in €000)	2009	of which related parties
Financial income		
Dividends and other income from equity investments	9,641	9,641
Capital gains on sale of marketable securities	31	
Interest on intercompany accounts	1,351	1,351
Provisions reversed [1]	2,561	2,561
Other financial income	3	
TOTAL	**13,587**	**13,553**
Financial expense		
Interest on bonds	270	
Interest on borrowings (syndicated loan)	1,208	
Provisions [2]	4	4
Interest on intercompany accounts	80	80
Other expenses	153	
TOTAL	**1,715**	**84**
Net financial income	**11,871**	**13,469**

[1] Reversal of impairment provision on treasury shares.
[2] Impairment of Cegid Services shares.

5.3 Extraordinary gains and losses

(in €000)	2009	of which related parties
Extraordinary gains		
On operating items [1]	209	
Reversals of provisions for contingencies and losses		
TOTAL	**209**	
Extraordinary losses		
On operating items		
Special amortization and provisions	37	
TOTAL	**37**	
Net extraordinary gain/loss	**172**	**-**

[1] Income from transactions under the liquidity contract amounted to €208 thousand.

5.4 Increases and reductions of future tax liabilities

(in €000)	Amount	Income tax
Reductions	7	2
Provisions not yet deductible		
Accrued expenses not yet deductible	7	2
Increases		

5.5 Breakdown of corporate income tax

(in €000)	Pre-tax income	Tax and profit-sharing	Net income
Pre-tax income	11,953	1,013	10,940
Net extraordinary gain/loss	172	59	113
Impact of tax consolidation		171	(171)
Net income	**12,125**	**1,243**	**10,882**

5.6 Tax consolidation

On January 1, 2000, Cegid Group opted for tax consolidation treatment. The following companies are included in the tax consolidation group:

- Servant Soft SARL, Siren 318 762 192
- CGO Informatique SARL, 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
- Civitas SA, Siren 384 626 578

Comptanoo SAS, Siren 428 714 299 exited from the tax consolidation group on January 1, 2009.

Cegid Group is the tax consolidation group's lead company. The taxes covered under this system are corporate income tax and the "social contribution".

According to the terms of the Group's tax consolidation agreement, the parent company holds a receivable from the subsidiary of an amount equal to the tax the subsidiary would theoretically have had to pay in the absence of the agreement. The tax savings realized by the group are recognized by the parent company and recorded as non-taxable income.

Opinion 2005-B issued on March 2, 2005 by the Urgent Issues Committee concerning the recognition of a provision at a parent company benefiting from tax consolidation treatment has no significant impact on Cegid Group's financial statements.

Application of the tax consolidation agreement resulted in a tax consolidation expense of €1,243 thousand in fiscal year 2009 (including tax on Cegid Group income).

6. MISCELLANEOUS NOTES

6.1 Average number of employee

	2009	2008
Management level [1]	1	1
Non-management level		
TOTAL	**1**	**1**

[1] Executive officer.

6.2 Commitments

6.2.1 Commitments given

None.

6.2.2 Commitments received

Commitments received as asset and liability guarantees in connection with acquisitions

(in €000)	Up to 1 year	1 to 5 years	More than 5 years
Commitments subject to limitations		3,000	

Asset and liability guarantees following the acquisition of Civitas.

Bank lines of credit

(in €000)	2010	2011	2012	2013
Drawdown authorizations	194,000	160,000	126,000	2,000
of which utilized	68,000			

At December 31, 2009, Cegid had a syndicated line of credit totaling €198 million (original total: €200 million), which broke down as follows:

- a loan originally totaling €20 million and totaling €18 million on December 31, 2009, and amortizable in tranches of €4 million over a period of five years beginning on the date of the first drawdown, March 3, 2009.
- a €180 million loan, repayable at maturity, under which, 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. The amount has thus been reduced to €150 million from June 30, 2011 and €120 million from June 30, 2012 until June 2013.

6.3 Disputes

None.

6.4 Other information: compensation

For fiscal year 2009, gross compensation paid to members of the governing bodies totaled €100 thousand (directors' fees).

As CEO of Cegid Group, Mr. Bertrand receives annual gross compensation of €60 thousand.

Jean-Michel Aulas and Patrick Bertrand have been employees of ICMI since 1999. In this capacity, they receive most of their compensation from ICMI, which invoices Cegid Group for management assistance services.

6.5 Fees paid to the Statutory Auditors and members of their networks

(in €000)	GRANT THORNTON Amount	GRANT THORNTON %	MAZARS Amount	MAZARS %
Audit				
Auditing of consolidated and parent company financial statements	94	97%	94	100%
Related assignments				
Sub-total	94	97%	94	100%
Other services	3	3%		
TOTAL	**97**	**100%**	**94**	**100%**

6.6 Significant events subsequent to closing

None.

6.7 Information concerning subsidiaries, associates and securities

Group company	Share capital	Shareholders' equity before earnings allocation	Percentage of capital held (%)	Gross carrying amount of shares held	Net carrying amount of shares held	Outstanding loans and advances granted by the Company and not yet repaid	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 69 279 Lyon	18,606,860	132,128,928	100%	99,509,909	99,509,909	63,574,577	216,922,335	12,228,370	4,651,714
Quadratus SA 350 av. Gautier de la Lauziere 13 856 Aix En Provence	1,500,000	7,698,274	100%	18,440,000	18,440,000		21,115,412	4,842,720	4,979,980
Civitas SA 10-12 bd de l'Oise 95 031 Cergy Pontoise	1,000,000	3,886,837	100%	10,235,785	10,235,785	1,918,000	12,801,071	-150,511	
Cegid Services SAS 52 quai Paul Sédallian 69 279 Lyon	37,365	373,705	99,89%	12,221,429	373,705			-3,811	
2. Associates (between 10 and 50% of the capital 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				779,747	779,747				

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, 2009, 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 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 year-end financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit consists of examining, on a test basis, or by other selection methods, the evidence supporting the information contained in these financial statements. It also consists of assessing the accounting principles applied, the significant estimates used in preparing the financial statements and their overall presentation. We believe that the information we have collected is sufficient and appropriate to form a basis for our opinion.

We certify that the year-end financial statements, from the standpoint of French accounting rules and principles, give a true and fair view of the results of operations for the fiscal year then ended, as well as the Company's financial position and assets at the end of the year.

II – Basis for assessment

Pursuant to the provisions of Article L.823-9 of the French Commercial Code regarding the basis for our assessment, we call your attention to the following item:

- Cegid Group SA's property, plant & equipment includes net equity investments amounting to €128,559 thousand as reported on the year-end balance sheet. They are valued according to the methods described in paragraph 2.2 of the notes.

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, in accordance with accounting standards applicable in France, the specific verifications required by law.

We have no matters to report on the fair presentation of the information provided in the Board of Directors' management report and in the documents sent to shareholders concerning the financial situation and year-end financial statements, or the consistency of this information with the year-end financial statements.

Concerning the information given in accordance with the requirements of Article L.225-102-1 of the French Commercial Code relating to compensation and benefits received by the executive officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we certify the accuracy and fair representation of this information.

As required by French law, we have verified that the information concerning the identity of the shareholders (and holders of voting rights) has been disclosed in the Management Report.

Lyon and Villeurbanne, April 16, 2010

The Statutory Auditors

MAZARS
Max Dumoulin

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.

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 and validity. According to Article R.225-31 of the French Commercial Code, it is your responsibility to assess whether it is in your interest to enter into these agreements and commitments before approving them.

1 Absence of notification of any agreements or commitments

We hereby inform you that we have not been advised of any agreements or commitments entered into in 2009 and subject to the provisions in article L.225-38 of the French Commercial Code.

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 also been advised that the following agreements and commitments, approved during previous fiscal years, remained in force during the past fiscal year.

2.1 Cash management agreement

The advances granted in the context of the cash management agreement bear interest on the basis of 3-month Euribor with a margin, differentiated as follows:

- 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 in €000 at 12/31/2009	Income (expense) recognized in €000
Quadratus	Cegid Group	7,232	(77)
Cegid Services	Cegid Group	371	(4)
Cegid Group	Civitas	1,918	23
Cegid Group	Cegid	63,574	1,328

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 will be tied to changes in the Syntec index.

The amount recognized in fiscal year 2009 was broken down as follows:

- fixed amount, tied to the Syntec index: €2,087 thousand
- variable amount equivalent to 5% of consolidated net income: €868 thousand

2.3 Coordination, consulting, management assistance

Coordination, consulting, management and strategy services provided by Cegid Group to Cegid, Quadratus and Civitas.

Fees paid pursuant to these agreements totaled 0.7% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries, Quadratus and Civitas.

The amount of fees invoiced by Cegid Group for the 2009 fiscal year was:

- Cegid = €1,548 thousand
- Quadratus = €147 thousand
- Civitas = €90 thousand

2.4 Fee for the use of Cegid Group's brand identity and facilities

Fee for the use of Cegid Group's brand image and facilities by Cegid, Quadratus and Civitas.

Fees paid pursuant to these agreements totaled 1% of the sales (excluding VAT and re-invoiced expenses) of Cegid and its subsidiaries, Quadratus and Civitas.

The amount of fees invoiced by Cegid Group for the 2009 fiscal year was:

- Cegid = €2,211 thousand
- Quadratus = €210 thousand
- Civitas = €128 thousand

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.

Lyon and Villeurbanne, April 16, 2010

The Statutory Auditors

MAZARS	**GRANT THORNTON**
Max Dumoulin	François Pons

"Corporate Governance"

Report of the Chairman of the Board of Directors on the preparation and organization of the Board's work, on any limitations applying to the powers of the Chief Executive Officer and on the internal control procedures set up by Cegid

In accordance with the requirements of Article L.225-37 paragraph 6 of the French Commercial Code, the following report explains how the work of the Board of Directors is prepared and organized, how the senior management team operates, and describes the internal control and risk management procedures the Company and its subsidiaries have put in place.

Cegid refers to the AFEP/MEDEF code of corporate governance and to the 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.225-37 of the French Commercial Code, this report specifies the AFEP/MEDEF recommendations that 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 11 members, including nine individual directors and two corporate members. Among these 11 directors, four can be considered 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:

- Mr. Jean-Michel Aulas, Chairman of the Board of Directors;
- 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;
- Jacques Matagrin, Director;
- Lucien Deveaux, Director;
- Michel Reybier, Director;
- Benoît de Rodellec du Porzic, 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.

This charter provides for the use of teleconferencing and videoconferencing under terms and conditions set forth by law. The Board of Directors meets four to ten times a year, according to events concerning the Company. It met four times in 2009. The Statutory Auditors are invited to all meetings of the Board of Directors. Meetings are called by the Chairman of the Board via post and fax. The average time period for convening the Board is about 15 days, and a tentative annual schedule is established at the beginning of the year. Meetings are held at the head office, and the majority of directors were present at those held in 2009, either physically, by teleconference or videoconference. The average attendance rate was around 80%.

Confidential documents are distributed to directors at Board meetings and, if necessary, prior thereto, so as to present the items upon which they will be asked to decide.

During fiscal year 2009, the Board of Directors focused on the following topics:

- Implementation of the strategic partnership between Groupama and Cegid, to be expressed, in particular, through the new Comptanoo joint venture;
- Cegid's strategy and positioning, in particular with regard to technology, on its various markets and target customer groups;
- First-half and full-year results for the fiscal year;
- An incentive plan for senior management.

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, ICMI (represented by Patrick Bertrand), Apax Partners (represented by Edgard Misrahi), 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 proposed large transactions.

In its meeting of July 22, 2009, the Board of Directors created an Audit Committee, in compliance with European Directive 2006/43, transposed into French law by Act 2008-649 of July 3, 2008, which includes various provisions for adapting French company law to EU law, and by Decree 2008-1278 of December 8, 2008, regarding the requirement to implement an audit committee.

This Audit Committee oversees in particular:

- the preparation of financial information;
- the effectiveness of internal control and risk management systems;
- the auditing of annual financial statements and, if applicable, of consolidated statements by the Statutory Auditors.

At its meeting of July 22, 2009, the Board of Directors appointed the following members to the Audit Committee:

- Jean-Michel Aulas;
- Christian Collin;
- Apax Partners, represented by Edgard Misrahi;
- Franklin Devaux;
- Jacques Matagrin.

We reiterate that, in accordance with applicable regulations, all of the members of the Committee are also members of the Board of Directors.

Finally, we reiterate that the Company has no Appointments Committee for Board members and executive officers. In accordance with the law, the Company's bylaws and the Board's charter, the Board proposes candidates for the Board to shareholders, who alone have the right to appoint directors or renew their terms, via a vote at the Annual Shareholders' Meeting. The Board chooses candidates on the basis of their skills and knowledge of a business sector in which Cegid is active.

2. Compensation and benefits granted to executive officers

Pursuant to Article L.225-37 paragraph 9 of the French Commercial Code, 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, director's fees represent the only form of compensation executive officers receive from Cegid Group, except for the compensation the CEO receives with regard to his appointment, as indicated below. The Board of Directors distributes these director's fees to its members according to their presence at meetings. There is an additional weighting for the Chairman and the CEO and for the members of the Strategy Committee.

As Board members receive no compensation outside of the above-mentioned director's fees, there is no compensation committee. Should a stock-option plan, a bonus share plan or more generally, incentives in favor of executives on the Board be proposed, the Strategy Committee would first examine the plan. The Board, acting on an authorization granted by shareholders in a Special Shareholders' Meeting, would then make its decision.

The CEO receives fixed compensation from Cegid, as determined by the Board of Directors. Most of his compensation, however, is paid by ICMI, of which he has been a salaried employee since 1999.

The detail of compensation paid to executive officers can be found in the Management Report, on page 56 of this Reference Document.

On December 30, 2008, the Company published a press release indicating that the Board of Directors considered the AFEP/MEDEF recommendations to be an integral part of the Company's corporate governance. In accordance with the AFEP/MEDEF recommendations of October 6, 2008 and that of the *Autorité des Marchés Financiers*, issued on December 22, 2008, the tables on pages 115 and 116 of this Reference Document also include information concerning the compensation of executive officers, the Chairman and the CEO.

3. Powers of the CEO

At its meeting of December 20, 2002, the Board of Directors opted, pursuant to Article 16 II of the bylaws, harmonized with the New Economic Regulations Act of May 15, 2001, to dissociate the functions of Chairman of the Board and Chief Executive Officer.

Patrick BERTRAND exercises the functions of Chief Executive Officer. The Board of Directors has limited the powers of the CEO. Generally speaking, decisions that fall outside the scope of day-to-day management, as listed below, shall be submitted to the Board of Directors for prior authorization:

- constitution of guarantees, mortgage loans, collateral except for bank guarantee requests for the purpose of guaranteeing payment of rent for commercial premises as well as any request for guarantee involving the signature of commercial contracts pertaining to day-to-day management;
- alienation of buildings;
- total or partial sale of the intangible value of the business;
- acquisitions and new 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 after having solicited, in accordance with applicable law, the opinion of the Company's Central Works' Council.

4. Composition of share capital - Participation in Annual Shareholders' Meetings

The composition of share capital as of December 31, 2009 is shown in the Management Report for the 2009 fiscal year, on page 54 of this Reference Document.

Conditions for attending and participating in Annual Shareholders' Meetings are indicated in Articles 20-28 of the bylaws.

5. Internal control and risk management

5.1 Internal control

5.1.1 Definition of internal control and the Company's goals

Cegid defines internal control as a set of procedures determined and used by management so as to achieve the following objectives:

- ensure that corporate operations, transactions and the day-to-day work of employees comply with the guidelines set down by the Board of Directors and are carried out by the various committees in accordance with regulations, principles, standards and methods applicable to the Company;
- map, foresee and control the identified risks resulting from the company's business, in particular in the areas of finance, accounting and organization;
- ensure reliability of operational and financial information;
- protect the Company's assets;
- optimize operational activities on the basis of established procedures and by assessing performance.

5.1.2 Organization of internal control

Cegid Group's internal control was articulated around the same principles and rules as those already existing in the Group and strengthened in early 2009 with the creation of an Organization department in charge of tracking all operating processes.

Cegid's Executive Committee, Expanded Executive Committee, the CEOs and Delegated/Deputy CEOs of the operating subsidiaries are responsible for implementing the strategy approved by the Board of Directors of Cegid Group and its subsidiaries, for identifying any risks inherent to the activities carried out by the companies in the Group and for ensuring that internal control procedures are properly applied. The Executive Committee meets in general once a month. It can also meet at other times to make important corporate decisions, for example on acquisitions, alliances, financing or labor negotiations.

Similarly, the Cegid Management Committee, comprised of the principal operational managers at Cegid, also helps carry out the Group's strategy and high-priority action plans. The Management Committee met four times during the year. The Strategy Committees in the operating areas, each under the responsibility of a 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 2009 fiscal year, the Strategy Committees in the operating areas have met regularly.

Internal control is based on a set of procedures administered by the Organization department together with the CFO's office and all operating departments and made available to the Company's governing bodies. These procedures, covering the Purchasing, Investment, Sales, Human Resources and Research & Development cycles, as well as contractual commitments, are available on the Company's intranet or directly brought to the attention of managers and staff members. In parallel, departmental memos or internal messages, sent regularly to the various operational managers, allow additional information to be disseminated on the implementation of these procedures. The internal control procedures currently in effect at Cegid are also progressively applied to acquired companies, primarily as they pertain to procedures for expense and investment commitments, human resources, contractual commitments and signature authorization.

In 2009, internal control procedures and their implementation were improved in the following ways: i) procedures for identifying and monitoring risks were improved, ii) audits were carried out from time to time to improve operational management and iii) together with the Organization department, procedures for integrating companies acquired as part of the Group's growth strategy were optimized, leveraging Cegid's experience in this regard. In addition, the Group initiated an IT Systems Security Policy that will lead gradually to action plans for better management of the associated risks.

In 2010, efforts to improve internal control procedures and their implementation will have a dual focus: i) building on last year's work, making operational processes more fluid by associating specific internal control objectives with them, and ii) installing specific risk management software to make the internal control system easier to administer, easier to understand and more accessible.

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 – and the Finance Department.

The Internal Control department, a sub-department of Management Control and Internal Control within the Finance division, continued its activities in 2009. In 2009, the department helped strengthen the degree of control over operations and develop recommendations for improving it.

The Internal Control department is responsible for managing the process of internal control and for carrying out audits scheduled by the Finance Department and unscheduled audits as requested by Senior Management.

Furthermore, the Statutory Auditors monitor the effectiveness and usefulness of the procedures from an external point of view within the framework of their work in accordance with professional standards.

5.2.1 Accounting and management system

The accounting and management system, under the responsibility of the CFO, the Accounting Manager and the Internal Control Manager includes the following features:

- budgeting and monthly variance analysis procedures, both summary and detail;
- daily business reporting to the Executive Committee and operational managers;
- monthly reporting, prepared with a management reporting software package and submitted for examination to the Executive Committee and the Executive Committees of the operating subsidiaries. These reports contain information regarding i) the business activities of the period under review in comparison with the budget (and for information, with previous years) and on the financial situation of the Company and the Group, and ii) key performance indicators pertaining to the Company's business activities;
- daily reports on aspects of financial management, such as cash flow and days' sales outstanding, and on organizational items;
- rules for signature authority and for the authority to undertake expenditures and investments are applied in accordance with the separation of executive functions.

5.2.2 Human resources management system

Given the nature of the Company's business, the management and control of human resources, under the responsibility of the Human Resources Manager, is of key importance. It focuses in particular on:

- recruitment of employees, validated by the Human Resources Department, the manager to whom the new employee will report and in some cases, Senior Management;
- compensation management, and in particular the variable portion, which is validated monthly by the various departmental managers with regard to the extent to which the goals set for each employee have been reached;
- skills management;
- integration and training;
- regulations concerning health, safety and working conditions, for which the persons in charge of each location are responsible. These individuals have specific powers delegated to them;
- training in and enforcement of building safety and security procedures;
- relationships with personnel representatives and application of the legislative and management rules appropriate thereto.

5.2.3 Internal control at the operational level

In general, procedures have been developed in the various business activities to ensure that identified risks related thereto are monitored and that business tracking measures are developed and formalized, pertaining in particular to:

- Research & development and IT security, areas under the responsibility of the Deputy CEO:
  - decision-making and monitoring of research and development expenditure under the impetus and responsibility of the Technical Manager and the relevant operating division 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 product registrations with the appropriate authorities;
- procedures for security, backup and monitoring of IT applications in use, internet access, hardware and hosting platforms, and more generally, procedures for remote premises dedicated to IT resources.

- Services:
  - customer services activities, through business follow-up indicators (activities pertaining to training and deployment, customer support hotline, maintenance, etc.).

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.

Within the Finance division, the Accounting department produces and verifies financial and accounting information. This information is checked by the Statutory Auditors who carry out verifications in accordance with the standards in effect. As Cegid Group is listed on Euronext Paris (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, 2009.

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
- certify that the report includes the other information required under Article L.225-37 of the French Commercial Code, with the proviso that it is not our responsibility to verify the fairness of this information.

We conducted our work in accordance with French professional standards.

Information on internal control and risk management relative to the preparation and processing of accounting and financial information

The standards of the profession require that we perform procedures designed to evaluate the fairness of the information contained in the Chairman's report on internal control and risk management procedures pertaining to the preparation and processing of accounting and financial information.

These procedures consist in particular in:

- examining the internal control and risk management procedures related to the preparation and processing of the financial and accounting information underlying the information presented in the Chairman's report, as well as existing documentation;
- examining the work leading up to the preparation of this information and the existing documentation;
- determining whether there is appropriate disclosure in the Chairman's report of any important deficiencies in internal control related to the preparation and processing of financial and accounting information that we may have discovered in the course of our assignment.

On the basis of our work, we have no observations to make regarding the Company's internal control and risk management procedures related to the preparation and processing of financial and accounting information, as presented in the report of the Chairman of the Board, prepared in accordance with Article L.225-37 of the French Commercial Code.

Other information

We certify that the report of the Chairman of the Board of Directors includes the other information required under Article L.225-37 of the French Commercial Code.

Lyon and Villeurbanne, April 16, 2010

The Statutory Auditors

MAZARS
Max Dumoulin

GRANT THORNTON
François Pons

Board of directors

As of April 15, 2010, Cegid Group's Board of Directors was composed of 11 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 11 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: four in 2009. 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 this committee is to plan the Group's general orientation, its business development strategy and its implementation by the Board of Directors. As of April 15, 2010, the committee was composed of Jean-Michel Aulas, ICMI (represented by Patrick Bertrand), Franklin Devaux and Christian Collin. By a letter dated April 12, 2010, Apax Partners, represented by Edgard Misrahi, resigned from the Strategy Committee, with immediate effect.

The Strategy Committee studies the business development plan, management reports and forecasts prepared by the Company's management. The Committee is also consulted on proposed large transactions.

The Strategy Committee met seven times in 2009, with a majority of Committee members in attendance.

In its meeting of July 22, 2009, the Board of Directors created an Audit Committee, in compliance with European Directive 2006/43, transposed into French law by Act 2008-649 of July 3, 2008, which includes various provisions for adapting French company law to EU law, and by Decree 2008-1278 of December 8, 2008, regarding the requirement to implement an audit committee.

This Audit Committee oversees in particular:

- the preparation of financial information;
- the effectiveness of internal control and risk management systems;
- the auditing of annual financial statements and, if applicable, of consolidated statements by the Statutory Auditors.

At its meeting of July 22, 2009, the Board of Directors appointed the following members to the Audit Committee:

- Jean-Michel Aulas;
- Christian Collin;
- Apax Partners, represented by Edgard Misrahi;
- Franklin Devaux;
- Jacques Matagrin.

We reiterate that, in accordance with applicable regulations, all of the members of the Committee are also members of the Board of Directors.

Christian Collin was named Chairman of the Audit Committee at the Committee's February 23, 2010 meeting.

As of April 15, 2010, the Board of Directors was composed of the following members:

- Jean-Michel Aulas;
- Christian Collin;
- Franklin Devaux;
- Jacques Matagrin.

By a letter dated April 12, 2010, Apax Partners, represented by Edgard Misrahi, resigned from the Strategy Committee, with immediate effect.

Executive committee

The Group Executive Committee includes the senior managers of the Company's functional and operational divisions.

As of March 31, 2010, it was composed of the following members:

- Patrick Bertrand, Chief Executive Officer;
- Nathalie Echinard, Executive Director;
- Jean-François Marcel, Executive Director;
- Antoine Wattinne, Executive Director;
- Valéry Tarondeau, Executive Director;
- Jean-Louis Decosse, Technical Director;
- Pierre Dianteill, Director, Marketing and International;
- Pascal Guillemin, Director of Human Resources;
- Christian Loyrion, Director of Operations;
- 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 80 people) meets at least once a year.

Executives' percentage ownership of the Company's share capital

To the Company's knowledge, as of March 31, 2010, members of the Board of Directors held 502,979 shares or 5.45% of the capital, representing 9.66% of the voting rights.

Compensation and benefits-in-kind allocated during the most recent fiscal year

a) Director compensation

In their Ordinary Meeting, shareholders voted to allocate a total of €100,000 as director's fees to be paid to members of the Board of Directors in respect of the 2009 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 Chairman and the CEO and the members of the Strategy Committee.

In 2009, the gross amounts paid in respect of fiscal year 2008 were as follows:

- Jean-Michel Aulas €15,000
- Patrick Bertrand €15,000
- Christian Collin [1] €7,500
- Benoît Maes [2] €5,500
- Franklin Devaux €11,100
- Apax Partners €11,100
- Eurazeo €7,500
- Jacques Matagrin €10,900
- Lucien Deveaux €9,100
- Jean-Luc Lenart €7,300

[1] The director's fees were paid to Groupama.
[2] The director's fees were paid to GAN.

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 55 of this Reference Document, 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 Olympique Lyonnais Groupe and Cegid Group, which represent combined proforma sales of €427 million and a combined workforce of 2,372. 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 the Chairman and the CEO

(in €000)	2009	2008
Jean-Michel Aulas, Chairman		
Compensation in respect of the fiscal year (detailed in table 2)	1,179	1,295
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the date of grant	NA	168
TOTAL	**1,179**	**1,463**
Patrick Bertrand, Chief Executive Officer		
Compensation in respect of the fiscal year (detailed in table 2)	605	670
Valuation of options granted during the year	NA	NA
Value of bonus shares as of the date of grant	NA	168
TOTAL	**605**	**838**

NA: Not applicable.

Table 2: summary of the Chairman's and CEO's compensation

(in €000)	2009		2008	
	Amounts due [1]	Amounts paid in respect of the fiscal year [1]	Amounts due [1]	Amounts paid in respect of the fiscal year [1]
Jean-Michel Aulas, Chairman				
- Fixed compensation	649	649	562	562
of which director's fees	19	19	19	19
- Variable compensation [2]	501	277	703	418
- Collective performance bonus and employee savings plan	17	17	17	16
- Benefits-in-kind	12	12	13	13
- Post-employment benefits: "Article 83" supplementary pension plan	NA	NA	NA	NA
TOTAL	**1,179**	**955**	**1,295**	**1,009**
Patrick Bertrand, Chief Executive Officer				
- Fixed compensation	353	353	350	350
of which director's fees	21	21	21	21
- Variable compensation [2]	223	203	290	187
- Collective performance bonus and employee savings plan	19	19	19	18
- Benefits-in-kind	4	4	5	5
- Post-employment benefits: "Article 83" supplementary pension plan	6	6	6	6
TOTAL	**605**	**585**	**670**	**566**

[1] Corresponds to annual gross compensation before tax.
[2] Variable compensation is based principally on the consolidated earnings of Olympique Lyonnais Groupe and Cegid Group.

Table 3: director's fees paid to other executive officers of Cegid Group

(in €000)	Amounts paid in 2010 in respect of 2009 (gross)	Amounts paid in 2009 in respect of 2008 (gross)
Franklin Devaux	9	11
Apax Partners	12	11
Eurazeo	NA	8
Jacques Matagrin	10	11
Lucien Deveaux	2	9
Jean-Luc Lenart	10	7
Christian Collin (paid to Groupama)	12	8
Benoît Maes (paid to GAN Assurances Vie)	7	5
Benoît de Rodellec du Porzic	8	NA
TOTAL	**70**	**70**

Director's fees paid to the Chairman and the CEO:

(in €000)	Gross amounts paid in 2010 in respect of 2009 [1]	Gross amounts paid in 2009 in respect of 2008 [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:

The Chairman and the CEO	Employment contract	Supplementary pension plan	Amounts or benefits due or that might be due in the event of termination or change in function	Compensation for non-competition clause
Jean-Michel Aulas Chairman of the Board of Directors Date term began 1st appointment 6/20/1983 Date term expires Shareholders' Meeting approving 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 12/31/2009	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.

The other tables mentioned in the AMF recommendation published on line on December 22, 2008 do not apply and have not been completed.

c) Compensation paid to the Chairman and the CEO during the fiscal year 2009

Gross compensation paid by Cegid Group and its subsidiaries during fiscal year 2009 to salaried members of the Group Executive Committee totaled €1,921 thousand. Jean-Michel Aulas and Patrick Bertrand receive the main share of their compensation from ICMI, Cegid's lead shareholder (see pages 55 and 56).

Agreements with the Chairman, the CEO or directors - benefits and loans

Agreements pursuant to Articles L.225-38 et seq. of the French Commercial Code are reported on pages 104 and 105 of this document.

Since the closing of fiscal year 2009, no new agreements, benefits or loans have been granted to the Chairman, the CEO or to directors.

Employee profit-sharing and bonus plans

Subsequent to the partial asset contribution between Cegid Group and Cegid, Cegid Group has had no employees since November 30, 2006. Most of the companies in the Group have a collective performance bonus plan, an employee savings plan and a statutory employee profit-sharing agreement. Matching contributions to employee savings plans totaled €0.62 million.

For fiscal year 2009, the total amount of profit-sharing paid was €0.66 million and the amount of collective performance bonuses was €3.2 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 2009	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, Chairman Quadratus (1), Chairman Cegid Services, Director Civitas (2), Director L'Ambassade Limited, Member Cegid Group Audit Committee. (3)	Chairman Cegid Group, Chairman ICMI, Chairman & CEO Cegid, Chairman Holding Cegid Services, 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, 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 Servant Soft (4), Director Expert & Finance, Director & Vice-Chairman Figesco, Figesco rep. on Alta Profits Supervisory Board, Chairman (5) & Director L'Ambassade Limited, Perm. rep. ICMI, Member of OL Groupe Audit Committee, Director Civitas (2), Perm. rep. ICMI on OL Groupe Stadium Investment Committee.	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, Director Servant Soft, Director GTI Industrie, Director PMISoft, Director Expert & Finance, Director and Vice-Chairman Figesco, Figesco rep. Supervisory Board of Alta Profits, Perm. rep. ICMI member of OL Groupe Audit Committee, Alternate Director L'Ambassade Limited.
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, Member Cegid Group Audit Committee. (3)	Director Cegid Group, Director Fondation Nicolas Hulot, Director Aéro Club de France, Director Citizengate, Director Falconsecurigate, Chairman Ascendance SAS, Director Proteus Hélicoptères.
Lucien Deveaux	November 4, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		CEO FRD Holding SAS, CEO RFD Participations SAS, CEO Grange Tambour Participations SAS, Board member Deveaux SA, Chairman Supervisory Board Armand Thiery, Chairman Supervisory Board Ecce SA, Chairman Devlocation, 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 Aclam SARL, Chairman Les Sources SC, Director & member Supervisory Board Rhapso SA, Chairman Supervisory Board Kayentis SAS, Member Supervisory Board LowendalMasai.	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, Member Supervisory Board Clearvision.
Jacques Matagrin	June 12, 2002	Shareholders' Meeting approving the 2013 financial statements	Director	Chairman, Noirclerc Fenetrier Informatique	Chairman Tout Lyon, Director OL Groupe, Member OL Groupe Stadium Investment Committee, Chairman Association OL, Director OL Voyages, Chairman Noirclerc Fenêtrier Informatique NFI SARL, Chairman JM Investissement, Chairman SCI Duvalent, Director Bemore (Switzerland), Member Cegid Group Audit Committee. (3)	Director Cegid Group, Chairman Tout Lyon, Director Eurazis, Director OL Groupe, Member OL Groupe 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).
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, Chairman Financière Midmarket SAS, Chairman SE Bizet, Member TS Apax Partners SA on Board of Arkadin Holding SAS, Member Cegid Group Audit Committee. (3) (7)	**Edgard Misrahi** Perm. rep. Apax Partners on Board of Cegid Group, Delegated CEO Apax Partners SA, Director Hubwoo.com, Director Dxo Labs, Director Groupe Outremer Telecom, Director Prosodie, Perm. rep. Apax Partners on Board of Arkadin, Perm. rep. Apax Partners on Board of Altran Technologies, Director Camelia Participations, Chairman Supervisory Board InfoPro Communications, Member CT ETAI, Chairman Carmel, Chairman Info Invest, Chairman & partner Cassiopée, Non-voting director Oseo Garantie, Chairman Apax Partners Midmarket, Chairman Financière Midmarket, Chairman Tsingma, Director Webraska, Director Webraska Mobile Technologies, Chairman Supervisory Board Hubwoo.com, Member Supervisory Board Amboise Investissement, Director Antalis, CEO Société Européenne Kléber, Member CE Fintel, Chairman Supervisory Board Webraska Mobile Technologies, Member Supervisory Board Hubwoo.com, Chairman Fintel.
Christian Collin	February 1, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Member Supervisory Board Gimar Finance & Compagnie, Chairman Fondation Groupama – Gan pour le Cinéma, Perm. rep. Groupama SA on Board of Silic, Director Banque Postale Assurances IARD, Vice-Chairman & Director Groupama Banque, Chairman Groupama Asset Management, Chairman Groupama Immobilier, Chairman Compagnie Foncière Parisienne, Chairman Groupama Private Equity, Director Star (Tunisia), Member Cegid Group Audit Committee. (3)	Director Assuvie, Director Capsauto, Director Caisse Centrale de Réassurance, Director Groupama International, Director Synaps.
Michel Reybier	May 21, 1997	Shareholders' Meeting approving the 2014 financial statements	Director		Chairman Domaines Reybier, Chairman MJ France, Director EIG Hélipart, Director Pebercan.	Director Cegid Group, Chairman Domaine Reybier, Chairman MJ France, Director GIE Hélipart, Director Pebercan.

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 2009	Positions held over the previous four fiscal years
Benoît Maes	May 7, 2008	Shareholders' Meeting approving the 2013 financial statements	Director		Chairman France Gan, Non-director CEO Gan Assurances, Non-director CEO Gan-Assurances Vie, Vice-Chairman Reunima, Perm. rep. Gan Assurances on Board of Groupama Systèmes d'Information - Groupama SI EIG, Perm. rep. Groupama Gan Vie on Board of Groupama Systèmes d'Information – Groupama SI EIG, Perm. rep. of Groupama Gan Vie, Chairman SCI Vieille Voie de Paray, Chairman Gan Investissement Foncier, Chairman Gan Saint Lazare. [6]	Director Cegid Group, CEO Gan Assurances Vie, Chairman Ameri-Gan, Chairman Assuralpes, CEO & Director Assu-Vie, Chairman France Gan, non-Director CEO Gan Assurances, Chairman RIP EIG, Director Groupama Epargne Salariale, non-Director CEO Groupama Gan Vie, Vice-Chairman Supervisory Board Reunima, Director Rampart Insurance Company, Perm. rep. Assu-Vie on Board of Groupama Systemes d'information - Groupama SI EIG, Perm. rep. Gan Assurances on Board of Groupama Systemes d'information - Groupama SI EIG, Perm. rep. Groupama Gan Vie on Board of France Gan, Perm. rep. Groupama Gan Vie on Board of Gan Rendement, Perm. rep. Groupama Gan Vie on Board of Gan Court Terme, Perm. rep. Groupama Gan Vie on Board of Monde Gan, Perm. rep. Groupama Gan Vie on Board of Actions Techno Mode, Perm. rep. Groupama Gan Vie on Board of Securi-Gan, Perm. rep. Groupama Gan Vie on Board of Board of Euro-Gan, Perm. rep. Groupama Gan Vie on Board of Groupama Japan Stock, Perm. rep Groupama Gan Vie on Board of Groupama Systemes d'information - Groupama SI EIG, Perm. rep. Groupama Gan Vie, Chairman Gan Foncier, Chairman SC de la Tour Gan, Chairman Gan Investissement foncier, Chairman SCI Vieille Voie de Paray, Chairman Gan Saint Lazare, Perm. rep. Groupama Gan Vie, Chairman, Gan Saint Lazare.
Benoît de Rodellec du Porzic	November 26, 2008	Shareholders' Meeting approving the 2009 financial statements	Director		Chairman RPA Conseil, Chairman CIT COM, CEO & Director [2] Civitas.	Director Cegid Group, Chairman Civitas, Chairman RPA Conseil, Chairman CIT COM.

(1) Since May 1, 2009
(2) Since May 6, 2009
(3) Since July 22, 2009
(4) Until May 12, 2009
(5) Since July 6, 2009
(6) Gan Saint Lazare was absorbed by Gan Assurances Vie on May 26, 2009
(7) Resigned from the Audit Committee on April 12, 2010

"Shareholders' meeting, May 6, 2010"

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* (AMF), with the option of sub-delegation as permitted by law, to buy or sell shares of the Company over an 18-month period beginning on the date of your Shareholders' Meeting as part of a share buyback plan 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 through a liquidity contract that complies with the AMAFI Code of Conduct.
- Purchase shares with an intent to hold them and offer them at a later date in exchange or in payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits set out by law.
- Allocate shares under the terms and conditions provided by law, in particular in the framework of employee profit-sharing, to the exercise of purchase-type stock options, to an employee savings plan, or 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 6, 2010 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 costs) subject to adjustments related to any corporate actions and/or the par value of the share. The maximum amount of funds allocated to this share buyback plan would be €30,652,080 (excluding brokerage costs) taking into account the 412,438 shares held in treasury as of February 28, 2010.

The maximum number of shares that could be acquired, assuming none are resold, is therefore 510,868 shares.

The acquisition, transfer or exchange of shares could be carried out and paid by any means, and in any manner, on the market or over the counter, including through the use of derivative instruments, in particular via optional transactions, provided these optional transactions do not significantly increase the volatility of the share price, and in accordance with applicable regulations.

These transactions may be carried out at any time including while takeover bids are in effect on shares or securities issued by the Company or during a takeover bid initiated by the Company, subject however to the abstention periods provided for by law and the General Regulation of the AMF.

You will be asked to grant the broadest powers to the Board of Directors with the option of sub-delegation under the conditions provided for by law, to sign all deeds, conclude all agreements, make any declarations, complete all formalities and in general do all that is necessary in this regard as well as to adjust the unit price and maximum number of shares to be acquired in proportion to any change in the number of shares or their par value resulting from corporate actions undertaken by the Company.

In accordance with applicable law, shareholders would be informed in the next Management Report of purchases and sales carried out under the program, the number of shares held in treasury at the end of the year, the number of shares used for each purpose and the number of shares, if any, used for purposes other than those initially planned.

This authorization would cancel and replace the authorization granted in resolution six of the Ordinary Shareholders' Meeting of May 12, 2009.

2. Items submitted to shareholders in their Special Meeting

Financial authorizations

Your Board wishes to be able, if necessary, to access the capital markets so as to mobilize, quickly and flexibly, the financial resources required for the development of your Company and its Group.

As such, your Board wishes to have authorization allowing it, if necessary, for a period of 26 months, to increase the share capital and issue securities giving immediate and/or future access to the most suitable financial instruments for the development of the Group, taking into account market characteristics at the given time.

Consequently, the Board of Directors asks you in resolutions two, three and four of your Meeting, to grant it an overall authorization, as provided under Article L.225-129 of the French Commercial Code, for a period of 26 months, to issue securities with or without shareholders' preferential subscription rights up to a maximum par value of increased capital of €30 million.

You are also asked to grant the Board of Directors, for the same 26-month period, additional authorizations detailed in specific resolutions consequently required by law and constituting exceptions to the overall authorization.

The purpose of resolution three is to allow for the increase of share capital by incorporating reserves, earnings or premiums up to the same par value ceiling of €30 million.

The purpose of resolution five is to authorize the Board of Directors to increase the issue amounts in the event of surplus demand, up to 15% for each issue, at the same price as that of the initial issue and limited to the ceilings set in resolutions two and four of the Special Shareholders' Meeting.

The purpose of resolution six is to authorize the Board of Directors to issue shares and freely set their issue price.

The purpose of resolution seven is to authorize the Board of Directors to increase the capital in order to provide valuable consideration for contributions-in-kind.

Therefore, if you adopt resolutions two and four mentioned above, the authorization you would grant to your Board of Directors to issue, at its sole discretion, in one or more transactions, marketable securities with or without shareholders' preferential subscription rights would result in allowing at such time, primarily in the latter case, all types of securities issues, in France or abroad, and/or in international markets according to the interests of your Company and its shareholders.

These issues could be denominated in euros, foreign currencies or any other unit of account established through reference to a currency basket depending on the type of securities issued.

While suggesting that you grant it these authorizations, your Board of Directors wants to inform you, in compliance with the requirements of laws and regulations and especially those stemming from decree no. 2004-604 of June 24, 2004 on the part of the corresponding resolutions submitted to you for approval. You are reminded that these authorizations would render null and void any existing authorizations having the same purpose.

2.1 General authorization to issue shares and securities giving access to the capital or granting entitlement to the allocation of debt securities

Resolutions two and four are the essential components of the overall authorization pursuant to Articles L.225-129, L.225-129-2, L.228-91 and L.228-92 of the French Commercial Code.

You are asked to grant the Board of Directors, for a period of 26 months, an overall authorization to issue, with or without preferential subscription rights, shares or securities giving immediate and/or future access to capital, or granting entitlement to the allocation of debt securities, including bonds convertible and/or exchangeable into new or existing shares up to a ceiling of €30 million in the par value of capital increases. Issues of debt securities, either as principal or intermediate securities, which might be carried out under resolutions two and four herein, may not exceed a limit of €200 million in par value.

2.1.1 Issues with preferential subscription rights (resolution two)

In the context of the comprehensive authorization, resolution two addresses the issuance, with preferential subscription rights, of shares (except for preferred shares) or any securities giving immediate and/or future access to a percentage interest in the share capital or to debt securities.

In the case of future access to shares, i.e. via the issuance of bonds with share warrants attached, convertible bonds or other composite securities such as bonds that are convertible and/or exchangeable into new or existing shares, or via standalone share warrants, your decision would constitute or could include, depending on the case, a waiver of your shareholder rights to subscribe to the shares that could be obtained through the initially-issued securities. The authorization would thus give the Board of Directors the possibility to issue, up to the capital increase ceiling set by shareholders, all categories of securities that could give access to a percentage interest in the capital or to debt securities, and in particular bonds that are convertible and/or exchangeable into new or existing shares. For this purpose, you are asked to authorize the Board of Directors to use shares held in treasury as a substitute for new shares. The overall ceiling for the par value of capital increases you are asked to authorize in resolution two, for a period of 26 months, is set at €30 million.

These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), before taking into account adjustments that might be applied, in accordance with the law.

Accordingly, you are requested to grant your Board of Directors the broadest powers to carry out one or more authorized issues in all markets, in all currencies and, for debt securities, in the best interest of its shareholders; to recognize completion; to take any measures required for the newly issued securities to be admitted to trading on a regulated market; to amend the bylaws accordingly; and to take any measures necessary for servicing the securities and exercising any related rights.

The Board of Directors would set the terms and conditions for each issue, set the subscription price for the securities, with or without premium, the methods for remitting payment for them, their date of entitlement, the terms for exchange, conversion and redemption, or any other terms related to the allocation of securities giving access to the capital.

The Board of Directors can set the issue price for shares or securities that can be created or issued through subscription, conversion, exercise of bonds or any other manner in such a way that Cegid Group receives for each share created or allocated independent to any compensation, regardless of the form, interest, issue premium or redemption, in particular a sum at least equal to the minimum price provided by law or regulations in force on the day of issue.

The Board would also set the number and issue price for the shares to be issued, the terms and conditions for subscription and their date of entitlement. It would also set the number and characteristics of the share warrants.

You are also asked to allow your Board of Directors to institute for the benefit of shareholders a reducible subscription right and, in each case, if subscriptions have not absorbed the entire amount of the issue but provided they represent at least three-fourths of the issue, to decide, in the order that it shall determine, and in compliance with the law, to limit the issue to the amount of the received subscriptions or to freely distribute any or all of the unsubscribed shares or offer them to the public. The Board of Directors would have the option of using all or only some of the authorizations indicated above.

Finally, you are asked to allow the Board of Directors to allocate all of the issue costs incurred under resolution two to the corresponding premium account for capital increases and to bring the legal reserve up to one-tenth of the new share capital.

2.1.2 Issue without preferential subscription rights (resolution four)

In the interest of your Company and its shareholders, the Board of Directors may need to issue securities without shareholders exercising their preferential subscription rights, so as to take advantage of opportunities in the financial markets under certain circumstances.

As such, your Board requests in resolution four that you authorize it, pursuant to Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-91, L.228-92 and L.228-93 of the French Commercial Code, to issue securities giving access to the capital or granting entitlement to the allocation of debt securities provided for in resolution two without shareholders' preferential subscription rights, up to the ceilings set in that resolution, which are distinct, for the same period of 26 months and under the same terms and conditions, but subject to the special points mentioned hereinafter. These securities may be shares (except for preferred shares), bonds that are convertible or exchangeable into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a percentage interest in the capital or in debt securities. You are requested to authorize the Board of Directors to use shares held in treasury as a substitute for new shares. This ceiling is subject to adjustments required by law and regulations for the purpose of preserving the rights of holders of previously-issued securities or warrants.

Should the Board of Directors use this authorization, the issue price of the shares, which would confer the same rights as existing shares, shall be determined by the Board in such a way that for each share created or allocated, Cegid Group receives a sum at least equal to the minimum price provided for by applicable law and regulations as of the date of the issue, i.e. a price at least equal to the weighted average of the share price over the three trading days prior to the day on which the issue price is set, to which a discount of not more than 5% may be applied. The issue price for securities that cannot be assimilated with existing shares shall be such that the sum received immediately by the Company plus any sum that might be received in the future shall be, for each share, issued as a result of the issuance of these other securities, at least equal to the issue price as defined above for securities that can be assimilated with existing shares. The issue price of the securities giving access to debt securities would be determined by the Board of Directors pursuant to laws and regulations, taking into account market conditions.

This authorization may be fully used to provide consideration for securities contributed to the Company in the context of an exchange offer on those securities pursuant to Article L.225-148 of the French Commercial Code.

Depending on these factors, your Board would set the issue price for the securities and if applicable, the terms and conditions of income to be paid on debt securities, in the best interests of the Company and its shareholders, taking into account all of the relevant parameters. As such, it shall take into consideration in particular the type of instrument issued, stock market trends and the market for Cegid Group shares, whether the issue is effected entirely or partially in France, the existence of any shareholder priorities that do not give rise to negotiable rights, the number of shares to which these securities would give rights, in particular the number of shares that could be subscribed to through the exercise of standalone warrants or warrants attached to these securities, the lifetime and exercise price of these warrants and the option, if any, to repurchase them in the market or to purchase or exchange securities including warrants.

Under this authorization, shareholders would waive their preferential subscription rights to the shares to which these securities would give access, in favor of securities holders, and would explicitly waive their preferential subscription rights to the shares to which convertible bonds, share warrants and marketable securities indicated in Articles L.228-91 and L.228-92 of the French Commercial Code would give access.

Your Board of Directors also requests that you allow it to use this authorization, with the option of sub-delegation and under terms provided for by law and regulations, to issue shares and securities giving access to the capital of the Company to which securities that could be issued by companies in which Cegid Group holds more than half of the share capital, either directly or indirectly, could give rights, under the conditions provided for by law.

On this basis, you are invited to grant your Board of Directors the broadest powers to issue these shares or other securities, in one or more transactions, without shareholders' preferential subscription rights, and set the terms and conditions for each issue as indicated in this report with regard to resolution two.

The securities would be issued according to customary practices in the markets in question on the date of issue.

Finally, you are requested to authorize the Board of Directors to take all other measures required for the issues or subsequent to their realization under the terms stipulated hereinabove in resolution four and in particular to modify the bylaws and to determine, in accordance with applicable law, the terms of any adjustment necessary to preserve the rights of holders of previously-issued securities.

The Board would also be able to allocate the issue fees for the securities and warrants to the premium account related to capital increases and bring the legal reserve up to one-tenth of the new capital. To this end, we request that you grant the necessary powers to the Board.

2.1.3 Dates of exercise of rights to shares to be issued in the future and methods for allocating these shares (measures common to resolutions two and four)

To comply with regulations applicable to these securities, the date and the procedures for allocating the shares to be issued in the future must be mentioned. These are two distinct but related questions, since their date of allocation is highly dependent on the procedures. The authorization you are requested to grant would be uniformly valid for 26 months for the issuance of any security under resolutions two and four.

Concerning securities giving future access to capital, debt securities would give access, at any time, during the determined periods or on fixed dates, to the allocation of shares via conversion, redemption, exchange or any other manner during the borrowing period. For convertible bonds or bonds redeemable in shares, this borrowing period is set to a maximum of 20 years, whether or not shareholders' preferential subscription rights to the securities thus issued are maintained. The convertible period(s) may not exceed 20 years starting from their issuance or from the issuance of the originally-issued securities.

Share warrants detached from said securities may be exercised at one of the times indicated hereinabove and lead to the creation of shares, during a period not to exceed 10 years, whether or not shareholders' preferential subscription rights to the securities are maintained, starting from the issuance of the securities.

In the case of standalone share warrants, whether issued for consideration or for free, shares will be subscribed to upon exercise of the warrants, at one of the times indicated hereinabove, during a period not to exceed 10 years from their issuance, unless these warrants have been issued without preferential subscription rights. In this case, the period is reduced to five years.

2.1.4 Authorization to use the powers granted under resolutions four, five, and six of the May 6, 2010 Special Shareholders' Meeting, subject to their approval, pursuant to Article L.225-136 of the French Commercial Code, to issue equity securities in one or more transactions without preferential subscription rights via private placement, as allowed under Article L.411-2, II of the Monetary and Financial Code (resolution eleven)

At the Special Shareholders' Meeting on May 6, 2010, you will be asked to delegate authority to the Board of Directors to increase share capital through public offerings of shares with waiver of preferential subscription rights, or by issuing shares (excluding preferred shares) or securities granting entitlement to the allocation of debt securities. The maximum par value of capital increases that might be carried out immediately or in the future under this authorization is set at €30 million and the maximum par value of debt securities that might be issued under this authorization would be attributed to the €200 million ceiling set in resolution four of the May 6, 2010 Special Shareholders' Meeting.

We hereby inform you that Decree 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 6, 2010 Special Shareholders' Meeting, provided they are approved, to issue equity securities without preferential subscription rights, in one or more transactions via one or more private placements, as described in II of Article L.411-2 of the Monetary and Financial Code.

Issues of equity securities carried out under this authorization could not, in accordance with applicable regulations, exceed 20% of the Company's share capital per annum.

For all capital increases that might be carried out immediately or in the future under this authorization, the issue price could be set in accordance with resolution six of the May 6, 2010 Shareholders' Meeting, provided it is approved, within the limit of 10% of share capital per annum.

We ask you to decide that for all capital increases that might be carried out under this authorization, immediately or in the future, the Board of Directors may, in accordance with the terms of resolution five of the May 6, 2010 Special Shareholders' Meeting, provided it is approved, increase the number of securities to be issued, at the same price as that applied to the initial issue and within the time periods and limits stipulated in regulations applicable on the date of the issue, up to 15% of the initial issue, should the Board of Directors recognize surplus demand.

We also ask you to decide that the par value of capital increases that might be carried out immediately or in the future under this authorization shall be attributed to the €30 million ceiling set under resolution five of the May 6, 2010 Special Shareholders' Meeting, subject to its approval, and that the par value of debt securities that could be issued under this authorization shall be attributed to the €200 million ceiling set under resolution four of the May 6, 2010 Special Shareholders' Meeting, subject to its approval.

This authorization would take effect as of the date of your Shareholders' Meeting, provided it is approved, and would remain in effect for as long as the authorizations granted under resolutions four and six of the May 6, 2010 Special Shareholders' Meeting are valid, provided these resolutions are approved.

The Board of Directors would also have full powers, with the option of sub-delegation as permitted under applicable laws and regulations, to use the present authorization in accordance with the terms of resolutions four, five and six of the May 6, 2010 Special Shareholders' Meeting, provided they are approved.

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, and then brought to their attention at the following Shareholders' Meeting.

2.2 Special Authorizations

2.2.1 Incorporation of retained earnings, reserves and share premiums into capital (resolution three)

We ask that you authorize the Board of Directors to increase the capital by incorporating earnings, reserves and share premiums. Such transactions, which will not necessarily result in the issuance of new shares, are the subject of a special provision of Article L.225-130 of the French Commercial Code. It must be considered under the conditions of quorum and majority required for Ordinary Shareholders' Meetings; we therefore ask you to devote a specific resolution to it.

This authorization, which would also be granted for a period of 26 months, would allow your Board to increase the capital up to maximum amount of €30 million in one or more transactions. This ceiling is the same as that which applies to resolution two, and would be subject to applicable adjustments, if any, in accordance with the law.

You are requested to grant your Board of Directors the necessary powers, in particular to determine the type and amounts of the sums to incorporate, as well as the procedures for carrying out the increase and to amend the bylaws as a result and bring the legal reserves up to one-tenth the amount of the new capital.

In the event new shares are allocated, the Board of Directors would be able to decide that fractional rights would not be negotiable and that the corresponding securities would be sold, pursuant to Article L.225-130 of the French Commercial Code.

2.2.2 Increase in the amount of securities issued in the event of surplus demand (resolution five)

We request that you authorize the Board of Directors to increase issue amounts in the event of surplus demand, in the context of the authorizations in resolutions two and four of the Special Shareholders' Meeting, pursuant to Articles L.225-135-1 and R.225-118 of the French Commercial Code, up to 15% for each issue.

When the Board observes that there is surplus demand, the increase would take place at the same price as that of the initial issue and within the overall ceiling stipulated in resolution two.

2.2.3 Authorization to issue shares, securities or specific financial instruments and freely set their issue price (resolution six)

In resolution six we ask that you authorize the Board of Directors to issue shares, securities or specific financial instruments and freely set their issue price, pursuant to Article L.225-136 1°) of the French Commercial Code, up to 10% of the share capital per year, taking into account the ceiling indicated in resolution four, without preferential subscription rights. The Board would be free to set the price, as long as it is not less than, at the Board's option, either (a) the average price of shares traded over the 20 trading days preceding the setting of the issue price, weighted by volume, or (b) the average price of shares traded in the trading session immediately preceding the setting of the issue price, weighted by volume, with the stipulation that in both cases, the price may be reduced by a discount of up to 5%, provided that the amount received for each share is at least equal to par value. This authorization would be granted for a period of 26 months.

2.2.4 Authorization for the Board of Directors to increase the capital by up to 10% to provide valuable consideration for contributions-in-kind (resolution seven)

In resolution seven we propose that you authorize the Board of Directors to carry out capital increases of up to 10% of the share capital so as to provide valuable consideration for contributions-in-kind, pursuant to Article L.225-147 of the French Commercial Code, with the option of sub-delegation to any person authorized by law, for a period of 26 months.

The 10% ceiling is independent of all other ceilings stipulated in the other resolutions of the Special Shareholders' Meeting.

2.2.5 Authorization for the Board of Directors to issue share warrants to be allocated free of charge to shareholders of the Company (resolution eight)

You will be asked to delegate the necessary powers to the Board of Directors, with the option of sub-delegation, to issue share warrants to be allocated free of charge to shareholders of the Company, in accordance with laws and regulations pertaining to commercial companies and in particular Articles L.225-129 to L.225-129-6, L.233-32 and L.233-33 of the French Commercial Code. These warrants could be issued only during a takeover bid on the Company's securities, and only those shareholders who are shareholders of the Company before the expiration of the takeover bid would be able to benefit from this free allocation of share warrants. The maximum par value of the capital increase that could be carried out in the future under this authorization could not exceed €15 million, with this ceiling being independent from the ceilings provided for in resolutions two and four of this Shareholders' Meeting.

In addition, the number of warrants that could be issued under this resolution could not exceed the number of shares comprising the Company's capital on the day of the decision to issue warrants.

This authorization would be granted for a period of 18 months starting from its adoption at the Special Shareholders' Meeting.

2.2.6 Authorization for the Board of Directors to use its powers to increase or reduce share capital when the shares of the Company are subject to a public takeover offer (resolution nine)

You will be requested to decide, pursuant to Articles L.233-32 and L.233-33 of the French Commercial Code, that all of the Board's authorizations to increase the capital of the Company through the issuance of shares and other securities as well as its authorizations to reduce the capital of the Company may be used even while a takeover bid or tender offer is in effect on the securities of the Company, provided that the corresponding resolutions are approved at this Special Shareholders' Meeting, and that the legal and regulatory conditions allowing them to be used are met. This authorization would cancel and replace the authorization granted to the Board of Directors in resolution three of the Special Shareholders' Meeting of May 12, 2009.

2.2.7 Authorization for the Board of Directors to use the shares acquired under the share buyback program (resolution twelve)

You will be asked to authorize your Board of Directors, subject to approval of resolution six of the Ordinary Shareholders' Meeting called for May 6, 2010, to use the shares acquired under the share buyback program in the following ways:

- allocate them as a result of the issuance of marketable securities giving access to the Company's capital, under the authorizations of resolutions two, four, five, six, seven, eight and eleven of the Special Shareholders' Meeting called for May 6, 2010;
- remit them as a result of the grant of purchase-type stock options or bonus shares, pursuant to resolutions ten and eleven of the May 7, 2008 Special Shareholders' Meeting.

3. Complementary report in the event the authorizations are used

Should the Board of Directors use the authorizations granted by shareholders, it shall prepare a complementary report when it makes its decision, in accordance with laws and regulations. This report will describe the definitive terms of the proposed issue, indicate its impact on the shareholders and on the holders of other securities giving access to capital, in particular regarding their share of the Company's shareholders' equity, and the theoretical impact on the market value of the share. This report and the Statutory Auditors' report would be made immediately available to shareholders, and then brought to their attention at the following Shareholders' Meeting.

4. Authorization for the Board of Directors to reduce the share capital by canceling of shares held in treasury (resolution one)

We request that you authorize the Board of Directors for a period of 18 months, subject to adoption of resolution six of the Ordinary Shareholder's Meeting, to cancel, at its sole discretion, in one or more transactions, within the limit of 10% of the share capital in any 24-month period, the shares acquired under resolution six of the June 22, 2007 Ordinary Shareholders' Meeting, resolution six of the May 7, 2008 Ordinary Shareholders' Meeting and resolution six of the May 6, 2010 Ordinary Shareholders' Meeting, and to reduce the share capital by the corresponding amount.

5. Authorization to the Board of Directors to increase share capital by issuing shares reserved for members of an employee savings plan within the provisions of Article L.3332-18 et seq. of the French Labor Code (resolution ten)

Pursuant to Articles L.225-129-6 and L.225-138-1 of the French Commercial Code and owing to the other authorizations you are being asked to approve to enable the Board of Directors to increase share capital, we are submitting a resolution to you concerning the issuance of shares reserved for employees of the Company and of French or foreign companies or groups of companies, as defined in Article L.233-16 of the French Commercial Code, who are enrolled in an employee savings plan pursuant to Article L.3332-18 of the French Labor Code. This resolution would allow share capital to be increased by up to 3% for a period of 26 months in one or more transactions, and on the sole deliberations of the Board of Directors. This resolution would not allow the issue of preferred shares, with or without voting rights.

The subscription price could not be greater than the average quoted price over the 20 trading days preceding the day on which the Board of Directors sets the opening date for subscriptions, nor more than 20% less than this average or 30% less than this average when the minimum holding period specified in the plan, in accordance with Article L.3332-18 is greater than or equal to 10 years. The shareholders would grant full powers to the Board of Directors to implement this authorization.

However, since such a transaction is incompatible with the Company's current best interests, the Board of Directors does not recommend this resolution be passed and suggests that you reject it.

6. Powers

We ask that you grant all necessary powers to the members of the Board of Directors of the Company, with the option of sub-delegation under legal and regulatory conditions, so as to perform all necessary formalities.

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, 2009 and March 31, 2010.[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 treasury shares held directly or indirectly: 4.60% [1]
Number of shares canceled during the last 24 months: 0 [2]
Number of shares held in portfolio: 425,070 [1]
Book value of portfolio: €7,659,108.99 [1]
Market value of portfolio: €9,351,540.00 [1]

[1] As of March 31, 2010.
[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	284,731	324,949				
Maximum average maturity [2]						
Average transaction price [3]	€15.77	€14.85				
Average exercise price [4]						
Amounts	**4,490,153.24**	**4,826,593.26**				

[1] The period under review begins on the day following the date of the report on the previous program and ends on March 31, 2010.
Specify whether the transaction is a block trade or a transaction under the liquidity contract (in this case, add the issuer's percentage).
[2] Period remaining as of the date of publication of the program description.
[3] Cash transactions.
[4] For cumulative gross changes, indicate the average exercise price of exercised options and matured forward transactions.

* Cumulative gross changes include cash purchases and sales transactions as well as optional and forward transactions that have been exercised or have matured.
** Open positions include 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 6, 2010

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 6, 2010.

This description is available to shareholders on the Company's website (www.cegid.com) as well as on the website of the *Autorité des Marchés Financiers* (www.amf-france.org). A copy may also be obtained free of charge by mail at the following address: Cegid Group, 52 quai Paul Sédallian, 69009 Lyon, France.

Percentage of share capital and breakdown of shares held by the Company, by purpose, as of March 31, 2010

As of March 31, 2010, 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, 425,070 of its own shares, representing 4.60% of the share capital, allocated to the following purposes:

- 0.22% to make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct;
- 4.38% as part of the issue of redeemable share warrants to certain employees of the Company, of other companies in the Group, of ICMI and to an executive officer of the Company (authorized by shareholders at their December 22, 2009 Special Meeting).

Objectives of the buyback program

The objectives of the program are as follows, in decreasing order of importance:

- make a market and ensure regular price quotations through a liquidity contract that complies with the AMAFI Code of Conduct;
- purchase shares with an intent to hold them and offer them at a later date in exchange or in payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits set out by law;
- allocate shares under the terms and conditions provided by law, in particular in the framework of employee profit-sharing, to the exercise of purchase-type stock options, to an employee savings plan, or 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 6, 2010 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, called for May 6, 2010.

For information, based on the number of shares comprising the share capital on March 31, 2010, this would represent a maximum of 498,236 Cegid Group shares.

Maximum purchase price and maximum amount of funds that can be committed to the program

The maximum purchase price is set at sixty euros (€60).

The maximum amount of funds that can be committed to the share buyback program is set at €29,894,160.

These amounts do not include brokerage costs. The price mentioned above shall be adjusted by the Board of Directors in the event subscription or allocation rights are used or in the event of transactions on the share capital having an impact on the value of the shares.

These transactions to acquire, sell or exchange shares may be carried out and settled by any means, and in any manner, on the stock exchange or otherwise, including through the use of derivative instruments, in particular via optional transactions as long as such options do not significantly increase the volatility of the share price, and in accordance with applicable regulations. These transactions may be carried out at any time including while takeover bids are in effect on shares or securities issued or initiated by the Company, subject however to the abstention periods provided for by law and the General Regulation of the *Autorité des Marchés Financiers*.

Characteristics of the shares covered by the buyback program

Cegid common shares are listed for trading on Euronext Paris Eurolist Compartment C.

ISIN code: FR0000124703

Duration of the buyback program

The program shall be valid for 18 months, starting from the date of the Meeting, i.e. until November 5, 2011.

STATUTORY AUDITORS' REPORT ON THE REDUCTION OF CAPITAL THROUGH CANCELLATION OF SHARES, PROPOSED AT THE SHAREHOLDERS' MEETING - RESOLUTIONS ONE AND NINE

To the shareholders,

In our capacity as Statutory Auditors of your Company, and in execution of our assignment pursuant to Article L.225-209 of the French Commercial Code in the event of capital reductions through cancellation of shares held in treasury, we have prepared the present report to inform you of our opinion of the reasons for and terms of the proposed capital reduction.

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, pursuant to Article L.225-209 of the French Commercial Code. This share buyback authorization is being submitted for your approval at your Shareholders' Meeting (resolution six of the Ordinary Shareholders' Meeting) 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 nine, 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 reduction in share capital, 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 16, 2010

The Statutory Auditors

MAZARS
Max Dumoulin

GRANT THORNTON
François Pons

Statutory Auditors' report on the proposal to issue free share warrants in the event of a takeover bid (resolution eight)

To the shareholders,

In our capacity as Statutory Auditors of your Company, and in execution of our assignment pursuant to Article L.228-92 of the French Commercial Code, we present our report on the proposal to issue share warrants free of charge in the event of a takeover bid on the Company. You will be asked to vote on this transaction.

Your Board of Directors, based on its report, requests that you authorize it, with the option of sub-delegation and within the framework of Article L.233-32 II of the French Commercial Code, to:

- issue warrants subject to Article L.233-32-II of the French Commercial Code and allowing holders to subscribe, under preferential terms, to one or more shares of the Company, and to allocate them free of charge to all shareholders who are shareholders of the Company before the expiration of the takeover bid;
- set the exercise terms and the features of such warrants.

The maximum par value of shares that could be issued in this way cannot exceed the ceiling of €15 million and the maximum number of warrants that could be issued cannot exceed the number of shares that comprise the capital on the day of the decision to issue.

Your Board of Directors is responsible for issuing a report in accordance with Articles R.225-113, R.225-114, R.225-115 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 at the Company.

Should your Board of Directors use this authorization, we will issue an additional report for the purpose of confirmation via a Shareholders' Meeting 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 16, 2010

The Statutory Auditors

MAZARS
Max Dumoulin

GRANT THORNTON
François Pons

STATUTORY AUDITORS' REPORT ON THE INCREASE IN CAPITAL WITH WAIVER OF PREFERENTIAL SUBSCRIPTION RIGHTS RESERVED FOR SALARIED PERSONNEL WHO ARE MEMBERS OF AN EMPLOYEE SAVINGS PLAN (RESOLUTION TEN)

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 defined in Article L.233-16 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 such capital increases, as set forth in the report.

We have carried out the procedures we deemed necessary with regard to the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* (French society of auditors) relative to this assignment. These procedures consisted in verifying the content of the Board of Directors' report relative to this transaction, and the procedures for determining the price of the shares to be issued.

Subject to a subsequent review of the terms and conditions of the proposed capital 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 your 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 16, 2010

The Statutory Auditors

MAZARS	**GRANT THORNTON**
Max Dumoulin	François Pons

STATUTORY AUDITORS' SPECIAL REPORT ON THE AUTHORIZATIONS TO INCREASE THE CAPITAL, WITH OR WITHOUT WAIVER OF PREFERENTIAL SUBSCRIPTION RIGHTS, BY ISSUING SHARES AND/OR SECURITIES GIVING ACCESS TO THE CAPITAL OR TO THE ALLOCATION OF DEBT SECURITIES (RESOLUTIONS TWO, FOUR, FIVE, SIX, SEVEN, NINE AND ELEVEN)

To the shareholders,

In our capacity as Auditors of Cegid Group SA, and in accordance with the terms of our assignment and as provided for in Articles L.225-129-2, L.225-135, L.225-136, L.225-147, L.228-92 and L.228-93 of the French Commercial Code, we present our report on the proposal to authorize the Board of Directors to increase share capital by issuing shares and/or securities giving access to the capital or to the allocation of debt securities with (resolution two) or with waiver of (resolution four) preferential subscription rights, with the option, in the latter case, for the Board of Directors, to institute a priority right in favor of shareholders.

The number of shares to be created pursuant to resolutions two and four may be increased under the terms of Article L.225-135-1 of the French Commercial Code, up to 15% of the initial issue (resolution five).

The total par value of all capital increases resulting from these issues would limited to:

- €30 million for increases proposed in resolutions two and four;
- 10% of share capital for increases proposed in resolution six, within the ceiling stipulated in resolution four;
- 10% of share capital for increases intended to provide valuable consideration for contributions-in-kind, as proposed in resolution seven;
- 20% of share capital per year for increases proposed in resolution eleven, within the ceiling stipulated in resolution four.

The amount of the debt securities that could be issued cannot represent more than €30 million of share capital. These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), before taking into account adjustments that might be applied, in accordance with the law.

Your Board of Directors requests, on the basis of its report, that you authorize it to carry out these transactions and set the terms and conditions thereof, with the option of sub-delegation, for a period of 26 months, pursuant to Article L.225-129-2. It also proposes, in resolution four and if applicable in resolution five, that you waive your preferential subscription rights.

Under the terms of resolution six, your Board of Directors proposes, on the basis of its report, that you authorize it to issue shares and other securities and freely set the issue price for public offerings without preferential subscription rights, within the limit of the previously mentioned ceiling.

Under the terms of resolution eleven, your Board of Directors proposes, on the basis of its report, that you allow it to use the powers granted under resolutions four, five, and six, provided they are approved, to carry out in accordance with Article L.225-136 of the French Commercial Code, one or more issues of equity securities without preferential subscription rights via private placement, as allowed under article L.411-2, II of the French Monetary and Financial Code. The present authorization shall remain valid for the duration of the powers granted under resolutions four and six.

On the basis of its report, your Board of Directors requests, in resolution nine, that you allow it to use this authorization to increase the share capital while a takeover bid on the shares of your Company is in effect, in accordance with Articles L.233-32 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. It is our responsibility to provide our opinion on the fair presentation of the quantitative information drawn from the financial statements, on the proposal that you waive preferential subscription rights, if applicable, and 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 practices require that we verify the content of the competent body's report relative to these transactions and the procedures for determining the issue price of the shares or of the securities giving access to the capital of the issuing company.

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 shares to be issued, as provided in the Board of Directors' report.

As the issue price of the shares or marketable securities giving access to the capital, if any, has not been set, we do not express an opinion on the definitive terms under which the issue or issues will be carried out, nor, consequently, on the proposal to waive preferential subscription rights that is presented to you for certain issues.

In accordance with Article R.225-116 of the French Commercial Code, we will prepare an additional report should your Board of Directors use this authorization.

Lyon and Villeurbanne, April 16, 2010

The Statutory Auditors

MAZARS	**GRANT THORNTON**
Max Dumoulin	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 consolidated financial statements for the period ended December 31, 2009 including the income statement, balance sheet and notes as presented, resulting in net income attributable to parent company shareholders of €10,881,725.82, along with the operations reflected in these statements or summarized in these reports.

In consequence, they fully and unconditionally ratify the performance of the Company's Board of Directors in the execution of their duties.

RESOLUTION TWO

(Approval of the consolidated financial statements)

The shareholders, having reviewed the reports of the Board of Directors and the Statutory Auditors, approve the consolidated financial statements for the period ended December 31, 2009 including the income statement, balance sheet and notes as presented, resulting in net income attributable to parent company shareholders of €17,872,076, 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, 2009 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, 2009 resulted in net income of €10,881,725.82, which after addition of retained earnings of €11,810,800.45, and after allocation to the legal reserve of €36.20, makes a distributable total of €22,692,490.07, decide to allocate this amount as follows:

- Payment of a dividend of €1.05 per share	
Totaling, for 9,233,057 shares	€9,694,709.85
- Retained earnings	€12,997,780.22
Total	**€22,692,490.07**

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 14, 2010. 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	2008	2007	2006
Number of shares	9,232,679	9,232,676	8,688,908
Net dividend per share (€)	1	1	0.95
TOTAL PER SHARE (€)	**1**	**1**	**0.95**
TOTAL NET DIVIDEND (€)	**9,232,679**	**9,232,676**	**8,254,463**
Dividend eligible for the 40% exclusion (€)	9,232,679	9,232,676	8,254,463
Dividend not eligible for the 40% exclusion			

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 to 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 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;
- Grant shares, under the terms and conditions provided by law, in particular under employee profit-sharing plans, purchase-type stock option plans, employee savings plans, or for the allocation of bonus shares to employees or 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. brokerage fees) subject to adjustments related to any corporate actions and/or the par value of the share.

The maximum theoretical amount is therefore €30,652,080 (excluding brokerage fees), taking into account the 412,438 shares in treasury as of February 28, 2010. The maximum number of shares that could be acquired, assuming none are resold, is thus 510,868 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 18 months starting with the present Meeting.

It cancels and replaces the authorization granted in resolution six of the Ordinary Shareholders' Meeting of May 12, 2009.

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 Board of Directors, the shareholders hereby renew the directorship of Jean-Michel Aulas 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, 2015. Mr. Aulas' term expires at the end of the present Shareholders' Meeting.

RESOLUTION EIGHT

Having reviewed the report of Board of Directors, the shareholders hereby renew the directorship of ICMI represented by Patrick Bertrand 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, 2015. ICMI'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 Franklin Devaux 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, 2015. Mr. Devaux's term expires at the end of the present Shareholders' Meeting.

RESOLUTION TEN

Having reviewed the report of Board of Directors, the shareholders hereby renew the directorship of Apax Partners represented by Edgard Misrahi 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, 2015. Apax Partners' term expires at the end of the present Shareholders' Meeting.

RESOLUTION ELEVEN

Having reviewed the report of Board of Directors, the shareholders hereby renew the directorship of Benoît de Rodellec du Porzic 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, 2015. Mr. Rodellec du Porzic's term expires at the end of the present Shareholders' Meeting.

RESOLUTION TWELVE

Having reviewed the report of the Board of Directors, the shareholders hereby renew the directorship of Jean-Luc Lenart 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, 2015. Mr. Lenart's term expires at the end of the present Shareholders' Meeting.

RESOLUTION THIRTEEN

Having reviewed the report of the Board of Directors, the shareholders hereby renew the term of Mazars as principal Statutory Auditor for a period of six years, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2015.

RESOLUTION FOURTEEN

Having reviewed the report of the Board of Directors, the shareholders hereby renew the term of Pierre Sardet as alternate Statutory Auditor for a period of six (6) years, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2015.

RESOLUTION FIFTEEN

(Powers to accomplish legal formalities)

The shareholders grant full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal filing, publication and other formalities.

2. Resolutions falling within the scope of the Special Shareholders' Meeting

RESOLUTION ONE

(Authorization for the Board of Directors to reduce the share capital through cancellation of shares held in treasury)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the Statutory Auditors' special report, authorize the Board of Directors with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Article L.225-209 of the French Commercial Code, to cancel, at its own discretion, in one or more transactions, within the limit of 10% of the share capital in any 24-month period, shares repurchased under the authorization granted by resolution six of the 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 18 months from the date of this Meeting, and vest all powers in the Board of Directors, with the option of sub-delegation as permitted under applicable laws and regulations in accordance with Article L.225-209 of the French Commercial Code, to determine the definitive amount of the capital reduction within the limits provided by law and this resolution, to determine the procedures, record its completion, allocate the difference between the purchase price of the shares and their par value to the reserve or share premium accounts of their choosing, carry out all actions, formalities or representations required to finalize the reductions of capital carried out by virtue of this authorization and to amend the bylaws accordingly.

This authorization shall cancel and replace the authorization granted in resolution one of the May 12, 2009 Special Shareholders' Meeting.

RESOLUTION TWO

(Authorization for the Board of Directors to issue securities with preferential subscription rights)

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 in accordance with Articles L.225-129, L.225-129-2, L.228-91, L.228-92 of the French Commercial Code, with the option of sub-delegation under legal and regulatory conditions and for a period of 26 months, to increase the share capital and to issue marketable securities giving access to the capital or providing entitlement to the allocation of debt securities. This authorization shall be valid for use on one or more occasions, in amounts and at times deemed appropriate by the Board, both in France and abroad and/or on the international market, with cancellation of preferential subscription rights.

These securities may be shares (except for preferred shares), bonds that are exchangeable or convertible into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a share in the capital or marketable securities.

Use of this authorization shall not result in an increase in the capital, nor provide entitlement to the allocation of shares exceeding a par value of €30 million of share capital (or equivalent value), not including adjustments that might be applied, in accordance with the law.

These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), not including adjustments that might be applied, in accordance with the law.

The shareholders have a preferential subscription right on securities giving access to the capital and issued pursuant to this authorization. This right shall be exercised irreducibly, and should the Board so decide, reducibly. Shareholders hereby waive, in favor of the holders of securities giving access to the capital, their preferential subscription rights to the shares or to the securities giving access to the capital to which these securities would provide entitlement.

If subscription is insufficient, the Board of Directors may decide, in the order that it shall determine, either to limit the amount of the issue of securities to the amount of the subscriptions received, provided that the received subscriptions represent at least three-fourths of the originally-planned issue, or to offer to the public all or a part of the unsubscribed securities, or to freely distribute all or part of the unsubscribed securities. The Board of Directors may use some or all of the options mentioned above.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

The shareholders grant full powers to the Board of Directors, with the option of sub-delegation under the conditions provided for by law, to issue the securities of its choosing, with payment in cash and/or by offset of debt securities, determine the characteristics thereof, set the terms and conditions for their issue and for payment thereof, recognize the completion thereof and amend the bylaws as required by any capital increase, allocate the issue costs to the share premium account if it so desires and bring the reserve account to one-tenth of the new capital.

The Board of Directors may in particular:

- set the characteristics for the planned share issue, in particular, the issue price (with or without premium/discount) the subscription terms and conditions and their date of entitlement;
- set the number and the characteristics of the redeemable share warrants and decide, if the Board deems it advantageous to do so, at the terms and conditions it shall establish, that the warrants may be redeemed or repurchased, or that they shall be allocated free of charge to shareholders in proportion to their rights in the share capital;
- more generally, set the characteristics of all securities and, in particular, the terms and conditions for allocating shares, the maturity of bond issues, whether or not they are subordinated, the currency in which they are denominated, the procedures for repayment of the principal, with or without a premium, amortization methods and early repayment, if applicable, fixed or variable interest rates and the remittance date. Remuneration on the securities may include a variable portion calculated with respect to revenues and earnings of Cegid Group and a deferred payment in the absence of distributable earnings;

- set the issue price for shares or securities that might be created pursuant to the previous paragraphs so that Cegid Group receives for each share created or allocated independently of any remuneration, including interest, issue premium or discount, an amount at least equal to the minimum price provided by laws and regulations in force on the day of issuance;
- decide, in accordance with resolution six of the Ordinary Shareholders' Meeting, related to the authorization for the Board of Directors to acquire shares of the Company and in the context of previous share buyback programs, to use the shares acquired to allocate them as a result of the issuance of securities issued pursuant to this authorization;
- take all measures intended to preserve the rights of the owners of securities issued, as required by laws and regulations;
- suspend the exercise of the rights attached to these securities during a fixed period of time in accordance with legal and regulatory measures;
- take all measures and perform all formalities required for the rights, shares, securities and warrants created to be admitted to trading on a regulated market.

Pursuant to current laws and regulations, the Board of Directors shall determine the adjustment rules to be applied if Cegid Group were to carry out new financial transactions that would require such adjustments in order to preserve the rights of the holders of previously-issued securities; the authorization contained in this resolution to increase the capital by €30 million may be further increased by the par value of the additional securities to be issued so as to preserve the rights of the holders of such previously-issued securities.

This authorization shall cancel and replace the authorization granted by shareholders in resolution two of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION THREE

(Authorization for the Board of Directors to increase share capital by incorporating reserves, retained earnings or premiums)

The shareholders, having reviewed the report of the Board of Directors, voting according to the conditions of quorum and majority required for Ordinary Shareholders' Meetings, hereby authorize the Board of Directors–with the option of sub-delegation under legal and regulatory conditions–within the framework of the authorization granted in resolution two, for a period of 26 months and within the amount of €30 million provided for in that resolution, to increase the share capital in one or more transactions to be determined by the Board, by incorporating reserves, earnings or premiums, then creating and allocating shares free of charge or increasing the par value of existing shares or a combination of these two methods as determined by the Board.

This ceiling is subject to the consequences of adjustments applicable to share capital, if any, in accordance with the law.

In the event of an increase in capital resulting in the allocation of new shares, the Board of Directors may decide that the rights representing fractional shares are not negotiable and that the corresponding shares will be sold, in accordance with Article L.225-130 of the French Commercial Code.

The Board of Directors shall be able to take all measures necessary to amend the bylaws accordingly.

This authorization shall cancel and replace the authorization granted by shareholders in resolution three of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION FOUR

(Authorization for the Board of Directors to issue securities with waiver of preferential subscription rights)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorize the Board of Directors in accordance with Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-91, L.228-92 and L.228-93 of the French Commercial Code, with the option of sub-delegation under legal and regulatory conditions and for a period of 26 months, to increase the share capital and to issue marketable securities giving access to the capital or providing entitlement to the allocation of debt securities. This authorization shall be valid for use on one or more occasions, in amounts and at times deemed appropriate by the Board, both in France and abroad and/or on the international market, with cancellation of preferential subscription rights.

These securities may be shares (except for preferred shares), bonds that are convertible or exchangeable into shares, bonds with share warrants attached, share warrants, composite securities including bonds that are convertible and/or exchangeable into new or existing shares and in general, any securities that give access at any time or at a fixed date, to the allocation of securities representing a portion of share capital or of debt securities.

Use of this authorization shall not result in an increase in the capital, nor provide entitlement to the allocation of shares representing a percentage interest in the capital exceeding a par value of €30 million (or equivalent value), not including adjustments that might be applied, in accordance with the law, it being stipulated that this ceiling is distinct from the €30 million ceiling set in resolutions two and three.

These issues may consist of debt securities or be associated with the issuance of debt securities or allow for their issuance as intermediate securities within the limit of a par value of €200 million (or equivalent value), not including adjustments that might be applied, in accordance with the law, it being stipulated that this ceiling is different to the €200 million ceiling set in resolution two.

The shareholders hereby waive their preferential subscription rights to shares and securities to be issued under this authorization, up to the amount defined above. The shareholders waive, in favor of the holders of securities that give access to the capital, the preferential subscription rights to the shares or securities giving access to the capital to which these securities would confer rights.

If the issue is carried out in France in full or partially, or for the portion of the issue for the French market, the Board of Directors can confer to the shareholders, on all or a part of the securities issued under this resolution, a period of priority for which it shall set the methods and conditions of exercise within the limit of current regulations and legislation; this subscription priority cannot result in the creation of negotiable rights.

Should the Board of Directors use this authorization, and subject to resolution six herein, the issue price for the securities that can be assimilated with shares admitted for trading on a regulated market, to be issued immediately or in a deferred manner, shall be determined by the Board of Directors in such a way that the Company receives an amount at least equal to the minimum price provided by laws and regulations in force on the day of issuance. The issue price for securities that cannot be assimilated with traded securities shall be such that the sum received immediately by the Company plus any sum that might be received in the future shall be, for each share issued as a result of the issuance of these other securities, at least equal to the issue price as defined above for securities that can be assimilated with traded securities. The issue price of the securities giving access to debt securities would be determined by the Board of Directors pursuant to laws and regulations, taking into account market conditions.

The Board of Directors may, if subscriptions have not absorbed the total amount of the issue of securities, limit the issue to the amount of the received subscriptions, in accordance with the law (provided that in the event the Board of Directors should decide to issue new common shares the amount of received subscriptions must be at least 75% of the amount of the planned increase), or freely distribute the unsubscribed securities. The Board of Directors may use in the order of its choosing some or all of the options mentioned above.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of the companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

The shareholders also authorize the Board of Directors, with the option of sub-delegation and under terms provided for by law, to use this authorization to issue shares and securities giving access to the capital of companies in which Cegid Group holds more than half of the share capital, either directly or indirectly.

This authorization to issue securities could be used in full to provide valuable consideration for securities that might be contributed to the Company during a public exchange offer on securities meeting the conditions pursuant to Article L.225-148 of the French Commercial Code.

The shareholders grant full powers to the Board of Directors, with the option of sub-delegation under the conditions provided for by law, to issue the securities of its choosing, with payment in cash and/or by offset of debt securities, determine the characteristics thereof, set the terms and conditions for their issue and for payment thereof, recognize the completion thereof and amend the bylaws as required by any capital increase, allocate the issue costs to the share premium account if it so desires and bring the reserve account to one-tenth of the new capital.

The Board of Directors may in particular:

- set the characteristics for the planned share issue, specifically, the issue price (with or without issue premium/discount) the subscription terms and conditions and their date of entitlement;
- set the number and the characteristics of the redeemable share warrants and decide, if the Board deems it advantageous to do so, at the terms and conditions it shall establish, that the warrants can be redeemed or repurchased;
- more generally, set the characteristics of all securities and, in particular, the terms and conditions for allocating shares, the maturity of bond issues, whether or not they are subordinated, the currency in which they are denominated, the procedures for repayment of the principal, with or without a premium, amortization methods and early repayment, if applicable, fixed or variable interest rates and the remittance date. Remuneration on the securities may include a variable portion calculated with respect to revenues and earnings of Cegid Group and a deferred payment in the absence of distributable earnings;
- decide, in accordance with resolution six of the Ordinary Shareholders' Meeting, related to the authorization for the Board of Directors to acquire shares of the Company and in the context of previous share buyback programs, to use the shares acquired to allocate them as a result of the issuance of securities pursuant to this authorization;
- take all measures intended to preserve the rights of the owners of securities issued, as required by laws and regulations;
- suspend the exercise of the rights attached to these securities during a fixed period of time in accordance with legal and regulatory measures;
- take all measures and perform all formalities required for the rights, shares, securities and warrants created to be admitted to trading on a regulated market.

Pursuant to current laws and regulations, the Board of Directors shall determine the adjustment rules to be applied if Cegid Group were to carry out new financial transactions that would require such adjustments in order to preserve the rights of the holders of previously-issued securities; the authorization contained in this resolution to increase the capital by €30 million may be further increased by the par value of the additional securities to be issued so as to preserve the rights of the holders of such previously-issued securities.

This authorization shall cancel and replace the authorization granted by shareholders in resolution four of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION FIVE

(Authorization for the Board of Directors to increase the amount of securities issued in the event of surplus demand)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorize the Board of Directors, with the option of sub-delegation under legal and regulatory conditions, and in the context of the authorizations granted in resolutions two and four of the Special Shareholders' Meeting, to increase the number of securities to be issued pursuant to Articles L.225-135-1 and R.225-118 of the French Commercial Code, up to 15% of each issue and at the same price as that of the initial issue and up to the total ceiling stipulated in resolutions two and four of the Special Shareholders' Meeting, when the Board of Directors shall recognize surplus demand.

This authorization shall cancel and replace the authorization granted by shareholders in resolution five of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION SIX

(Authorization to issue shares, securities or other financial instruments and freely set their issue price)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, within the framework of Article L.225-136 1°) of the French Commercial Code and up to the limit of 10% of the capital per annum and the ceiling indicated in resolution four of the Special Shareholders' Meeting, authorize, for a period of 26 months, the Board of Directors to issue any shares or securities giving access to the capital or entitlement to the allocation of debt securities and to set their issue price in the event of a public issue without preferential subscription rights, at an issue price different from that of issues authorized by resolution four above. Such price shall not be less than, at the option of the Board, either (a) the average price, weighted by the volume of shares traded over the 20 trading days preceding the setting of the issue price, or (b) the average price, weighted by the volume of shares traded in the trading session immediately preceding the setting of the issue price, with the stipulation that in both cases, the price may be reduced by a discount of up to 5%, provided that the amount received for each share is at least equal to par value. In this case, the Board of Directors shall issue an additional report, certified by the auditors, describing the final conditions for the transaction and providing the elements to assess the actual impact on the shareholder's situation.

This authorization shall cancel and replace the authorization granted by shareholders in resolution six of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION SEVEN

(Authorization for the Board of Directors to carry out capital increases up to 10% of capital, to provide valuable consideration for contributions-in-kind)

The shareholders, having read the report of the Board of Directors and the Auditors' Special Report, voting according to the conditions of majority required for Special Shareholders' Meetings and in accordance with the measures of Article L.225-147 of the French Commercial Code, authorizes the Board of Directors with facility to delegate under legal and regulatory conditions and when the measures of Article L.225-148 of the French Commercial Code do not apply, for a period of 26 months starting from this Shareholders' Meeting, to increase the capital and issue any securities that give access to the capital (except for preferred shares), up to 10% of its share capital, to compensate contributions-in-kind granted to the company and comprised of capital securities or securities giving access to the capital.

The 10% ceiling provided for hereinabove is independent from all of the other ceilings provided for in the other resolutions of the Special Shareholders' Meeting.

The shareholders grant full powers to the Board of Directors to approve the valuation of contributions and the granting of special benefits, increase the capital or issue securities giving access to the capital and constituting valuable consideration for the contributions-in-kind, recognize the completion thereof, allocate the fees and expenses generated by the capital increase to the share premium account, if applicable, withdraw from the share premium account the amount required for a full allocation to the legal reserve, and amend the bylaws accordingly.

This authorization shall cancel and replace the authorization granted by shareholders in resolution seven of the May 7, 2008 Special Shareholders' Meeting.

RESOLUTION EIGHT

(Authorization for the Board of Directors to issue share warrants free of charge to Company shareholders)

The shareholders, voting according to the conditions of quorum and majority required for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Auditors, and in accordance with the legal and regulatory measures governing commercial companies and in particular those of Articles L.225-129 to L.225-129-6, L.233-32 and L.233-33 of the French Commercial Code, delegate to the Board of Directors, with the option of sub-delegation as permitted by applicable laws and regulations, the power to decide to issue, in France or abroad, share warrants allocated free of charge to the company's shareholders.

The shareholders hereby decide that the warrants indicated in this resolution may be issued only during a takeover bid on the Company's securities, and only those shareholders who are shareholders of the Company before the expiration of the takeover bid shall benefit from this free allocation of share warrants.

The shareholders hereby decide that the maximum par value of the capital increase that might be carried out in the future pursuant to this resolution shall not exceed €[15] million or its equivalent value in foreign currency or in composite monetary units, with this limit being increased by the par value of capital increases pertaining to adjustments that might be made, in accordance with applicable laws and regulations, to preserve the rights of holders of securities giving access to the Company's share capital. The ceiling of €[15] million indicated above shall be independent of the total of all ceilings stipulated in resolutions two and four to be voted on at the Special Shareholders' Meeting.

The number of warrants that may be issued shall not exceed the number of shares comprising the Company's capital on the day of the decision to issue warrants.

The shareholders acknowledge that, as needed, they hereby waive their preferential subscription rights to the new shares to which these securities grant entitlement in favor of the holders of share warrants that might be issued pursuant to this resolution.

The shareholders decide that the Board of Directors shall have full powers, with the option of sub-delegation under conditions provided for by law, to implement this authorization, in particular to determine the beneficiaries, the number, characteristics and terms for exercising these warrants, the dates and procedures for issue, to set the entitlement date, including retroactively, for the securities to be issued and the terms for their repurchase, if applicable, to suspend the rights attached to the securities to be issued, if applicable, for a period not to exceed three months, to set the procedures ensuring that the rights of holders of securities giving future access to Company shares are preserved, if applicable, in accordance with legal, regulatory and contractual terms, to apply any and all amounts to the share premium account and in particular issuance fees and to deduct from this account the amounts needed to bring the legal reserve to one-tenth of the new capital after each increase, to take in general all necessary measures and conclude all necessary agreements to ensure the completion of the planned issue, to recognize the capital increase or increases resulting from any issue carried out pursuant to this authorization and to amend the bylaws accordingly.

The authorization thus granted to the Board of Directors shall be valid for a period of 18 months starting from this Meeting and shall cancel and replace the authorization granted in resolution two of the May 12, 2009 Special Shareholders' Meeting.

RESOLUTION NINE

(Authorization for the Board of Directors to use its authorizations to increase or reduce share capital when the shares of the Company are subject to a public takeover offer)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the measures of Articles L.233-32 and L.233-33 of the French Commercial Code, decide that all the authorizations to increase the capital of the company by issuing shares and other securities as well as the authorizations for reducing the capital, that the Board of Directors has available by virtue of the resolutions approved at this Meeting may be used even during a period of a takeover bid or tender offer on the Company's securities, as long as legal and regulatory conditions are complied with.

This authorization shall cancel and replace the authorization granted in resolution three of the May 12, 2009 Special Shareholders' Meeting.

RESOLUTION TEN

(Powers granted to the Board of Directors to issue shares and/or securities that give immediate and/or future access to the capital of the Company reserved for members of an employee savings plan pursuant to the French Commercial Code and Articles L.3332-18 et seq. of the French Labor Code)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorize the Board of Directors, pursuant to Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, to carry out, at its own discretion, under the terms of Articles L.3332-18 et seq. of the French Labor Code, one or more capital increases reserved for employees of the Company and French and foreign companies or groups of companies, as defined in Article L.233-16 of the French Commercial Code, who are enrolled in an employee savings plan and have seniority of at least three months in one or another of these entities.

This authorization is granted for a period of twenty-six (26) months starting from this day.

The total number of shares thus subscribed shall not exceed 3% of the share capital on the day of the decision to issue pursuant to this resolution, it being stipulated that this ceiling is independent to the ceiling of the preceding capital increase authorizations.

The subscription price shall not be greater than the average quoted price over the 20 trading days preceding the day on which the Board of Directors sets the opening date for subscriptions, nor more than 20% less than this average or 30% less than this average when the minimum holding period specified in the plan, in accordance with Article L.3332-25 et seq. of the French Labor Code, is greater than or equal to 10 years.

The shares thus subscribed to can be paid for either in cash or via offset, according to the terms set by the Board of Directors.

The shareholders hereby decide that the Board of Directors may also, in application of this authorization, allocate free of charge to employees shares or other securities giving access to the capital of the Company under the terms specified in Article L.3332-18 et seq. of the French Labor Code, or any security that would come to be authorized by applicable law or regulations.

The shareholders grant full powers to the Board of Directors to implement this authorization and in particular to:

- set the number of new shares to be issued and their date of entitlement;
- set the subscription price, as well as the timeframe granted to the employees to exercise their rights;
- set the timeframe and procedures for the payment of shares subscribed;
- recognize the completion of the capital increase or increases and amend the bylaws accordingly;

and in general, decide and carry out, either by itself, or via proxy, all transactions and formalities, and take all appropriate steps to effect the capital increase or increases.

The shareholders hereby decide to waive, in favor of the above-mentioned beneficiaries, their preferential subscription rights to shares issued under this authorization and also renounce any rights to shares or other securities giving access to the capital that might be issued by virtue of this resolution.

RESOLUTION ELEVEN

(Authorization to the Board of Directors to use the powers granted under resolutions four, five and six of the present Special Shareholders' Meeting, subject to their approval, pursuant to Article L.225-136 of the French Commercial Code, to issue equity securities in one or more transactions without preferential subscription rights, via private placement as allowed under 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:

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 present Special Shareholders' Meeting, provided they are approved, to issue equity securities in one or more transactions in accordance with Article L.225-136 of the French Commercial Code, without preferential subscription rights, through one or more offers as described in II of Article L.411-2 of the Monetary and Financial Code;

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 present 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 present Special Shareholders' Meeting, provided it is approved, within the limit of 10% of share capital per annum, with the stipulation that amount of such capital increases shall be attributed to the ceiling set in resolution six of the present Special Shareholders' Meeting;

5 - hereby decide that for all capital increases that might be carried out, immediately or in the future, under this authorization, that the Board of Directors shall be able, with the option of sub-delegation as permitted by applicable laws and regulations and in accordance with the terms of resolution five of the present Special Shareholders' Meeting, provided it is approved, to increase the number of securities to be issued, at the same price as that applied to the initial issue and within the deadlines and limits stipulated in applicable regulations on the date of the issue, up to 15% of the initial issue, when the Board of Directors recognizes surplus demand;

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 present Special Shareholders' Meeting, provided it is approved, and that (ii) the par value of debt securities that could be issued under this authorization shall be attributed to the €200 million ceiling set under resolution four of the present Special Shareholders' Meeting, provided it is approved;

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 present Special Shareholders' Meeting, provided they are approved.

This authorization shall cancel and replace the authorization granted in resolution five of the May 12, 2009 Special Shareholders' Meeting.

RESOLUTION TWELVE

(Authorization for the Board of Directors to use the shares acquired under the share buyback program)

The shareholders, voting according to the conditions of quorum and majority required for Special Shareholders' Meetings, having reviewed the report of the Board of Directors and subject to the adoption of resolution six of the Ordinary Shareholders' Meeting, hereby decide to grant full powers to the Board of Directors, with the option to sub-delegate as permitted under applicable laws and regulations, to allocate the shares acquired within the framework of the share buyback program as follows:

- within the framework of the powers granted under resolutions two, four, five, six, seven, eight, ten and eleven of this Special Shareholders' Meeting, provided they are approved, so as to allocate them as a result of the issuance of marketable securities conferring access to the Company's capital;
- 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 THIRTEEN

(Powers to accomplish legal formalities)

The shareholders grant full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal filing, publication and other formalities.

The Board of Directors

NAME AND TITLES OF PERSONS RESPONSIBLE FOR THE REFERENCE DOCUMENT

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

Chief Executive Officer

STATEMENT OF RESPONSIBILITY FOR THE REFERENCE DOCUMENT

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 39 of this document presents a true and fair view of the business, earnings and financial condition of the Company and of the companies included in the scope of consolidation, as well as a description of the principal risks and uncertainties with which they are confronted.

We have obtained a comfort letter from our Statutory Auditors, wherein they indicate that they have verified the information regarding the financial position and financial statements included in this Reference Document and that they have read this entire document.

This letter does not contain any observations. The Statutory Auditors' reports on the historical financial information presented in this document can be found on pages 90 and 103 of the present document, and those incorporated by reference for 2007 and 2008 can be found on pages 110 and 126 respectively of this Reference Document and on pages 98 and 112 of the 2007 Reference Document. The report on the 2009 consolidated statements contains one observation: in their report on the consolidated financial statements for the fiscal year 2009, the Statutory Auditors noted that Cegid Group had approved new accounting standards as of January 1, 2009.

Jean-Michel Aulas

Chairman of the Board of Directors

Patrick Bertrand

Chief Executive Officer

Lyon, April 22, 2010

INFORMATION POLICY

Patrick Bertrand

Chief Executive Officer – Tel: +33 4 26 29 50 20

NAMES AND ADDRESSES OF STATUTORY AUDITORS

Principal Statutory Auditors

MAZARS

131, boulevard Stalingrad

69 624 Villeurbanne Cedex

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

69 442 Lyon Cedex 03

Date of first appointment: Combined Shareholders' Meeting of May 22, 1996.

Expiration date of appointment: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2013.

Alternate Statutory Auditors

Pierre Sardet

Exaltis, 61 Rue Henri Regnault

92 075 Paris la Défense

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

75 017 Paris

Date of first appointment: Combined Shareholders' Meeting of May 7, 2008.

Expiration date of appointment: Annual Shareholders' Meeting called to approve the financial statements for the period ending December 31, 2013.

Cross-reference index

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.

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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