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A French *société anonyme* with Management and Supervisory Boards
with a capital of € 212,047,480
Registered office: 130 rue de Silly 92100 Boulogne-Billancourt
Registry of Commerce and Companies of Nanterre 552 142 200

REPORT OF THE MANAGEMENT BOARD
TO THE EXTRAORDINARY SHAREHOLDERS' MEETING
OF 6 JUNE, 2007

(First notification 29 May 2007)

Ladies and Gentlemen:

You have been called to an Extraordinary Shareholders' Meeting in order to submit for your approval:

Agenda for the Extraordinary Meeting:

- Delegation to the Management Board of authority to decide a capital increase through issuance – with preferred subscription rights maintained – of shares and/or securities which grant access to the capital of the Company and/or the issuance of securities which give right to the allocation of debt securities;
- Delegation to the Management Board of authority to decide a capital increase through issuance – without preferred subscription rights - of shares and/or securities which grant access to the capital of the Company and/or the issuance of securities which give right to the allocation of debt securities;
- Possibility to issue shares or securities which grant access to the capital of the Company without preferred subscription rights as payment for contributions in-kind of capital securities or securities which grant access to the capital of the Company;
- Delegation to the Management Board of authority to decide a capital increase by capitalization of premiums, reserves, profits or others;
- Delegation to the Management Board of authority to increase the number of securities to be issued in the event of a capital increase with or without preferred subscription rights;

- Delegation to the Management Board of authority to decide a capital increase without preferred subscription rights, through issuance of shares or securities which grant access to the capital, reserved for members of a company savings plans;
- Delegation to the Management Board of its authority to grant stock options;
- Delegation to the Management Board of its authority to grant, for free, existing or newly issued shares to the Group's employees and corporate officers or to some of them;
- Authorization granted to the Management Board to reduce the share capital through the cancellation of treasury shares;
- Modification of the by-laws.

The resolutions that you are asked to adopt are all within the powers of the Extraordinary Shareholders' Meeting.

I. Financial authorizations (Resolutions 1 to 8)

In accordance with the regulatory provisions relating to capital increases, the Management Board has, in its management report relating to the Ordinary Shareholders Meeting, provided you with information in respect of the course of the company's business since the beginning of the financial year.

The Management Board is willing to have the possibility, including by resorting to the capital markets and placing shares, to gather rapidly and with flexibility the financial means necessary for the development of the Company and its Group' business.

Therefore, the Management Board asks the Shareholders' Meeting to, using the legal mechanism of the delegation of authority (*délégation de compétence*), delegate to it its authority for a twenty-six-month period, in order to:

- decide any capital increase through issuance – with preferred subscription rights maintained – of shares and/or securities which grant access to the capital of the Company and/or the issuance of securities which give right to the allocation of debt securities for a total nominal amount of up to 40 million euros (resolution 1);
- decide any capital increase through issuance – without preferred subscription rights – of shares and/or securities which grant access to the capital of the Company and/or the issuance of securities which give right to the allocation of debt securities for a total nominal amount of up to 10 million euros (resolution 2);

- decide any capital increase by capitalization of premiums, reserves, profits or others for a total nominal amount of up to 20 million euros (resolution 4);
- increase the number of securities to be issued in case of success of the issuances provided for in resolutions 1 and 2 (green shoe) (resolution 5);
- decide any capital increase through issuance of shares reserved for members of a company savings plans for a total nominal amount of up to 5 million euros (resolution 6).

In addition, the Management Board asks the Shareholders' Meeting to, for a twenty-six-month period:

- grant it all powers to decide the issuance of shares or securities which grant access to the capital of the Company, without preferred subscription rights, as payment for contributions in-kind of capital securities or securities which grant access to the capital, for up to 10% of the share capital, such percentage being applied to the capital as may be adjusted following transactions affecting it after this Shareholders' Meeting (resolution 3);
- authorize it to grant stock options to the Group's employees and corporate officers or to some of them, for up to 2% of the share capital as of the date of the Management Board's decision (resolution 7);
- authorize it to grant, for free, existing or newly issued shares to the Group's employees and corporate officers, up to 5% of the share capital as of the date of the Management Board's decision (resolution 8).

The maximum global nominal amount of capital increases that could be carried out pursuant to the aforementioned delegations would be 40 million euros; it being specified that this would be a global cap common to the aforementioned resolutions (hereinafter the "Global Cap"), from which would be deducted the amount of the capital increases that would be carried out pursuant to the first, second, third, fourth, fifth, sixth, seventh, and eighth resolutions, within the limits set forth below:

- 40 million euros for the issuances, with preferred subscription rights maintained, of shares or securities which grant access to the capital of the Company carried out pursuant to the first resolution;
- 10 million euros for the issuances, without preferred subscription rights, of shares or securities which grant access to the capital of the Company carried out pursuant to the second resolution, it being specified that the nominal amount of the capital increases carried out pursuant to the third and fifth resolutions will be deducted from such cap;
- 20 million euros for capital increases carried out by capitalization of premiums, reserves, profits or others carried out pursuant to the fourth resolution; and
- 5 million euros for the issuances without preferred subscription rights of shares or securities which grant access to the capital of the Company,

reserved for members of a company savings plans carried out pursuant to the sixth resolution.

In case of issuance without preferred subscription rights, the Management Board would have the right to grant to shareholders a priority subscription period, following which the securities not subscribed by shareholders would be offered to the public.

The adoption of the fifth resolution would allow, in case of success of the capital increases made with or without preferred subscription rights, to increase the number of securities to be issued, such securities being issued at the same price as the price of the initial issuance and within the time-periods and up to the limits provided for by the applicable regulations on the day of the issuance (i.e., as of today, within thirty days following the end of the subscription period and for up to 15% of the initial issuance).

The sixth resolution allows the Company to comply with the requirements of Article L. 225-129-6 of the French Commercial Code, which provides that the Shareholders' Meeting shall vote on a proposed resolution enabling the completion of a capital increase reserved for employees who are members of a company savings plan when the agenda of such Meeting includes a vote on resolutions authorizing the completion of a capital increase by contribution in cash, except when the capital increase results from a prior issuance of securities which grant access to the capital.

All the aforementioned delegations would be granted for a twenty-six-month period; it being specified that you would be requested to acknowledge that these resolutions will deprive of effect the unused portion, if any, of the delegations of issuance having the same purpose previously granted by the Shareholders' Meeting.

II. Additional information relating to stock options (Resolution 7)

A resolution enabling the Management Board to offer to employees of the Group in France and abroad the possibility to subscribe for new shares or to purchase shares of the Company which have been previously repurchased by the Company under the conditions provided for by law, in order to more closely associate them to the Company's development, will be submitted to your approval.

As part of the authorization granted by your Meeting on 15 June, 2000, two plans, a subscription plan and a purchase plan, have been set up in 2000 and 2003 respectively and reports thereon have been made to you each year in the Management Board special report. It appears from this experience that these stock options have been particularly appropriate in associating more closely the beneficiaries to the Group's activity and development, as well as to stock price. They have most likely contributed to develop the loyalty of the interested parties to the Company, to reinforce the cohesion, and to increase personal motivation.

The maximum nominal amount of capital increases that could be carried out immediately or in the future pursuant to this delegation would be equal to 2% of the share capital on the day of the Management Board's decision, and would be included in the amount of the Global Cap.

The issuance price for the new shares would be at least equal to the average of the first trading prices of the Company's share on Eurolist by Euronext during the twenty trading sessions prior to the day of the decision to grant the subscription options; in case of purchase options, the issuance price would at least be equal to the average purchase price for the shares held by the Company pursuant to Articles L.225-208 and L.225-209 of the French Commercial Code.

In accordance with the law, this delegation would entail an express waiver by the shareholders of their preferred subscription rights to securities to be issued in favor of employees and corporate officers benefiting from the capital increase, said shareholders waiving, in addition, all rights to shares or securities which grant access to the capital that would be issued pursuant to the sixth resolution.

In accordance with the law, the Management Board would have all powers, with power to subdelegate as permitted by law, to implement this delegation and in particular to determine the terms and conditions applicable to the issuance and subscription of securities, set the list of beneficiaries, acknowledge the completion of the share capital increases resulting from such implementation and amend the by-laws accordingly.

This resolution would be valid for twenty-six months and would deprive of effect the unused portion, if any, of any prior delegation granted by your Meeting to the Management Board to grant stock-options, whether options to purchase or to subscribe for shares.

III. Additional information relating to the delegation to the Management Board of its authority to grant, for free, existing or newly issued shares in favor of the Group's employees and corporate officers or to some of them (Resolution 8)

Pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, you are asked to authorize the Management Board, for a twenty-six months period from the date of this Meeting, to grant for free, on one or more occasions, existing or newly issued shares (excluding preferred shares), in favor of such beneficiaries as it may determine among the staff of the company or companies or groupings related to it under the conditions provided for in Article L. 225-197-2 of said Code and the corporate officers referred to in Article L. 225-197-1, II.

The grant of such shares to their beneficiaries would become final at the end of the acquisition period provided for by the French Commercial Code (i.e. as of today, two years) and the beneficiaries would then have to hold such shares during the mandatory holding period also provided for by the French Commercial Code (i.e. as of today, two years after such shares have been finally granted). As an exception, for beneficiaries who are not French residents as of the date the shares are granted and who therefore cannot benefit from the favorable regime provided for by the French General Tax Code, the event giving rise to taxation corresponds to the end of the acquisition period, such shares would be finally granted at the end of an acquisition period of four years and the beneficiaries would not be subject to any mandatory holding period.

This device is meant to encourage employee shareholding, together with the current employee savings scheme and with stock options.

The existing or newly issued shares to be granted pursuant to this delegation may not represent more than 5% of the share capital on the day the decision of the Management Board is made; it being specified that the maximum nominal amount of capital increases that may be carried out immediately or in the future pursuant to this delegation will be deducted from the amount of the Global Cap of 40 million euros.

In accordance with the law of December 30, 2006 relating to the development of employee participation and shareholding, and as regard the shares granted for free to the corporate officers, the Management Board will have to either decide that the shares granted for free may not be sold by such corporate officers before their term expires or set the amount of shares granted for free that they must keep in registered form until their term expires.

This resolution would be valid for twenty-six months and would deprive of effect the unused portion, if any, of any prior delegation granted by the Shareholders' Meeting to the Management Board to grant shares for free.

IV. Authorization granted to the Management Board to reduce the share capital by cancellation of treasury shares (*Resolution 9*)

In connection with the authorization granted to the Management Board to trade on the Company's shares, you will be requested to grant to the Management Board for a twenty-six-month period the authorization to cancel shares held by the Company, for up to 10% of the total number of shares forming the capital per twenty-four-month period, and to delegate to it, with right to sub-delegate, all powers to carry out these transactions.

V. Modification of the by-laws (*Resolution 10*)

In order to conform the Company's by-laws to the modifications brought about by the implementation of the aforementioned resolutions, you are requested to amend some provisions of the by-laws by adopting the tenth resolution.

THE MANAGEMENT BOARD