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# Registration Document 2004



The original version of this reference registration document in French was filed with the French Financial Market Authority (AMF) under number D.05-627 on May 4, 2005 in accordance with articles 211-1 to 211-42 of the AMF General Regulations.

This document may only be used to support a financial transaction if it is accompanied with a transaction notice approved by the AMF.

This English-language version of this annual registration document is a free translation of the original French text. In the event of a conflict in interpretation, reference should be made to the French version which is the authentic text. The auditor report applies to the French version of the financial review and of the financial statements.



# Message from the Chairman

With market conditions steadily improving, 2004 marked a turning point for AUSY:

There was a return to organic growth with turnover up by 8.2%

Average sales prices stabilised over the year in comparison with 2003

Financial structure was reinforced thanks to a particularly successful issue of share subscription warrants, representing a contribution of M€ 4.8 to our Group.

This transaction revealed a revival of interest in AUSY on the part of many investors.

The end of the financial year was marked by the arrival of Philippe MORSILLO on October 1, as Deputy Managing Director of the Group, responsible for the operational activities of AUSY France and for re-energising the company.

The following developments were noted at year-end:

- Operating accounts were no longer in deficit in the second six months, excluding non-recurring elements relating to re-energising activities
- Significant improvement in intercontract rates over the last few months.

The start of 2005 confirms these trends with intercontract periods continuing to drop.

A new financial transaction (issue of OCEANE bonds for M€ 4.6) was successfully completed in March, contributing financial resources to help our Group expand, while securing full debt reduction.

The Group's objective is to reach the same level of profitability as leading players in the sector by the end of 2007, while growing turnover at an average market rate.

2005 should take us a step closer towards meeting this objective and we aim to achieve an operating margin over the financial year of between 1% and 3% and organic growth in our turnover in line with the market, which is forecast to grow by around 5%.

Issy-les-Moulineaux, May 3, 2005



**Jean-Marie MAGNET**



# Activity



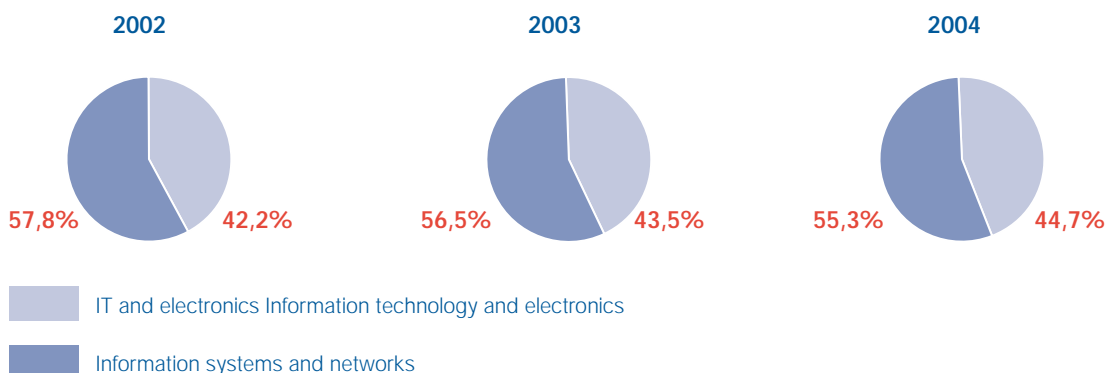
# 1. PROFILE

## 1.1 BREAKDOWN OF TURNOVER BY AREA OF EXPERTISE

AUSY specialises in consulting and engineering in advanced technology areas and supports the development of its major customer accounts in industrial and services sectors through the technical expertise of

its consultants and engineers. This comprehensive service offering is based on two main areas of expertise:

- IT and electronics Information technology and electronics
- Information systems and networks



As of 2004, the Group's consulting activities were integrated into its operational divisions. Turnover is now

divided between the Group's two core areas of expertise: IT and information systems.

## 1.2 BREAKDOWN OF TURNOVER BY BUSINESS SECTOR

### 1.2.1 Breakdown Turnover by customer area of expertise

Based on its know-how and experience, AUSY has enhanced customer loyalty among its major accounts and established long-term partnerships.

As % of turnover	2004	2003	2002
Telecom industry	14%	16%	16%
Electronics industry	7%	7%	8%
Aeronautics industry	8%	9%	10%
Space industry	5%	3%	2%
Transportation industry	10%	8%	6%
Automation	1%	0%	0%
Multimedia industry	1%	1%	1%
Other industries	4%	5%	6%
Administration / defence	5%	6%	5%
Banking / insurance	20%	23%	22%
Telecom operators	10%	8%	8%
Services / transportation	13%	11%	12%
Retail / distribution	2%	3%	4%

## 1.2.2 Top ten customer groups

Group	% of turnover	total %
EADS	8,8%	8,8%
THALES	8,2%	17,0%
ALCATEL	6,8%	23,8%
FRANCE TELECOM	5,6%	29,4%
SAGEM	5,2%	34,6%
SIEMENS	4,1%	38,7%
VIVENDI	3,5%	42,3%
PHILIPS	2,4%	44,7%
PMU	1,9%	46,6%
NORTEL NETWORKS	1,7%	48,3%

Over the last three years, there have not been any major changes in the list of our main customers. The development in weighting of the top ten customer groups reflects the stability of AUSY's commercial relationships and loyalty of its customers.

The top ten customer groups represent 48.3% of the Group's turnover in 2004, 46.3% in 2003 and 45.4% in 2002.

Accounts such as Thales and EADS, who are active in a number of business areas, currently have a total of 34 individual billing and decision-making centers between the two of them.

The Group had 425 customers (billing centers) at the end of December 2004.

There is no apparent cycle of activity in Information technology and electronics or in information systems and networks, as business is continuous throughout the year. However, there is often a delay in customer decision-making regarding the start of new projects at the beginning of the calendar year.

Customer invoices are paid according to standard terms. We have no special comment regarding the management of trade payable.

## 1.2.3 Customer references

**Industry/defence** . . . . . Alcatel, Alstom, BMW, Bombardier, CSEE Transport, EADS, EDF/GDF, Eutelsat, General Electric, IBM, Johnson Controls, Nortel Networks, Philips, Renault, Sagem, Schlumberger, Siemens, Snecma, Thales, Valéo

**Banking/insurance** . . . . . AGF, AXA, Banque Populaire, BNP, Caisses d'Epargne, Caisse des Dépôts, Crédit Agricole, Crédit Foncier de France, Crédit Mutuel, Generali, MAAF, MACIF, MMA, Mornay, Réunica, Société Générale

**Telecom operators** . . . . . Bouygues Télécom, France Télécom, Vivendi

**Administration** . . . . . Agence de l'Eau, ANPE, APAVE, HCL, French Ministry for Finance and Economic Affairs

**Services/transportation/distribution** . . . Air France, Auchan, Canal +, Carrefour, PMU, SNCF, Vivendi

### 1.3 TURNOVER BY AREA OF SERVICE

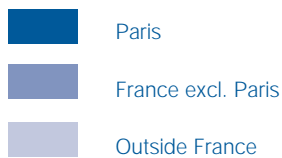
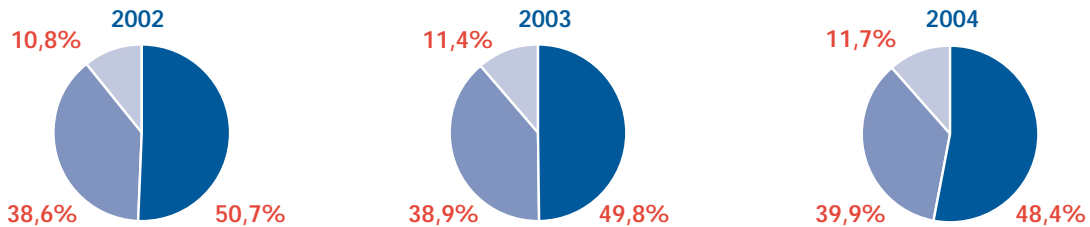
AUSY engineers and consultants provide services as part of projects implemented with a commitment to produce results, at our own offices or service centers, as well as projects geared to provide technical assistance at our customers' sites.

The average duration of technical assistance projects is approximately 13 months in the field of information systems and networks, and the same for Information technology and electronics.

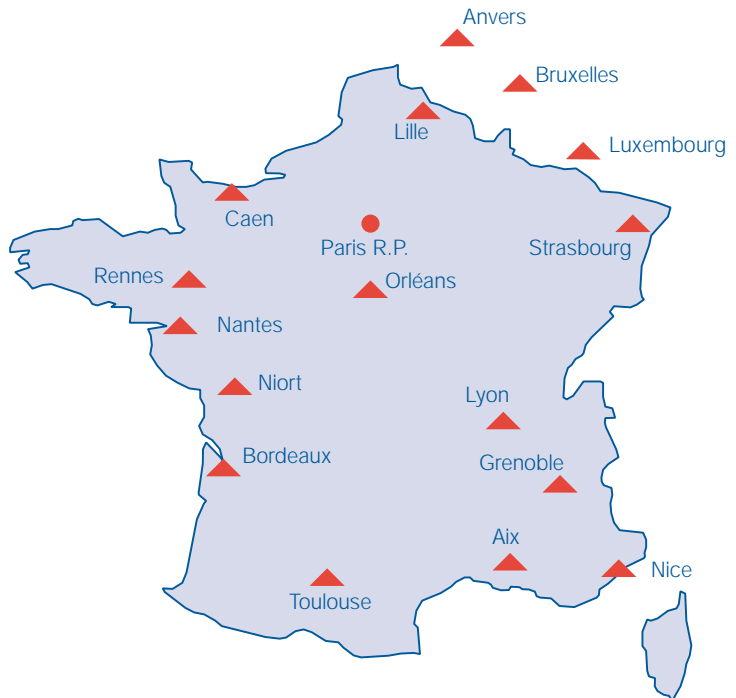
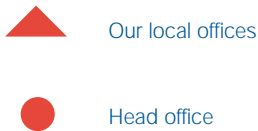
Contracts executed as fixed-price contracts have increased as follows: 6% in 2000, 9% in 2001, 10% in 2002, 10.5% in 2003 and 12% in 2004.

Technical assistance services are billed every month according to time-spent. Services performed as part of fixed-price are billed according to the schedule provided for in the contract and on acceptance of work.

### 1.4 TURNOVER BY GEOGRAPHICAL AREA



#### Decentralised organization



## 1.5 KEY FIGURES

(in millions of euros)	2004	2003	2002
Turnover	75.89	70.18	77.56
Operating income	(1.51)	(3.81)	(4.01)
Net income before goodwill	(1.48)	(2.79)	(2.97)
Group share of income after goodwill	(2.02)	(3.32)	(6.67)
Cash flow	(0.54)	(2.03)	(1.77)
Shareholders' equity	11.10	8.41	11.73
<b>Workforce as at 31 December*</b>	<b>1,086</b>	<b>1,090</b>	<b>1,118</b>

\* Total workforce of companies in the consolidated Group

## 1.6 STOCK INFORMATION

As at 31 December, 2004, capital was made up of 3,072,556 shares each with a nominal value of € 1 listed on the second marché of the Paris Bourse. There is only one category of stock.

AUSY has been listed since April 30, 1999. Its initial listing price was € 21.04.

### Stock exchange details

ISIN code ..... FR000072621  
Reuters code ..... OSI PA  
Bloomberg code ..... OSI FP  
Segment ..... Eurolist C

Subscribed to Next Economy segment since 2002.

### Changes in stock price (source Euronext)

Month	Number of days listed	Highest price	Lowest price	Closing price	Average price	Number of shares traded	Capital traded in euros
2003-09	22	4.95	3.71	4.22	4.55	54,600	243,832
2003-10	23	4.5	3.56	3.85	3.81	22,140	86,565
2003-11	20	6.3	3.8	5.61	5.55	200,222	1,142,578
2003-12	21	5.92	5.2	5.74	5.57	26,561	150,227
2004-01	21	6	5.5	5.8	5.66	18,228	103,970
2004-02	20	6.15	5.56	6.01	5.79	33,079	192,288
2004-03	23	6.8	5.14	5.65	5.92	48,500	297,764
2004-04	20	6.4	5.29	5.6	5.64	46,580	264,305
2004-05	21	6.22	5.45	5.5	5.68	31,306	184,288
2004-06	22	5.81	5.05	5.63	5.33	156,865	803,759
2004-07	22	7.71	5.66	7.5	7.09	239,723	1,668,716
2004-08	22	8.5	6.77	8.4	7.55	33,117	247,768
2004-09	22	8.4	6.55	7.5	7.7	75,795	564,902
2004-10	21	7.9	7.46	7.7	7.61	73,658	560,969
2004-11	22	8.1	7.42	7.89	7.73	98,346	761,839
2004-12	23	8.50	7.63	8.35	8.01	70,125	552,528
2005-01	21	11.84	8.24	11.30	10.06	166,872	1,715,221
2005-02	20	11.48	10.10	10.73	10.95	186,524	2,036,227
2005-03	21	12.89	10.26	10.45	11.35	229,003	2,543,964

### Publication dates for figures:

May 10, 2005 ..... Turnover 1<sup>st</sup> quarter 2005  
September 27, 2005 ..... First half-yearly results 2005

July 28, 2005 ..... Turnover 2<sup>nd</sup> quarter 2005  
November 8, 2005 ..... Turnover 3<sup>rd</sup> quarter 2005

## 2. COMPANY ACTIVITY

### 2.1 COMPANY HISTORY

**1990 :** AUSY is founded by current Chairman and CEO Jean-Marie Magnet, in an LBO transaction creating a company specialising in IT with three initial offices: Paris, Lyon and Rennes.

**1991:** Expansion on Information systems and networks activity and creation of a new division dedicated to this area of expertise. Toulouse office opens.

**1993:** AUSY continues expansion and remains profitable despite slowdown in IT service market.

**1994:** AUSY acquires two Itrec businesses (Lyon and Nantes) enabling it to expand its customer base in its core areas of expertise.

**1995:** AUSY expands its national coverage by opening an office in Strasbourg.

**1997:** LBO financing is repaid in 1990. An IXEL business (Paris and Orléans offices) is acquired, enabling AUSY to reinforce its strategic position in the information systems market.

**1999:** AUSY stock is listed on the second marché of the Paris Bourse on April 30 to increase its prestige, strengthen its shareholders' equity and support the strong

growth of its activities and plans for expansion in Europe. AUSY Benelux, based in Brussels, is set up, representing the first expansion outside France.

**2000:** Issy-les-Moulineaux and Cesson-Sevigné offices are certified to ISO 9001. Expansion accelerates with offices opening in Aix-en-Provence, Bordeaux and Lille.

**2001:** AUSY achieves its European ambitions with the acquisition of the Onsite Group and the Belgian and Luxembourg subsidiaries of Groupe Actif France. AUSY develops its sales network in France by opening new offices in Nice, Caen and Grenoble.

**2002:** AUSY subscribes to the Next Economy segment of Euronext Paris. Certification to ISO 9001, version 2000.

**2003:** New office is opened in Antwerp

**2004:** Capital is increased by issuing share subscription warrants: M€ 4.8 exercised. Chauray (79) and Mérignac (33) offices certify to ISO 9001, version 2000.

**2005:** M€ 4.6 convertible OCEANE bonds.

### 2.2 IT SERVICE MARKET

**2004: Gradual recovery of service and software sector**

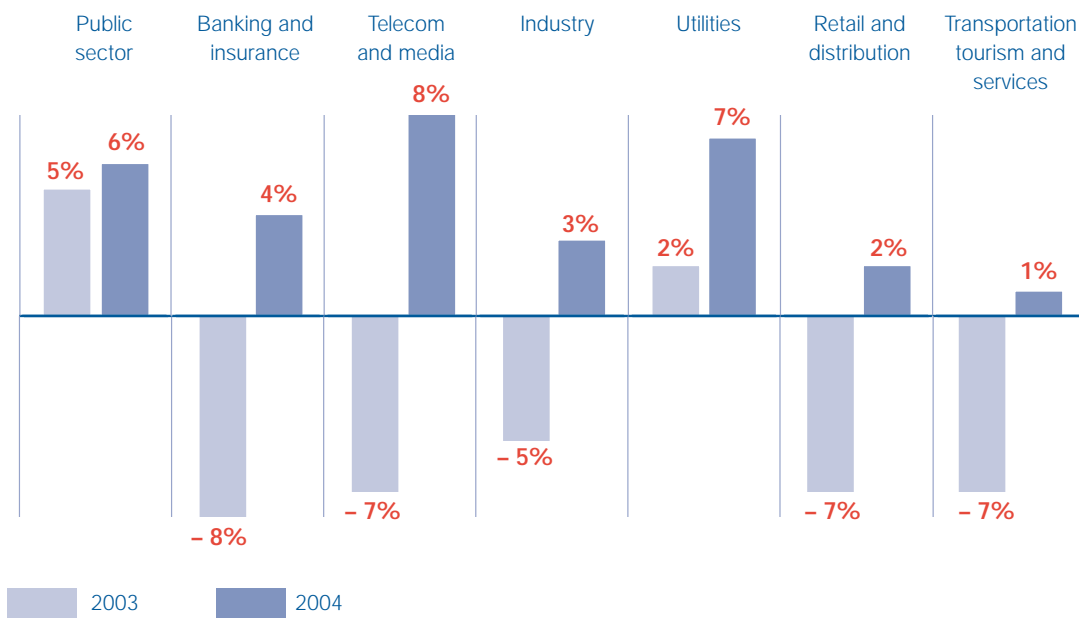
After two years of decline (-5% in 2003 and -3% in 2002), the service and software sector recorded growth of +4% in 2004. As in 2003, outsourcing was the market driver (+10%) while IT enjoyed significant growth +5% in 2004 compared with +3% the previous year. The business areas which did not perform well last year, such as consulting (-10% in 2003) and technical development /

assistance (-11%) showed signs of recovery, going up +3% and +2% respectively.

**Billed amounts stabilised**

According to INSEE, the amounts billed for consulting and engineering services had been going down for two consecutive years, reaching their lowest point in Q3 2004. There has been no decline since Q4 2004.

Development of growth per market 2004/2003 (source: Syntec)



Development is particularly noticeable in the telecom, banking & insurance and transportation sectors, which did not perform well in 2003.

#### 2005: Positive growth trend

According to SYNTEC, "although economic recovery is still limited, it is nevertheless lasting and reinforces the trend of growth initiated in 2004 in the service and software sector of between +4% and +6%".

#### Recovery in IT employment

The volume of vacancies in 2004 rose by nearly 60% compared with 2003 according to APEC, and this trend is continuing in the start of 2005 with a significant increase in February of +14% (O1DSI/PAC).

#### A structurally growing market

– Innovation has become the principal lever of growth and competitiveness among companies in the service and software sector, in view of global competition and the need to adapt to constant market changes. Companies are investing in replacing equipment, having delayed from doing so over the last few years, and in

technologies that enhance security and improve the performance of their information systems.

– outsourcing of R&D activities is a basic trend that meets the twofold need for companies to focus on their core business and reduce their costs.

#### More favourable economic prospects

Investment on the part of companies is an important criterion in analysing the economic climate in the service and software sector: Investment effort is a commitment to protect the future, and has a medium and long-term impact on the portfolios of companies.

As with last year, manufacturers forecast a 3% increase in investment in the manufacturing industry for 2005 and a 2% increase in industry overall (source INSEE). In other respects, having grown by 2.5% in 2004, IT divisions envisage increasing expenditure by 4% including software, hardware and services (source O1DSI/PAC).

## 2.3 CORE LINES

AUSY's goal is to support its major customer accounts in the industrial and services sectors and develop specific solutions tailored to their individual

needs, taking the functional, human and technological elements of projects into consideration.

### 2.3.1. Information technology and electronics

Since it was formed, the AUSY Group has been developing considerable expertise in the field of IT aimed at major players in the industrial sector; by providing high quality engineering services, the Group's consultants and engineers provide customers with support in their outsourced R&D projects to design and implement future products for private or business users.

Within the scope of developing products in the mobile telephony, television or electronic payment system sectors, the AUSY Group plays an important R&D role for these products aimed at the general public, although it does not actually produce the end products. In other areas, AUSY engineers enter into agreements with major industrial groups to take part in the process of implementing sophisticated systems or sub-systems, such as developing onboard processors in the civil and military aeronautics sector, or for automotive

component manufacturers. When providing services for this last category of customer, the AUSY Group takes on the role of subsystem supplier.

Whatever the type of work carried out, the services offered by the AUSY Group dovetail with the production cycle of the various products. Working on the basis of the functional specifications, AUSY engineers are able to take over the role of prime contractor for a project and be involved at all stages, from when the specifications are prepared to operational maintenance of the end system, including all the phases involved in the process of developing a product.

In short, the AUSY Group boasts scientific know-how, developing prototype and simulation applications and performing structural calculations... aimed at major players in nuclear physics, aerodynamics and cryptography.

### Expertise

Besides excellent knowledge of the various product development phases and knowledge of the areas in which their customers specialise, AUSY engineers also have expertise in the following areas:

- Real-time processing
- Onboard processors and systems
- Low-layer software
- Human machine interface and software ergonomics
- Programmable electronic components
- Power, analogue, digital or electronic cards
- Microelectronics
- Signal processing
- Optronics
- Radio frequency and microwave
- Monitoring and information systems.

AUSY engineers work for major accounts such as:

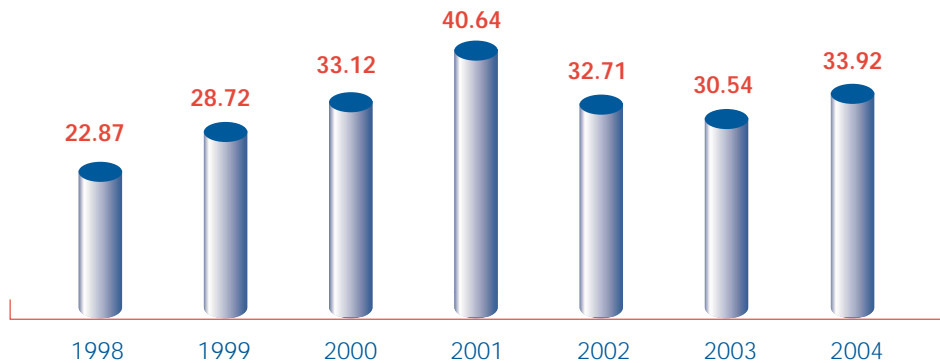
Airbus, Alcatel, Alstom, Astrium, Bombardier, Bouygues Telecom, Cegetel, Dassault, EADS, EDF, France Télécom, General Electric, Johnson Controls, Nortel Networks, Philips, PSA, Renault, Sagem, Schlumberger, Siemens, Snecma, Thales...

### Other actors on the market

AUSY is one of the leaders in this business segment. Competitors include Altran, Alten, Assystembrime, Coframi and SII.

### Main customers

#### Development in turnover in millions of euros



### 2.3.2. Information systems and networks

As part of their activities in the field of information systems, AUSY engineers support corporate divisions (finance, engineering, production, administration...) in designing or optimising applications with the aim of improving the company's operational performance.

AUSY is able to take responsibility for the overall design of an information system or be involved in changing a part of it, so that the system is in line with an internal reorganization, technological development or system optimisation.

Thanks to their expertise, AUSY engineers can act at any stage in the life cycle of a project, from preliminary analysis to implementation and deployment.

In the field of "conventional" business IT, engineers work on applications that affect the company's ongoing functions (accounting, billing, stock, payroll, etc.).

AUSY offers consulting and architecture services to support the project owner and/or to implement a project as prime contractor.

Gaining market share, becoming better acquainted with potential customers, establishing a targeted operational marketing campaign, responding to change more efficiently in decisions are factors of interest to managing divisions in any large company.

To meet these needs and expectations, AUSY offers a BUSINESS SOLUTION approach based on setting up systems to control the main functions within the company (CRM, ERP, e-business, business intelligence), drawing on its knowledge of the most advanced technologies.

Once these solutions are up and running, they become crucial elements to aid decision-making and also make it possible to:

- Improve the quality of the customer relationship
- Measure the relative profitability of products, services and customer groups
- Implement customised campaigns and analyse their impact
- Carry out financial analyses of detailed data
- Detect growth trends more rapidly
- .....

As part of its information system and networks activities, AUSY advises its customers and proposes telecom infrastructure solutions, lending their expertise in:

- Choice of network software
- Choice of operator
- Coordination and choice of hardware
- Planning
- .....

In the field of system and network engineering, AUSY provides solutions for installing and monitoring hardware, ensuring a secure environment, optimising response time or machine resources.

– Transiciel, Sopra, Stéria, Syllis Teamlog and Unilog.

### Expertise

Using their excellent knowledge of the areas in which their customers specialise, AUSY employees are able to apply their skills and expertise in the most advanced technologies in the following fields:

- Central systems
- N-tier architecture
- E-business, websites, intranet / internet
- Business intelligence
- Decision support systems
- Operational and analytical CRM
- Control systems
- ERP
- Systems architecture
- Networks, hardware, operating systems, protocols, databases
- Security applications

### Main customers

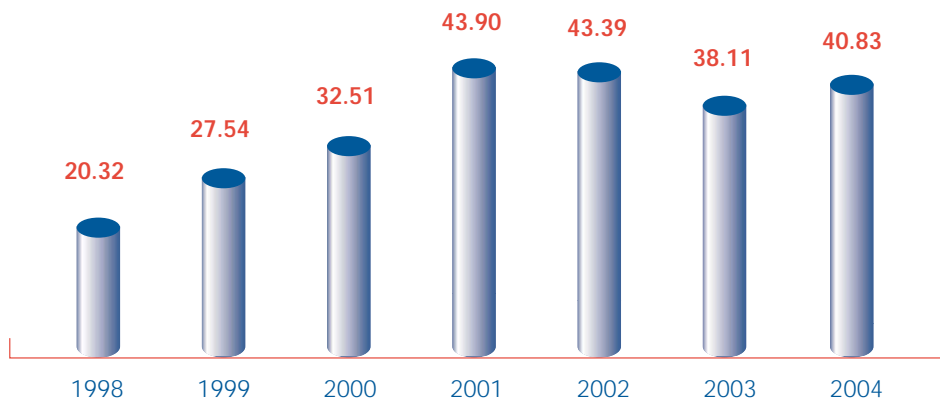
The main customers are major accounts in banking and insurance, industry, telecommunications, multimedia, distribution, transportation, etc.:

AGF, Airbus, Air France, Auchan, Axa Assurances France, Banques Populaires, BNP, Bouygues Télécom, Caisses d'Epargne, Caisse des Dépôts, Cegetel, Crédit Agricole, Crédit Foncier de France, Crédit Mutuel, France Télécom, Generali, Groupe Mornay, IBM, Intermarché, La Poste, MAAF, Macif, MMA, PMU, PSA, SNCF, Société Générale...

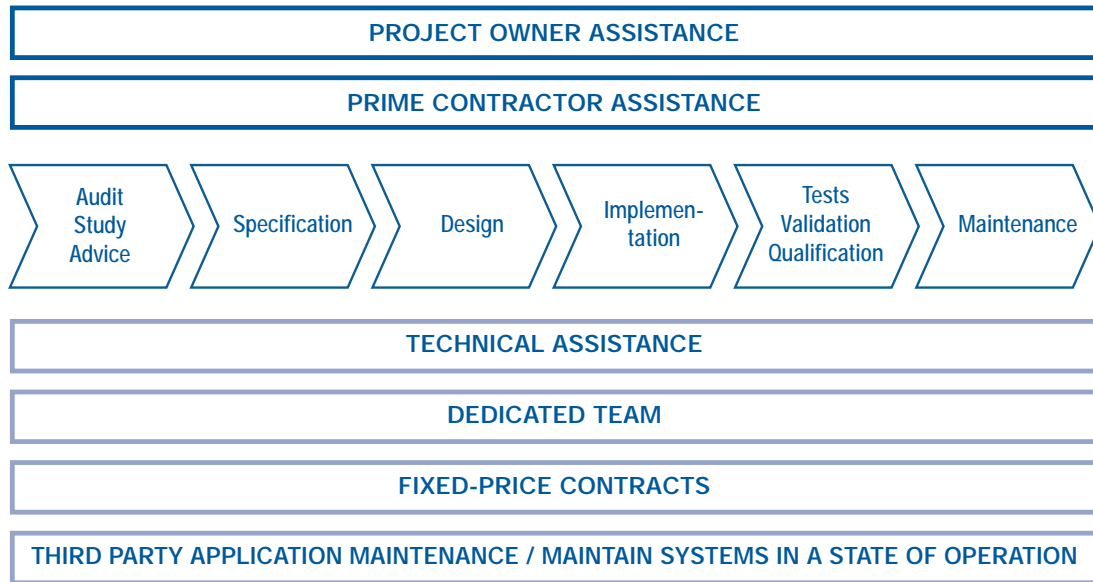
### Other actors on the market

AUSY's competitors in this business segment include Atos Origin, GFI, Sogeti.

### Development in turnover in millions of euros



### 2.3.3. Services



AUSY engineers and consultants provide their customers with support from project analysis stage to implementation and maintenance.

The Group is able to offer value-added technology and services, by pooling its in-depth knowledge of the areas in which its customers specialise, handling all stages in a project, ensuring expertise in the latest technologies and specialising in particular skills.

#### Service offering

Fixed-price contracts, dedicated team, third party application maintenance, maintain systems in a state of operation...

#### Technology offering

Business intelligence, scientific computing, mobile telecommunication, unit testing...

#### Consulting in telecommunications and information systems

Consulting activities are integrated within the operational divisions according to the skills of the consultants and their knowledge of the areas in which customers specialise. Consulting services are directed at the level of managing divisions in large groups, and find solutions to issues facing the companies, taking economic and strategic factors into consideration.

#### They perform:

- Marketing and strategic analyses at national and international level, using an established network of partners
- Market and opportunity research
- Technical, functional and organizational audit activities
- Consulting work and prepare specifications
- Activities in support of the project owner

Apart from this, they have an excellent knowledge of topical issues in information and communication technology: Customer relationship management, e-business, security, ERP, telecommunications, networks and outsourcing...

### 2.3.4. Examples of projects

In 2004, our major customer accounts in industrial and services sectors came to us for our expertise in running major development and organizational projects.

A few of these projects are highlighted below to illustrate our ability to act in diverse environments and analyse the factors and issues specific to each sector.

#### INFORMATION TECHNOLOGY AND ELECTRONICS

##### Energy

We developed tools to transfer data on all existing structures (taps, valve guards, etc.) to GPS PDAs, for a gas company; all the company's maintenance engineers are now equipped with a GPS PDA enabling them to locate the structure on which a fault or incident is identified and rapidly perform the necessary repair or maintenance work.

**Expertise:** Use of open source software application to convert Lambert data into GPS WGS84 coordinates (latitude / longitude).

If there is a serious accident at a nuclear plant, there is a risk of hydrogen build-up and therefore explosion. Thanks to its expertise in the field of scientific computing and know-how in fluid mechanics and chemistry, AUSY carried out simulation calculations to check that there was a sufficient number of recombiners (to transform hydrogen to H<sub>2</sub>O) and that they were installed in the best possible positions.

##### Electronics industry

Activities involving the production and sale of medical devices using x-ray sources for a major manufacturer: AUSY had previously developed a functional test bench to check that generators required to supply x-ray tubes with current and voltage were functioning properly from an electrical point of view. After a phase of gauging and calibration, the bench was able to automatically test the generator's various x-ray emission modes. The current project involves utilising low-level modules to guide the generator and test other x-ray source lines (other types of device). These tests are carried out at the end of each "exposure" (period during which x-rays are emitted). The testing is carried out before the sales and marketing phase, so it is possible to determine the number of "firings" (errors), which must not exceed a critical threshold. This project was developed at AUSY's Issy-les-Moulineaux site, and will be followed by a phase of integration and validation at the customer's site.

**Expertise:** Labview.

We created a new generation of electronic components for audio and video applications in mobile telephones, which will in the future support video recording via the telephone (digital camera function) based on MPEG4 standards, for a microelectronics manufacturer. The long-term objective is for the mobile telephone to support video-conferencing.

**Expertise:** Microprocessor ARM9, C, Nucleus, Linux, Posix, GSM/GPRS standards.

##### Automotive industry

We were awarded a contract by a car manufacturer, with a commitment to produce results. The project involved implementing a common tool to support electronic architecture design, meeting a two-fold objective of optimising costs and ensuring operating safety, in turn ensuring the safety of the vehicle and its passengers. Electronic architecture design translates into consistent and efficient architectures, while supporting the manufacturer's wide range of vehicles.

**Expertise:** Oracle, JVIEWWS, Java.

##### Aeronautics industry

We prepared the specifications for an application to be installed in houses in the vicinity of Orly and Roissy airports. The application detects all sound data from aircraft as they approach or depart from these two airports; essential attention was paid to data security and how data is processed: type of aircraft, engine type, airline, flight path...

##### Railway industry

We developed the graphical interface of a train command/control system for a manufacturer. Each carriage is installed with a bus to which sensors and controls are connected. A dedicated protocol is used to interrogate and control the various systems.

**Expertise:** Windows CE, Visual C++6 and MFC, onboard PC with touch screen, remote debugging server.

For a manufacturer in the railway sector, we developed the application card software for the radio block centre (RBC) responsible for monitoring speed and spacing of trains, applying the European ERTMS standard (European Rail Traffic Management System), the European standard for radiocommunication between in-train and trackside monitoring equipment, to ensure interoperability between

the various European manufacturers. This software will initially be commissioned on HSL-East (high speed line to Eastern Europe) and the Paris / Strasbourg link. AUSY is contributing its expertise to the design, coding and internal validation.

### Telecom industry

We performed partial software tests for a control function in a processor onboard a combat aircraft. The software had to meet security requirements, which called for a considerable number of tests to obtain the necessary certification (inflight use).

**Expertise:** Onboard realtime processing, cross development languages (C and ADA), RTRT testing tool, DOD standard 2167A.

The third generation equipment was integrated and validated end to end, from the base mobile to the telephone network connection and internet network. This work was carried out:

- at the laboratory of the telecom infrastructure manufacturer
- at the telecom operator's site on the pre-commercial network.

A global leader in mobile communication awarded us with a contract to set up a dedicated team responsible for carrying out research into requests for software upgrades or new services (HMI, tones, WAP...), technical analysis, preparation of technical and financial proposals, and software implementation in an international context (Europe and South East Asia).

**Expertise:** Broad-based technical skills: hardware, software, low-layer software development, application layers, GSM protocols, GPRS, Edge, system integration.

### Space industry

We are responsible for test missions and validation of system specifications and project planning for a new civil and military telecommunication satellite. This satellite will make it possible to transmit a maximum volume of data to a large number of subscribers with even greater security. Major developments incorporated in the design include:

- flexibility of use - system can be reconfigured to adapt to various crisis situations.
- fog resistance
- intrusion resistance, using powerful encryption methods and equipment
- resistance to electromagnetic attack (nuclear explosion).

A dedicated team of 17 staff is working on the ground-based user facilities for a leading space system contractor. The team is responsible for testing and validation of the following phases: mission planning, processing and archiving of images on a military reconnaissance satellite.

This new system is able to manage a total of six programmes (receiving centres) including that of France. Each receiving centre is granted permission to obtain images in proportion to its financial participation. Use of the satellite facilities is subject to a daily agreement that takes into account the permissions granted, operational interest and degree of urgency of each request for images. This system supports autonomous and confidential management of its programming and images. After receiving its work schedule, the satellite takes the images when it passes over the programmed sites, records them and then retransmits them when it moves into the range of the main receiving centres. The unprocessed data received from the satellite is transformed via linkage software into usable images on photo-interpretation stations at the ground-based user facilities.

### Defence

We developed an interface simulator for inertial guidance systems (devices equipped with gyroscopes, accelerators and a processor enabling the vehicle to locate its position and speed in space) for a major player in the defence sector. Our services are provided at all phases in the life cycle, from specifications to final validation. This project with a commitment to produce results was implemented at AUSY's Issy-les-Moulineaux site.

**Expertise:** Windows 2000 XP, C++ under Visual studio 6.0

For a major player in the defence sector, we integrated a new camera (new functionality and monitoring in particular zoom) on ground-based test towers that track military aircraft and helicopters while in flight. Expertise in optronics, cartography, trajectorygraphy, HMI and real time.

## INFORMATION SYSTEMS AND NETWORKS

### Telecommunication operators

We migrated a management application for indirect sales partners selling products to business, for a telecom operator:

- project steering: monitoring workload and deadlines and ensuring they are kept, monitoring risks, ensuring compliance with the quality system, overseeing contributions
- prior technical studies, proposing solutions, identifying project risks, project management plan, project planning
- design: general technical and functional specifications
- preparing qualification plan and test files in coordination with project team.

**Expertise:** Windows 2000, UNIX, Java, Lotus Notes, Tuxedo and MQ Series.

We were responsible for production and development platform administration for a search engine:

- definition and administration of production platform (with around a hundred servers running under Linux) within the team responsible for developing the search engine, in collaboration with the teams responsible for system administration, operation and accommodation
- ensuring platform stability and service quality on the search engine
- proposing robust and stable technical solutions to meet the requirements set by the developers
- implementing and maintaining a reliable development environment

**Expertise:** Linux, Mysql, PHP, Perl.

### Banking / insurance / retirement

Body responsible for pension administration in the field of energy

Project to set up a social security body. This body manages all old age, disability and death pensions as well as family allowances for members (165,000 clients - quarterly commitments: 700 million €).

As part of a project to reorganise the method of financing pensions and migrate the existing special system to systems under common law (ACOSS, CNAV, ARRCO, AGIRC), AUSY set up a dedicated team with a resource and result commitment.

The project is in two stages:

- adjust existing scenario; functional design and HR revenue and payroll
- implement new flows and processing systems in line with restructured financing; functional design. As the French energy distribution market is opening up to non-French companies, salaries in these companies must be integrated with this new social security body.

**Expertise:** Excellent HR functional skills, payroll and pensions, PeopleSoft, Oracle.

We are responsible for project management in the field of entitlement and allowances for several sites of a major player in the field of pensions:

- supervising project leaders
- interfacing between management of area and the various projects they are running
- organising coordination throughout the area (organising project and steering committees)
- responsibility for resource management between the various projects
- monitoring progress of the various projects

**Expertise:** PMW MEGA UML MVS COBOL DB2 TELON SMALL TALK SQL Server.

Third-party application maintenance involving complete responsibility for a banking platform used by ten or so regional banks. There are two main types of service provided: maintenance of applications (preventive, corrective and progressive) and development of new projects with a commitment to produce results.

**Expertise:** Service centre experience (covering over a hundred applications), functional knowledge of the banking sector.

### Retailers

Strategic project steering with respect to the back office for stores:

- preparing upstream supplier consultation phase (computer systems and software services market)
- producing specifications
- acting as prime contractor and project manager over suppliers during design and development phases
- monitoring work and acceptance of applications
- monitoring use of applications.

## 2.4 ORGANIZATION

### The AUSY Group is made up of five companies:

- AUSY SA, listed holding company that manages participating interests which carry the syndicated loan,
- AUSY France, the Group's main subsidiary (French),
- AUSY Belgium and AUSY Luxembourg,
- AUSY Solution & Integration.

As at 1 January, 2005, AUSY France is organised as follows:

### 4 operational divisions:

- 2 operational divisions in Paris
  - Information technology and electronics
  - Information systems and networks
- 2 operational divisions in France excl. Paris
  - North
  - South

The operational divisions meet the following objectives:

- Market coverage
- Decentralised organization based on proximity to customers
- Responsiveness to the market and changing needs
  - Shared support functions:
  - sales administration
  - recruitment
  - technical division

They are set up as profit centers, referred to as "offices". Each office specialises in a particular area of expertise and reports to a manager who manages its resources.

AUSY in the Benelux is divided into two offices in Belgium (Brussels and Antwerp) and one in Luxembourg. It is organised in line with the structure in France.

Responsibility for the company's financial and administrative management is spread over 4 departments: an internal audit department, accounting department, human resources department and management control department. The management control department runs a dedicated software application: Syges.

## 2.5 HUMAN RESOURCES

### 2.5.1 Workforce

As of 31 December, 2004, the composition of the Group's workforce is as follows:

	2004	2003	2002
Engineers and technicians	959	959	970
Administrative	127	131	148
<b>TOTAL</b>	<b>1,086</b>	<b>1,090</b>	<b>1,118</b>

### 2.5.2 Employees

Because the value of our company depends on the people who are involved in its development, human resource management forms a cornerstone of the Group's priorities.

The main criteria making up the Group's human resource policy are as follows:

- decentralised process of recruitment, within each operational division, combining flexibility with responsiveness to market demand
- welcome booklet is given to each new member of staff, and an awareness of quality is instilled from the time of joining
- employees are constantly monitored during and after projects
- progressive career management is ensured and mobility is encouraged supported by a structure based on human input
- training is provided in areas of expertise to support development within the Group, as well as technical training to improve skills
- employee survey is carried out to better gauge their wishes and expectations
- an internal newsletter is distributed

In 2004, the Group spent M€ 0.653 on training (compared to M€ 0.627 in 2003), representing 5,232 hours (7,537 hours in 2003).

Engineers and consultants are mainly graduates from the main engineering colleges or hold a doctorate or have work experience preferably acquired in a technical or functional field (or beginners who have attended sufficient work placement periods).

## 2.6 CERTIFICATION AND QUALITY

AUSY France has been committed to a quality system since 1996. The purpose of this company-wide approach was to align and harmonise its practices on the basis of a single quality system involving all employees.

The system now forms an integral part of the company's daily activities.

This quality system complies with ISO 9001, version 1994, and has been certified by AFAQ since January 2000. Key benefits of the quality system are its practical approach and adaptability. The geographic scope initially included the Issy and Cesson sites. During follow-up audits, it has since been extended to other sites as they were formed, according to well-established internal procedures.

As at December 31, 2004, ten sites representing 95% of all AUSY France's activities were certified.

In 2002, the quality system was upgraded to a quality management system in line with the 2000 version of ISO 9001. The renewal audit was successfully completed and made it possible to extend the functional scope to maintenance services.

The quality system is implemented at the level of key corporate processes and meets the following four objectives:

- improve customer satisfaction
- increase employee commitment
- increase the share of services provided with a commitment to produce results
- implement a policy of continuous improvement

A number of satisfaction surveys have been carried out and provide the main indicator for targeting areas of improvement.

As part of the company's approach to quality, training courses geared to the defined objectives are developed internally and are available to all employees.

# Financial information



# 1. CORPORATE GOVERNANCE

There are two Corporate Governance bodies:

- the Board of Directors
- the Audit Committee

## 1.1 THE BOARD OF DIRECTORS

As at the date of this update, the composition of the Board of Directors is as follows:

- Jean-Marie Magnet,  
Chairman of the Board of Directors,
- Marie-Jacqueline de La Touanne, Director,
- Georges Pelte, Director,
- Joël Magnet, Director,

Mr. Benoit della Faille and Mr. Miguel Reynders resigned during the third quarter of 2004.

- **Chairman and Director:**

### Jean-Marie MAGNET,

Chairman of the Board of Directors, is responsible for general management of the company.

Date of initial appointment: 18 December 1989.

Term of office renewed for 6 years by the General Meeting of Shareholders of 30 June 2004.

- **Directors:**

### Georges PELTE

Date of initial appointment: 18 December 1989

Term of office renewed for 6 years by the General Meeting of Shareholders of 30 June 2004.

### Joël MAGNET

Date of initial appointment: 18 December 1989

Term of office renewed for 6 years by the General Meeting of Shareholders of 30 June 2004.

### Marie-Jacqueline BIGOT de La TOUANNE

Appointed for a term of 6 years by the General Meeting of Shareholders of 24 June 1992.

Term of office renewed for 6 years by the General Meeting of Shareholders of 30 June 2004.

The way in which the Board of Directors operates is described in the Chairman's Report on Internal Control.

The functions of each Director, their remuneration and any agreements are described in the Group's management report. As far as the company is aware, all the corporate officers are in compliance with the rules limiting multiple appointments, as laid down in the French Commercial Code.

Stock options and financial instruments are covered in the section relating to the company's capital. 1 200 options were granted to Board Members as part of the subscription plan adopted by the Board of Directors on 5 July 1999.

The Company has not granted any of the following to Board Members:

- directors' fees,
- loans or guarantees, (including directors),
- any specific supplementary pension plan.

There are no assets that belong either directly or indirectly to the director or to members of his family.

- **Deputy Managing Director**

Mr. Philippe Morsillo has been Deputy Managing Director of AUSY since 1 October 2004. He occupies no other office and carries out no other duties within the Group or within any other company.

At the Extraordinary General Meeting of Shareholders of 30 November 2004, 150,000 BSA [autonomous share subscription warrants] without preferential subscription rights were issued in favour of Mr. Philippe Morsillo.

## 1.2 THE AUDIT COMMITTEE

The Audit Committee has three members:

- Marie-Jacqueline de La Touanne, Director and the Group Financial Officer,
- Axel du Fretay, Internal Auditor,
- Dominique Nordera, external consultant, responsible for consolidation.

The Audit Committee has no independent members within the meaning of the BOUTON Report.

The way in which the Audit Committee operates is described in the report on Internal Control.

Over the period 2003/2004, the Committee concentrated on risk identification and assessment, improving internal account preparation processes and reviewing the work of the internal and external auditors.

## 1.3 CHAIRMAN'S REPORT ON INTERNAL CONTROL

### CHAIRMAN OF THE BOARD OF DIRECTORS' REPORT ON THE MANNER IN WHICH THE BOARD'S WORK HAS BEEN PREPARED AND ORGANISED AND ON THE INTERNAL CONTROL PROCEDURES PUT IN PLACE BY THE COMPANY

This report describes internal control at AUSY through Corporate Governance, the parties responsible for internal control, organisation and internal procedures.

This report focuses on the most relevant areas: the process of preparation of the consolidated financial statements by AUSY SA and the internal control of AUSY SA France, the Group's biggest subsidiary (approximately 90% of consolidated turnover) and responsible for operational activity. The other Group undertakings, (Ausy Belgium, Ausy Luxembourg and Ausy Integration & Solution) are not covered by this report, but must apply the accounting and financial procedures established by AUSY SA.

The internal control procedures in force within the Company are intended:

- firstly, to ensure that management activities or operations and employee conduct fit within the framework of the guidelines for the company's activities set by the corporate bodies, the applicable laws and regulations and the company's values, standards and internal rules;
- secondly, to verify that the accounting, financial and management information provided to the company's corporate bodies truly reflects the activity and position of the company.

One of the objectives of the internal control system is to prevent and limit the risks associated with the activity of the company including the risk of error and fraud, more specifically in the accounting and financial areas.

An internal control system designed to respond to the various objectives described above cannot however provide absolute assurance that the objectives set will be attained, due to the limitations inherent in any procedure.

There has been no event or change in the accounting and financial organisation during 2004 that has had a significant impact on internal control or the evaluation thereof.

The Chairman drafted this report with the support of the Audit Committee. He also referred to the annual report of the Audit Committee and Internal Audit reports.

#### I - Corporate governance

##### a. The Board of Directors

The Board of Directors comprises: J.-M. Magnet, G. Pelte, M.-J. de La Touanne, J. Magnet.

J-M Magnet, Chairman of the Board of Directors, is responsible for general management of the Company.

Since 1 October, he has been assisted in implementing his strategy by P. Morsillo. P. Morsillo is the Deputy Managing Director of Ausy SA. He is not a Director and to date, his area of activity is limited to Ausy France.

Considering the size of the Group and its shareholder structure, the Board has no independent Directors within the meaning of the BOUTON report.

The Board operates in accordance with its Rules of Procedure, the purpose of which is to stipulate the way in which the Board shall operate in the interest of its members, the company and its shareholders.

Within the framework of their work and discussions, all necessary information is sent out to directors before meetings. The Board met seven times in 2004 and twice at the beginning of 2005.

The following matters were discussed at its various meetings: strategy, review of the Group's activity, the financial statements, budgets, the share repurchase programme, the issue of share subscription warrants, the issue of warrants convertible into and/or exchangeable for new shares etc..

##### b. Audit Committee

###### (1) Definition and operation

Pursuant to its Operating Charter, the primary role of the Audit Committee is risk identification and assessment. The Committee has three members: M.-J. de La Touanne, Group Financial Officer and Director, A. du Fretay, Internal Auditor and D. Nordera, external consultant, responsible for consolidation.

## (2) Activity

The Committee met three times over the 2004/2005 period. During each meeting, and outside meetings, the members review and assess each risk.

Formal and informal meetings dealt mainly with internal control and a review of the initial assessment tasks, the work of Internal Audit, a review of major risks and risk mapping, the switch to IFRS standards etc.

## (3) Risk detection and management

The Audit Committee identifies risks on the basis of the work of the Internal Audit department, information gathered by its members, meetings with the Statutory Auditors and by carrying out annual questionnaire-based interviews with the Group's main decision making members.

Once the risks have been identified, they are mapped according to their significance and probability. The Audit Committee studies possible action and puts in place recommendations for each risk.

### c. Restrictions on powers

The Board of Directors has set no restriction on the powers of Mr. JM Magnet, Chief Executive Officer (Group).

Mr. G. Pelte, General Manager of Ausy France, assists the Deputy Managing Director (Group) in implementing the subsidiary's strategy. However, the Board of Directors has imposed restrictions on him in relation to the signature of financial commitments.

## II - Parties responsible for internal control

### a. Internal Audit

The role of the Internal Audit department includes, in particular, management of internal procedures and standards, auditing of the accounts and investigations in all areas having a direct or indirect impact on the financial statements, at its own initiative, upon the request of each Department or upon the request of the Audit Committee. It is part of the Group Finance Division.

The Internal Audit department follows an annual audit schedule established with the Audit Committee and it performs its tasks in accordance with its Internal Audit Charter.

### b. Quality

Quality is responsible for ensuring that ISO 9001 Version 2000 standards are applied and it conducts internal Quality audits.

### c. Management Control

The main function of Management Control is to ensure the reliability of data input into the management and billing tool (Syges) by the offices and the accuracy of production recording.

## III - Organisation of administrative and financial departments

### a. General organisation

AUSY SA is responsible for the Group's General Management, Treasury Management, Internal Audit and Communication. Ausy France has a centralised Administration and Accounting Department responsible for accounting, labour, administrative and management control activities.

Duties are segregated in so far as this is possible given the size of the company.

### b. Consolidation

The consolidation process is as follows: establishment of consolidation packages for each undertaking, validation of packages, consolidation by an external consultant and review of consolidation by the Group Finance Division.

### c. Reporting

The Group has put in place internal activity reports in relation to relevant activity indicators. Periodic reports produced by the offices using the Syges application or prepared individually are reviewed by Management.

The Group's cash position is reported by each Group business and centralised and controlled by Ausy SA.

### d. Off-balance sheet commitments

All new contracts and operations are assessed and monitored on a regular basis where an off-balance sheet commitment is detected.

#### **e. Budgets**

Budgets pertaining to turnover, direct costs and sales structure are prepared using internally developed applications using the same approach as the progress reports prepared on the group's computerised management tool. This data is used to draft the objectives defined by General Management and the Finance Department.

#### **f. Accounting statements**

Each situation is subject to review by the Finance Department and the Internal Audit Department and confirmation letters are issued by each operational and finance manager.

### **IV - Internal procedures**

Ausy applies general procedures and procedures relating to accounting and financial information.

#### **a. General procedures**

The general procedures concern the operational side of the business and arise out of the application of ISO 9001 V2000 standards for most of AUSY France, internal notes and verbal instructions.

In order to support personnel management, a welcome pack has been made available and is regularly updated.

#### **b. Procedures pertaining to accounting and financial information**

AUSY SA has put in place procedures that are applicable across the Group. These procedures concern the gathering of information (consolidation package, review files, reporting) and certain applicable accounting standards. The Group's procedures are drawn up jointly with each Accounts Department, the Group's Finance Department and the Internal Audit Department.

Each department is involved in applying the internal procedures and the Internal Audit department verifies correct application.

Information technology assets are monitored by the Internal IT Department and an inventory of laptops is prepared every year.

### **V - Changeover to IFRS standards**

Started in 2003, under the aegis of the Audit Committee, this project is in the final stage of documenting any impact observed.

Full documentation is currently being prepared which will make it possible to justify the positions taken and the nature of the impact, the traceability of accounting records and to document the source of the information having been used for the purposes of valuation. This documentation will be reviewed by the Audit Committee and sent to the Statutory Auditors during the second half of 2005.

### **VI - Monitoring and evaluation of Internal Control**

A structured evaluation method has been put in place. The initial tests, carried out on the customer billing cycle by the Internal Audit department, were completed at the end of 2004. A review of this cycle should continue throughout 2005.

An internal control reporting system was put in place in 2004 involving quarterly systematic formal reporting of the main points of accounting control.

In the event that these control points fail to work or in the event of any other problem, a warning is sent to the Board of Directors.

### **VI - Ausy's strong points**

The Group has a unique core business within a group whose scope is limited and its administrative and financial departments are centralised. It has an Audit Committee, an Internal Audit department and a Management Control department dedicated to billing and production control. AUSY France is ISO 9001 V2000 certified for a large part of its operational activities.

## 1.4 AUDITORS' REPORT CONCERNING THE CHAIRMAN'S REPORT ON INTERNAL CONTROL

AUDITORS' REPORT PREPARED IN ACCORDANCE WITH THE LAST PARAGRAPH OF ARTICLE L225.235 OF THE FRENCH COMMERCIAL CODE ON THE CHAIRMAN OF THE BOARD OF DIRECTORS' REPORT ON INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

### Prestige International Audit

21, rue d'Artois  
75008 Paris

### Calan Ramolino & Associés

191, avenue du Général de Gaulle  
92200 Neuilly-sur-Seine

### AUSY

Société Anonyme  
10, rue des Acacias - 92130 Issy-Les-Moulineaux

As the statutory auditors of AUSY, and pursuant to the provisions of the last paragraph of Article L. 225-235 of the Commercial Code, we hereby present our report on the report prepared by the Chairman of your company in accordance with the provisions of Article L. 225-37 of the Commercial Code for the financial year ending as at 31 December 2004.

It is the responsibility of the Chairman in his report to describe the manner in which the work of the Board of Directors has been prepared and organised and the internal control procedures put in place by the company.

It is our job to comment on the information given in the Chairman's report concerning the internal control procedures relating to the preparation and processing of accounting and financial information.

We conducted our audit in accordance with the professional standards applicable in France. These standards require us to carry out checks in order to evaluate the truthfulness of the information given in the Chairman's report on internal control procedures in relation to the preparation and processing of accounting and financial information. These checks consist, in particular, of:

- examining the objectives and general structure of the internal controls as well as the internal control procedures relating to the preparation and processing of accounting and financial information as presented in the Chairman's report;
- examining the work underlying the information thus provided in the report.

On the basis of our audit, we have no comment to make on the information given concerning the company's internal control procedures in relation to the preparation and processing of accounting and financial information contained in the report of the Chairman of the Board of Directors, prepared pursuant to the provisions of the last paragraph of Article L. 225-37 of the Commercial Code.

Paris and Neuilly, 6 April 2005

The Statutory Auditors

### Prestige International Audit



Sophie DUVAL



Benoit GILLET

### Calan Ramolino & Associés



Jean-Marc LUMET

## 2. CAPITAL

### 2.1 PRESENTATION OF THE COMPANY AND THE GROUP

#### 2.1.1. Company Name

AUSY.

#### 2.1.2. Registered office

10 rue des Acacias - 92130 ISSY-LES-MOULINEAUX.

#### 2.1.3. Creation Date

28 December 1989.

#### 2.1.4. Expiration date

The term of the company is 99 years from the date of registration in the Trade and Companies Register, i.e. until 29.12.2088.

#### 2.1.5. Trade and Business Register

352 905 707 RCS NANTERRE.

#### 2.1.6. Legal form

A Société Anonyme [joint stock company] organised under French law, having a Board of Directors, governed by the French Commercial Code and the Decree of 23 March 1967.

#### 2.1.7. Fiscal year

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

#### 2.1.8. Object

(Article 3 of the Articles of Association)

The Company's object both in France and worldwide is:

- All engineering activities and services, in particular those relating to information technology and electronics:
  - Consulting, organization, assistance, training,
  - Design, implementation, integration and installation of all products and systems related to data processing and transmission.
- All activities relating to sales, distribution, lease, operation and maintenance of hardware and software,
- Direct or indirect investment in, and provision of management, administrative, legal, accounting, financial, sales and technical services in or for, companies or firms whose purpose is related to the aforementioned objectives,

- And in general, all industrial, sales, financial, real or personal property transactions related to, useful to, or likely to facilitate the corporate objective.

#### 2.1.9. Distribution of profits in accordance with the Articles of Association

The difference between income and expense for the financial year, after deduction of depreciation and amortisation charges and provisions, constitutes the profit or loss for the year.

Five per cent is taken from the profit, less, as the case may be, any previous losses, in order to establish the legal reserve. It will no longer be necessary to appropriate this amount once the reserve has reached an amount equal to one tenth of the share capital. Appropriations shall resume should the reserve fall below this percentage for any reason whatsoever.

Distributable profits comprise the profit for the year less any previous losses and the appropriation referred to above, plus any profits carried forward.

This profit is at the disposal of the General Meeting of Shareholders which, upon a proposal from the Board of Directors, may carry forward all or some of it, appropriate it to general or special reserves or distribute it to shareholders in the form of a dividend.

Moreover, the Meeting may decide to distribute amounts released from available reserves. In such case, the decision shall specifically indicate the reserve accounts from which the amounts are to be released. However, dividends shall be paid from the distributable profit for the year as a priority.

The revaluation reserve may not be distributed. Some or all of it may be incorporated into the capital.

The Meeting called to approve the accounts for the financial year may give each shareholder, in respect of all or part of the dividend or interim dividend to be distributed, the option between payment of the dividend or interim dividend in cash or in shares.

#### **2.1.10. Place at which the documents may be consulted**

The Articles of Association, the accounts and reports and the minutes of General Meetings of Shareholders may be consulted at the company's registered office.

#### **2.1.11. General Meetings of Shareholders**

General Meetings of Shareholders are convened and deliberate as stipulated by law. They are held at the registered office or at any other place indicated in the call to the meeting (Article 30 of the Articles of Association).

Any shareholder holding at least one share may participate in Meetings in person or through a representative, and may vote by postal ballot subject to presentation of evidence of identity and ownership of the shares, either in the form of a registered certificate or by means of the deposit of bearer shares at the place indicated in the call to the meeting. The period for completion of these formalities expires five days before the date set for the meeting to be held (Article 33 of the Articles of Association).

For the purposes of calculating quorum and majority, shareholders taking part in the meeting by videoconference or by means of telecommunications making it possible for them to be identified and in accordance with the regulations in force, where the Board of Directors elects to use such

methods of participation before the General Meeting of Shareholders is called, shall be deemed to be present (Article 33 of the Articles of Association).

Meetings are chaired by the Chairman of the Board of Directors (Article 35 of the Articles of Association).

Voting rights attaching to shares are proportional to the share of the capital they represent and each share grants entitlement to at least one vote.

#### **2.1.12. Thresholds established in the Articles of Association**

The Articles of Association do not require shareholders to report the crossing of thresholds, other than those listed in Article L.233-7 of the Commercial Code. In the event that the duty to report is not respected, those shares exceeding the fraction that should have been reported shall be stripped of their voting rights until such time as the situation has been rectified and for a period of two years as of the date of such rectification.

#### **2.1.13. Shares with double voting rights**

Fully paid up ordinary shares which can be proven to have been registered in the name of the same shareholder for at least four years, ordinary registered shares allocated free of charge by way of those shares in the event of a capital increase through the incorporation of reserves, profits or issue premiums, shall enjoy double voting rights

## **2.2 GENERAL INFORMATION REGARDING THE CAPITAL**

### **2.2.1. Share capital**

The share capital currently stands at € 3,072,556 divided into 3 072 556 shares having a nominal value of € 1 per share.

### **2.2.2. Authorized but unissued capital**

Delegation of authority to effect capital increases, keeping or cancelling preferential subscription rights, through a cash contribution or the incorporation of reserves, profits or issue premiums (Article L. 225-129-2 of the Commercial Code)

The sixth and seventh resolutions of the General Meeting of Shareholders of 27 June 2003 granted to the Board of Directors, for a period of 26 months, the powers

necessary to effect capital increases in a nominal overall amount of € 30,000,000, through the issue of shares and/or any transferable security giving immediate or eventual access to a share of the company's capital.

The nominal amount of capital increases that can be effected may not exceed € 30,000,000. This amount includes the nominal amount of any additional transferable securities to be issued in order to protect the rights of holders of transferable securities giving immediate or eventual access to a share of the capital, as required by law.

These issues may be effected with or without shareholders' preferential subscription rights. We would point out however that in all cases in which securities

are issued by way of a public offering that makes no provision for preferential subscription rights, the Board of Directors may grant shareholders priority subscription rights.

The price of the securities representing the capital is determined in accordance with the law.

Finally, provision was made for the Board to have all powers required to effect any capital increase, at its own discretion, through the incorporation of premiums and/or reserves, by increasing the nominal value or by creating new shares.

This authorization has been used by the Board of Directors on two occasions:

- In use of the authorization thus granted, the Board of Directors issued 2,133,973 BSA and allocated one BSA per AUSY share free of charge to all shareholders (AMF Visa No. 04-0535 of 3 June 2004). 2 warrants granted entitlement to subscribe to one AUSY share at the price of € 5.15 between 8 June 2004 and 22 June 2004. On 30 June 2004, the Board of Directors, as a result of the BSA having been exercised, recorded completion of the correlative capital increase in the nominal sum of € 938,583.
- In use of the authorization thus granted, the Board of Directors resolved to issue a «4.00% February 2005 / February 2010 » loan, with cancellation of the preferential subscription right and a public offering in the nominal sum of € 4,600,000 through the par issue of 400,000 warrants convertible into or exchangeable for new or existing shares (« OCEANE ») (AMF Visa No. 05-120 of 25 February 2005). The total nominal amount of the capital increase likely to result from the conversion of all the OCEANES may not exceed € 400,000.

These authorizations expire on 26 August 2005.

A proposal will therefore be put to the next General Meeting of Shareholders scheduled for 2 June 2005 that these authorizations be renewed and that the Board of Directors once again be granted:

- Authorization to increase the capital through the issue of ordinary shares or transferable securities giving access to the capital reserved to shareholders and/or through the incorporation of reserves, profits or premiums.
- Authorization to increase the capital through the issue of ordinary shares or transferable securities giving access to the capital, with the cancellation of preferential subscription rights.

The purpose of these authorizations would be to grant the Board of Directors, within the legal deadline of 26 months, freedom to issue ordinary shares and/or any transferable securities giving immediate or eventual access to ordinary shares, at such times as it deems fit.

The nominal amount of any capital increases that may be effected may not exceed € 30,000,000. This amount would include the total nominal value of any additional ordinary shares issued to protect the rights of holders of transferable securities giving access to the capital, as required by law.

Within the framework of these authorizations, provision would be made for the Board of Directors to have powers, in the conditions and within the limits set by the legal and regulatory provisions, to increase the number of transferable securities provided for in the initial issue.

In accordance with the law, any transferable securities to be issued would give access to the ordinary shares of any company that holds, either directly or indirectly, more than half the share capital of this company or any company in which this company holds, either directly or indirectly, more than half the share capital.

The issues may be effected with or without shareholders' preferential subscription rights.

Should preferential subscription rights be maintained, if subscriptions have not absorbed the entire issue, the Board of Directors may use the powers granted by law and in particular, offer all or some of the unsubscribed shares to the public.

In the event of an issue through a public offering without preferential subscription rights, the Board of Directors would be able to grant shareholders priority subscription rights.

However, in this case, the amount payable immediately or in future to the company in respect of each of the ordinary shares issued, after having taken into account in the event that share subscription warrants are issued, the subscription price of such warrants, will be determined in accordance with the legal and regulatory provisions.

In the event of the issue of securities intended to remunerate transferable securities contributed within the framework of a public offer of exchange, the Board of Directors, within the limits set above, would have the necessary powers to draw up the list of securities contributed for exchange, set the issue conditions, the exchange parity and, as the case may be, the amount of

the balancing cash adjustment to be paid, and to determine the terms and conditions of the issue.

**Delegation of authority to effect a capital increase reserved to members of a Company Savings Scheme** (Articles L.225-129-6, L.225-138-1 of the Commercial Code and L.443-5 of the Labour Code)

The Extraordinary General Meeting of Shareholders of 27 June 2001 authorized the Board of Directors, pursuant to Article L.443-5 of the Labour Code, to increase the share capital by up to 1% of the amount thereof, on one or more occasions, through the issue of shares reserved to members of a company savings scheme, in favour of whom it cancelled the preferential subscription right. The subscription price was to be determined in accordance with the provisions of the law.

This authorization, granted for a period of 5 years, has not been exercised to date. It expires on 26 June 2006.

A proposal will be put to the next General Meeting of Shareholders scheduled for 2 June 2005, that this authorization be renewed early and that a vote be taken on a draft delegation of authority to be granted to the Board of Directors for a period of 26 months, to effect a capital increase reserved to members of a company savings scheme and effected pursuant to Article L 443-5 of the Labour Code through the issue of ordinary cash shares and, as applicable, through the allocation free of charge of ordinary shares or other transferable securities giving access to the capital.

Pursuant to the provisions of Article L.443-5 of the Labour Code, the price of the shares to be issued may not be lower by more than 20% (or 30% where the tie in period provided in the scheme pursuant to Article L. 443-6 is ten years or more) of the average opening share prices listed during the 20 trading sessions preceding the date of the decision of the Board of Directors in relation to the capital increase and the issue of the corresponding shares, nor higher than this average.

The maximum nominal amount of the capital increase or increases that may be effected using this authorization shall be € 1,000,000.

**Authorization to allocate share subscription options** (and share purchase options)

The Combined General Meeting of Shareholders of 27 June 2003 granted the Board of Directors, for a period of 38 months, the powers necessary to allocate options to subscribe to and/or purchase shares. The total number of options open cannot grant entitlement to subscribe to or purchase more than 5% of the share capital existing as at the date of the Meeting. The share subscription or purchase price will be determined pursuant to the legal provisions in force. This authorization has not been used to date. It expires on 26 August 2006.

A proposal will be put to the next General Meeting of Shareholders scheduled for 2 June 2005 that the authorization be renewed early from this year for a further period of 38 months so as to harmonise its period of validity with that of the authorization to allocate shares free of charge and therefore, that the Board of Directors be granted the power to allocate options to subscribe to and/or purchase shares to staff, to certain staff or to certain categories of staff and/or the officers of the company defined by law, both of the company and of the companies or economic interest groups associated with it pursuant to Article L. 225-180 of the Commercial Code.

The total number of options opened may not grant entitlement to subscribe to or purchase a number of shares exceeding 5% of the share capital existing as at the date of the initial allocation, subject to all other legal restrictions.

The period of validity of the options set by the Board may not exceed eight years as of the date of allocation thereof.

Accordingly, the Board, within the limits set above, would have all the necessary powers to implement this authorization.

**Delegation of authority to increase the share capital by up to 10% in order to remunerate contributions in kind comprised of securities** (Article L. 225-147 of the Commercial Code)

A proposal will be put to the next General Meeting of Shareholders scheduled for 2 June 2005 that the Board of Directors be granted authorization to increase the share capital by up to 10% of its amount in order to remunerate any contributions in kind made to the company and comprising equity securities or transferable securities giving access to the capital.

This authorization would be granted for a period of 26 months.

The total nominal amount of ordinary shares that could

be issued by virtue of this authorization may not exceed 10% of the share capital. This ceiling would be independent of any other ceiling provided for in the other delegations of authority in relation to capital increases.

**Authorization to allocate shares to be issued (or existing shares) free of charge to members of staff and/or to certain corporate officers** (Article L 225-197-1 of the Commercial Code)

A proposal will be put to the next General Meeting of Shareholders scheduled for 2 June 2005 that the Board of Directors be granted authorization, for a period of 38 months, pursuant to Article L.225-197-1 of the Commercial Code, to allocate free of charge any new shares resulting from a capital increase through the incorporation of reserves, premiums or profits, or existing shares.

The beneficiaries of such allocations would be:  
-members of the salaried staff or certain categories thereof both of the company and of any companies directly or indirectly associated with it pursuant to the provisions of Article L 225-197-2 of the Commercial Code,

-those corporate officers satisfying the conditions of Article L 225-197-1 of the Commercial Code.

The number of shares that could be allocated free of charge by the Board of Directors by virtue of this authorization could not exceed 5% of the share capital existing as at the date of the initial allocation.

The allocation of these shares to the beneficiaries would only become final following a minimum acquisition period of two years from the date of the decision of the Board to effect the allocation. Moreover, the beneficiaries would have to continue to hold their shares for a minimum period of two years as of the date of final allocation.

Accordingly, within the limits established above, the Board would have all the powers necessary to implement this authorization.

Table of authorizations currently in force:

In Euros	EGM	Expiry	Amount authorized	Increases effected or possible in previous years	Increases effected in 2004	Increases Remaining authorization as at
Global authorization: Increase retaining PSR	27/06/03	26/08/05	30,000,000	None	938,583	29,061,417
Global authorization: Increase cancelling PSR	27/06/03	26/08/05	30,000,000	None	None	29,061,417
Authorization to increase the capital in favour of members of a company savings scheme	27/06/01	26/06/06	1% of the share capital i.e. € 21,339.73	None	None	1% of the share capital i.e. € 21,339.73
Authorization to grant options to subscribe to shares	27/06/03	26/08/06	5% of the share capital, i.e. € 106,698.65	None	None	5% of the share capital, i.e. € 106,698.65

### 2.2.3. Potential capital

#### Options to subscribe to shares

24,800 options to subscribe to shares were allocated by the Board of Directors on 5 July 1999 to employees of the Ausy Group, granting entitlement to the allocation of 24,800 shares at the price of € 22.38.

These options were adjusted by the Board of Directors on 30 June 2004, following the allocation free of charge to all Ausy shareholders of 2,133,973 BSA, 2 BSA

granting entitlement to subscribe to one AUSY share at the price of € 5.15 between 8 June 2004 and 22 June 2004. Therefore, the subscription price and the number of shares under option were adjusted pursuant to Articles 174-8, 174-9, 174-13 and 174-1, 1, a) of the Decree of 23 March 1967.

Following this adjustment, the options to subscribe to shares will grant entitlement to subscribe to 24,952 shares at the price of € 22.25.

#### Summary table of share subscription options after adjustment

Date of General meeting	03/02/99
Date of General meeting of the Board of Directors	05/07/99
Total number of shares that can be subscribed	24,952*
Number of shares that can be subscribed by directors	0
Number of directors concerned	0
Start of option exercise period	05/07/04
Close of exercise period	05/07/05
Subscription price	€ 22.25*
Number of shares subscribed as at 31/12/04	0

\* number of shares and subscription price after the adjustment of 30 June 2004.

#### Share subscription warrants

##### BSA 2004

Ausy would remind you that the General Meeting of Shareholders of 30 November 2004 resolved to issue 150,000 BSA in favour of Mr. Philippe MORSILLO, Deputy Managing Director of AUSY.

The BSA are non-transferable and non-negotiable. Each BSA may be subscribed at the price of € 1. The subscription price of each BSA must, at the time of subscription, be fully paid in cash. 75,000 BSA were subscribed on 31 December 2004 and fully paid up at the time of subscription. The remaining 75,000 BSA may be subscribed up to 30 June 2005. They must be fully paid up at the time of subscription. One BSA grants entitlement to purchase one Ausy share at the exercise price of € 8. The BSA may be exercised at any time between 1 January 2008 and 31 December 2009; on expiry of this period, any BSA that have not been exercised shall automatically become null and void. (See capital distribution table post exercise of all BSA §2.f.).

##### BSA 2001

Finally, Ausy would remind you that on 24 October 2001, the Board of Directors, by virtue of the powers granted by the Extraordinary General Meeting of Shareholders of 27 June 2001, issued autonomous subscription warrants to TULEDOR. These warrants expire on 24 October 2006.

Of the total number of warrants issued, only 8,000 BSA granting entitlement to 8,000 shares may be exercised at the price of € 21.35. To date, no warrants have been exercised.

##### OCEANE 2005 (bons with an option to convert into and/or exchange for new of existing shares)

The Board of Directors, in use of the authorization and the powers granted to it by the General Meeting of Shareholders of 27 June 2003, resolved to issue a « 4.00% February 2005 / February 2010 » loan, without

preferential subscription rights and a public offering, in the nominal amount of € 4,600,000 through the par issue of 400,000 bonds convertible into and/or exchangeable for new or existing shares (« OCEANE »), each OCEANE having a nominal unit value of € 11.50 (AMF Visa No. 05-120 of 25 February 2005). This loan, over 5 years, pays a coupon of 4% with a redemption price of € 12.5.

Since each OCEANE may be converted into a new share having a nominal value of one euro, the nominal amount of the capital increase that could result from the conversion of all the OCEANES cannot exceed the total sum of € 400,000, plus, as the case may be, the nominal amount of any additional shares to be issued to protect the rights of holders of OCEANE as required by the law and regulations.

The potential capital (share subscription options, BSA and OCEANE) represents 18.97% of Ausy's existing share capital.

## 2.2.4. Share repurchase program

### Authorization

The eleventh resolution of the General Meeting of Shareholders of 30 June 2004 authorized the Board of Directors, for a period of eighteen months pursuant to Articles L. 225-209 et seq. of the Commercial Code, to purchase, on one or more occasions at such time as it deemed fit, shares representing up to 10% of the company's share capital on the basis of existing capital, i.e. 123,397 shares.

The prospectus for the current repurchase programme is dated 11 June 2004 and bears Visa No. 04-592.

The purpose of this prospectus is to describe the aims, terms and conditions of the share repurchase programme approved by the Combined General Meeting of Shareholders on 30 June 2004 and to indicate the anticipated impact on the situation of AUSY shareholders.

The maximum purchase price is set at € 11 per share. In the event of a transaction involving the capital, in particular a stock split or reverse stock split or the allocation of shares free of charge, the aforementioned amount will be adjusted pro rata. The price of assignment

or transfer shall however be set in accordance with the legal provisions for assignment or transfer effected as part of a share purchase option and share assignment or allocation plan to staff.

Accordingly, the maximum amount of the transaction is set at € 2,347,367.

A proposal will be put to the next General Meeting of Shareholders scheduled for 2 June 2005 that this authorization be renewed and that the Board of Directors be granted, for a further period of eighteen months, the necessary powers to purchase, on one or more occasions and at the times it deems fit, shares representing up to 10% of the company's share capital, i.e. on the basis of existing capital, 307,255 shares. This authorization would cancel the authorization granted to the Board of Directors by the General Meeting of Shareholders of 30 June 2004.

Purchases could be made with a view:

- To market making on the secondary market or the liquidity of the AUSY share by a financial services intermediary pursuant to a liquidity agreement, in conformity with a code of ethics approved by the AMF,
- To retaining the shares purchased for subsequent remittance in exchange or payment for future external growth transactions
- To ensuring cover for share purchase schemes and other forms of share allocation to the Group's employees and/or corporate officers pursuant to and in accordance with terms and conditions set by law, in particular by way of a share in the company profits, by way of a company savings scheme or the allocation of shares free of charge,
- To ensuring cover for transferable securities granting entitlement to the allocation of company shares within the framework of existing legislation,
- To cancellation of any shares acquired by virtue of the authorization granted by the General Meeting of Shareholders of 30 June 2004 in its thirteenth extraordinary resolution,

The maximum purchase price would be set at € 25 per share and the maximum amount of the operation at € 7,681,375.

Delegation of authority to reduce the capital within the framework of a share repurchase programme.

The thirteenth resolution of the General Meeting of Shareholders of 30 June 2004 granted the Board of Directors authorization to cancel, at its own discretion, on one or more occasions, within the limit of 10% of the capital, i.e. 213 397 shares, any shares that the company holds or may hold following any repurchases effected pursuant to Article L. 225-209 of the Commercial Code and to reduce the share capital by the same amount in accordance with the legal and regulatory provisions in force.

The General Meeting of Shareholders set the period of

validity of this authorization at 24 months, i.e. up to 29 June 2006 and granted the Board of Directors full powers to carry out the operations required for such cancellations and the correlative reductions of the share capital, to amend the Articles of Association accordingly and to carry out all required formalities.

### Contract summary

Position as of: 31/12/04

(Total movements since 1 January 2004)

	Total gross movements		Breakdown by objective			
	Purchases	Sales	Price stabilisation		Other objectives	
			Purchases	Sales	Purchases	Sales
Number of securities	42,150	43,466	42,150	43,466	0	0
Average transaction price	6.321	6.233	6.321	6.233	-	-
Amounts	266,428.34	270,924.30	266,428.34	270,924.30	0	0

The company has used no derivative products as part of this share repurchase programme.

As at 31/12/04:

Percentage of capital held directly or indirectly: .....0.4%

Number of shares cancelled over the last 24 months: .....0

Number of securities held in the portfolio as at the date of registration of the prospectus:

- Shares booked as investments: .....1,305

- Shares booked as long term investment: .....0

Book value of the portfolio: .....€ 10,896.75

Market value of the portfolio:.....€ 10,896.75

(calculated on the basis of market prices as at 31/12/04)

Shares acquired before 13 October 2004, the date of entry into force of the European regulations concerning

reform of share repurchase programmes, concern market making only. Their allocation therefore remains unchanged.

### 2.2.5. Changes in the share capital

Date	Nature of transaction	Number of shares created	Total N° shares	Nominal value	Amount of capital (F)	Share premium
28.12.89	Incorporation	12,000	12,000	F 100	1,200,000	
01.06.90	Capital increase in kind (1)	60,804	72,804	F 100	7,280,400	
19.06.90	Capital increase in cash	17,196	90,000	F 100	9,000,000	
03.02.99	Stock split	1,800,000	1,800,000	F 5	9,000,000	
22.03.99	Capital increase by contribution in kind (2)	83,973	1,883,973	F 5	9,419,865	F 8,817,165
26.04.99	Capital increase in cash (3)	100,000	1,983,973	F 5	9,919,865	F 13,300,000
12.07.01	Capital increase in cash (4)	150,000	2,133,973	F 5	10,669,865	F 33,237,341
24.10.01	Capital increase through incorporation of share premiums		2,133,973	F 5	13,997,945	
	Conversion of capital to euros			€ 1	€ 2,133,973	
30.06.04	Capital increase in cash (5)	938,583	3,072,556	€ 1	€ 3,072,556	€ 3 698 418

(1) On 01.06.1990, the capital increase by contribution in kind consisted of a contribution of AUSY France securities to AUSY by individuals, primarily employees or managers of the Company. This transaction was effected at the nominal value of the AUSY shares.

(2) The capital increase by contribution in kind submitted to the EGM of 22.03.1999 for approval consisted of a transfer by shareholders of AUSY France (an AUSY subsidiary) to AUSY, of a number of shares lower than 5% of AUSY after the transaction.

(3) With public offering in connection with stock exchange listing.

(4) Capital increase in cash reserved to TULEDOR

(5) Capital increase in cash through the issue of 2,133,973 BSA on 3 June 2004 and subscription of 938 583 shares at € 5.15. The BSA exchange rate was two BSA for 1 AUSY share.

### 2.2.6. Changes to the shareholder structure over the last three years

The meeting of the Board of Directors of 27 June 2001 resolved, by virtue of the authorization granted to it by the Extraordinary General Meeting of Shareholders held on the same date, to issue 150,000 new shares reserved to TULEDOR. The subscription price of the shares thus issued is equal to the average closing share price over the 20 days preceding the date of the board meeting, i.e. € 33.78 or for 150,000 shares, € 5,067,000, the portion exceeding the nominal amount having been recorded as a share premium. The meeting of the Board of Directors of 12 July 2001 recorded completion of the increase. After this reserved capital increase, TULEDOR held 7.02% of the share capital and 4.077% of voting rights. It was also allocated 30,000 subscription warrants granting entitlement to 30,000 shares. Moreover, in 2001, shareholders effected no significant disposal or acquisition of shares issued by AUSY.

During the financial year closing as at 31 December 2003, the following declarations pertaining to the crossing of thresholds were made:

- Mr. Georges Pelte, company director, declared that on 30 June 2003, he had gone under the threshold of 10% of AUSY's share capital and held 204,976 AUSY shares representing 409,952 voting rights i.e. 9.6% of the share capital (comprising 2,133,973 shares) and 12.74% of voting rights.

- Tuledor SA (avenue Eugène Plasky, 157, B-1030 Brussels) declared that on 12 November 2003, following the disposal of its entire holding in the capital of AUSY in favour of its parent company, Same Day Consulting SARL (Route de Longwy, 167, L-1941 Luxembourg) controlled by Mr. Benoit della Faille de Leverghem, it had gone under the threshold of 5% of the capital of AUSY; Same Day Consulting SARL does not for its part cross any threshold, its holding henceforth being direct rather than indirect as before.

During 2004, the following declarations pertaining to the crossing of thresholds were made:

#### 21 June 2004 - AMF Note No. 204C0764

By a letter dated 9 June 2004 and received on 11 June, the Luxembourg company Same Day Consulting SARL (Route de Longwy, 167, L-1941 Luxembourg) controlled

by Benoit della Faille de Leverghem, declared that following the sale of its AUSY shares on the market, it had gone under the threshold of 5% of the capital of the company on 9 June 2004 and no longer held any shares. However, we would point out that Same Day Consulting SARL holds 111,700 share subscription warrants granting entitlement to 55,850 AUSY shares.

#### 5 July 2004- AMF Note No. 204C0850

By a letter dated 2 July 2004 and received on the same day, Mr Jean-Marie Magnet declared that following the AUSY capital increase arising out of the allocation of share subscription warrants, he had, on 30 June 2004, gone under the thresholds of 2/3 of voting rights and 50% of the capital of that company and held as at that date 1,230,010 AUSY shares representing 2,460,020 voting rights or 40.03% of the capital (made up of 3,072,556 shares) and 53.70% of the 4,581,282 voting rights in the latter.

#### 5 July 2004- AMF Note No. 204C0849

By a letter dated 2 July 2004 and received on the same day, Mr Georges Pelte declared that following the AUSY capital increase arising out of the allocation of share subscription warrants, he had, on 30 June 2004, gone under the threshold of 10% of voting rights in that company, and held as at that date 200,726 AUSY shares representing 401,452 voting rights or 6.53% of the capital (made up of 3,072,556 shares) and 8.76% of the 4,581,282 voting rights in the latter.

#### 5 July 2004- AMF Note No. 204C0847

By letters dated 30 June and 1 July 2004 and received on 1 July, Alten (40, Avenue André Morizet - 92513 Boulogne Billancourt cedex) declared that following the exercise of 409,763 share subscription warrants, it had, on 25 June 2004, exceeded the threshold of 5% of the share capital of AUSY and held as at that date 204,881 shares representing as many voting rights or 6.67% of the capital (made up of 3,072,556 shares) and 4.47% of the 4,581,282 voting rights.

#### 5 July 2004- AMF Note No. 204C0848

By a letter dated 1 July 2004 and received on the same day, Sycomore Asset Management (55, rue Pierre Charron - 75008 Paris), acting on behalf of the funds that it manages, declared that as a result of the combined effect of the acquisition of a block of AUSY shares on the

market and participation in the capital increase of that same company, it had, on 22 June 2004, exceeded the thresholds of 5% of the capital and voting rights in that company and held for the account of its managed funds,

261,700 shares representing as many voting rights or 8.52% of the capital (made up of 3,072,556 shares) and 5.71% of the 4,581,282 existing voting rights broken down as follows:

	Shares and voting rights	% capital	% voting rights
FCP Synergy Smaller	122,500	3.99	2.67
FCP Sycomore Midcap	139,200	4.53	3.04
Total concert	261,700	8.52	5.71

### 13 January 2005- declaration 205C0073

1- By a letter dated 11 January 2005 and received on the same date, Sycomore Asset Management (55, rue Pierre Charron - 75008 Paris), acting on behalf of the funds that it manages, declared that following the acquisition of AUSY shares on the market, it had, on 6 December

2004, exceeded the threshold of 10% of the capital of that company and that it now holds for the account of the funds it manages 333,590 shares representing as many voting rights, i.e. 10.86% of the capital (made up of 3,072,556 shares) and 7.30% of the 4,567,480 existing voting rights broken down as follows:

	Shares and voting rights	% capital	% voting rights
Management mandates	6,750	0.22	0.15
FCP Partner's Fund	7,000	0.23	0.15
FCP Midcap	187,340	6.10	4.10
FCP Synergy	132,500	4.31	2.90
Total	333,590	10.86	7.30

2 - Sycomore Asset Management supplemented its declaration of having crossed thresholds with the following declaration of intent:

"The threshold has been crossed strictly within the framework of management of the Sycomore range of OPCVM [UCITS] and the management mandates entrusted to it by clients. Sycomore Asset Management

acts alone and reserves the right to make further purchases, provided these are in the interests of the holders of its OPCVM or the interests of persons having granted it a management mandate. Sycomore does not intend to acquire control of AUSY, or ask to be appointed a director, a member of the board of directors or a member of the supervisory board".

## 2.3 DISTRIBUTION OF CAPITAL

### 2.3.1. Distribution (position as of 03/31/2005)

	Shares	%	No. of shares granting double voting rights	Voting rights	%
J.M. Magnet (Chairman of AUSY)	1,217,010	39.6%	1,217,010	2,434,020	53.4%
Sycomore Assets Management	333,590	10.9%		333,590	7.3%
Alten	204,881	6.7%		204,881	4.5%
G. Pelte (Managing Director of AUSY France)	189,902	6.2%	189,902	379,804	8.3%
Registered shares	80,200	2.6%	76,662	156,862	3.4%
Bearer shares	1,046,178	34.0%		1,046,178	23.0%
Treasury stock	795	0.0%		0	0.0%
<b>Total</b>	<b>3,072,556</b>	<b>100.0%</b>		<b>4,555,335</b>	<b>100.0%</b>

	Position as of 03/30/04			Position as of 04/07/03		
	Shares	% capital	% voting rights	Shares	% capital	% voting rights
J.M. Magnet (Chairman of AUSY)	1,232,010	57.73	67.60	1,256,304	58.87	68.06
G. Pelte (Managing Director of AUSY France)	200,726	9.41	11.01	219,297	10.28	11.89
Tuledor	129,000	6.05	3.54	150,000	7.02	4.07
Registered shares	83,730	3.92	4.44	83,130	3.90	4.45
Bearer shares (and own shares)	488,547	22.89	13.41	425,242	19.93	11.53
<b>Total</b>	<b>2,133,973</b>	<b>100.00</b>	<b>100.00</b>	<b>2,133,973</b>	<b>100.00</b>	<b>100.00</b>

As far as the company is aware, there is no other bearer shareholder holding either directly or indirectly, alone or in conjunction with another, more than 5% of the capital or voting rights.

The statutory 10% float has been complied with.

The number of shares held (company's share) as of 28 February 2005 within the framework of the liquidity agreement is 795.

### 2.3.2. Shareholders' agreement

A shareholders' agreement was signed on 20 December 2002 between the Belgian société anonyme TULEDOR SA (controlled by Same Day Consulting, itself controlled by Mr. Benoit della Faille de Leverghem), holder 7% of shares in AUSY and 4.07% of voting rights, and Mr Jean-Marie MAGNET, Chairman and CEO of AUSY and holder of 58.80% of the share capital and 68.06% of voting rights. Notice of this agreement was published by the Conseil des Marchés Financiers in Decision No. 203C0019 of 6 January 2003.

Following the transfer to it of shares held by the subsidiary company Tuledor SA, Same Day Consulting (controlled by Mr. Benoit della Faille de Leverghem) signed the aforementioned agreement and was bound by the resulting commitments in the same terms and conditions as those hitherto binding Tuledor SA (CMF Decision of 27 November 2003 No. 203C1985).

By a letter of 5 January 2005 sent on the same date and following the disposal by Same Day of all its AUSY shares, Mr Jean-Marie Magnet, Chairman of AUSY and Same Day informed the Autorité des marchés financiers that they had, on 27 August 2004, terminated the shareholders' agreement of 20 December 2002 (as amended by a subsequent additional clause) binding them. The reference No. of this Note is 205C0218 and it is dated 9 February 2005.

To date, and as far as the company is aware, no shareholders' agreement exists and no shareholders' agreement exists at the company's subsidiary level.

### 2.3.3. Pledges, guarantees and collateral

160 000 securities have been pledged by Mr Jean-Marie MAGNET.

No other pledge, guarantee or collateral exists over the company's shares.

### 2.3.4 Liquidity agreement

A liquidity agreement in compliance with the AFEI rules of business conduct was signed on 21 November 2002 between Fortis Securities France and AUSY SA, and filed with the supervisory authorizations (Euronext Paris SA - COB)

On 2 August 2004, management of the liquidity agreement was entrusted to Euroland Finance, replacing Fortis Securities. This agreement contains the same features as the earlier agreement and complies with the AFEI rules of business conduct.

## 2.4 DIVIDENDS

### 2.4.1. Payment of dividends over the last five years

Dividends paid

Financial year	Net dividend	Tax credit	Gross dividend
2000	€ 453,682 (F 2,975,959)	€ 226,841 (F 1,487,979)	€ 680,523 (F 4,463,938)
2001	€ 469,474.06	€ 234,737.03	€ 704,211.09
2002	0	0	0
2003	0	0	0
2004	0	0	0

The company paid no dividend in 1994, 1995 and 1996. The net dividend per share paid out of the profit for 1997 (base 90,000 shares) was 3 Francs.

For 1998, the company paid out 1,080,000 Francs, i.e. a net dividend of

0.6 F/share (base 1 800 000 shares after the stock split on 3.02.1999).

For 1999 as in 2000, the company paid out 2,975,959.50 Francs (€ 453,682), i.e. a net dividend of 1.50 F/share (€ 0.228/share) (base 1,983,973 shares).

For 2001, the company paid dividends in the sum of € 469,474.06, i.e. net earnings per share of € 0.22.

The company paid no dividend in 2002 and 2003.

The company proposes to pay no dividend in 2004.

### 2.4.2. Dividend prescription period

Pursuant to the provisions of the law, entitlement to dividends and interim dividends lapses after 5 years in favour of the State.

## 2.5 EMPLOYEE PROFIT SHARING SCHEMES

### 2.5.1 Shareholding

Employees benefit from the shareholding scheme applicable by law to undertakings employing more than 50 staff.

### 2.5.2 Profit sharing

To date, AUSY has no profit sharing agreement.

### 2.5.3 Company savings scheme

To date, AUSY has no company savings scheme.

### 2.5.4 Share subscription scheme

- The Combined General Meeting of Shareholders of 3 February 1999 authorized the Board of Directors, pursuant to Article L 225-177 of the Commercial Code, to allocate to employees of the company and employees of its group companies, subscription options granting entitlement to subscribe to shares representing at most

5% of the increased share capital. This authorization has since expired.

In use of this authorization, the Board of Directors, at its meeting of 5 July 1999, allocated to certain staff, options granting entitlement to subscribe to new shares to be issued, in the total sum of € 24,800, corresponding to 24,800 new shares with a nominal value of € 1 per share, each option granting entitlement to subscribe to one new share.

The options may only be exercised over a period of one year as of 5 July 2005 save as otherwise agreed by the Board. They will expire on 5 July 2006.

- Moreover, the Combined General Meeting of Shareholders of 27 June 2003 authorized the Board of Directors, for a period of 38 months, to grant purchase and/or share options to company employees and to employees of its group companies. This authorization, which the Board of Directors has not exercised to date, is described in section 2.2.2.

## 3. ENVIRONMENT

### 3.1 ENVIRONMENT AND THE SOCIAL IMPACT OF THE COMPANY'S ACTIVITY

As the company is a provider of information technology engineering services, industrial and environmental risks are considered non-existent.

Information concerning the social impact of the company's activity is provided in the management report (section 5.2 of this reference document).

Furthermore, we would remind you of the definition of the inter-contract rate:

This rate is calculated by dividing the number of paid days that cannot be attributed to an assignment: inter-contract (1), training days, paid absences, (not including leave, working time reduction, sickness and maternity, sales activities, unpaid absences) by all the potential days (2) of the entire production workforce.

*(1) inter-contracts: number of days available for employees between two assignments*

*(2) potential days: number of working days over the period multiplied by the average production workforce.*

### 3.2 RISK FACTORS

As far as the company is aware, save those listed below, there are no disputes or arbitration likely to have or having had, in the recent past, a significant impact on AUSY's financial situation, its business, its profit and, as the case may be, on the Group.

Risk factors are presented in 4 categories.

#### 3.2.1. Legal risks

All risks and disputes, whether with employees or customers, are assessed on an individual basis and a provision is booked in the accounts. There is no significant risk or dispute, taken individually, that has been recorded in the accounts.

##### Labour risks

Bearing in mind the demands and pressures involved in boosting our sales teams, various individual labour disputes have been recorded and a provision for any liabilities arising has been booked in the accounts.

##### Customer risks

Our customer base, primarily comprising major accounts, does not present any particular bad payment risk. Moreover, most receivables assigned are covered by the Factor.

The risk lies mainly in the notion of the commitment to produce results. In the case of complex provisions of services with a specific objective and deadlines, the company may be forced to use more resources than initially planned. The company is currently working to control these projects and reinforce internal procedures. However, total turnover in terms of specific results is in the order of 6%.

##### Undertaking risks

Our decentralised organisation involves defining responsibilities and powers on an operational level within the framework of the implementation of ISO standards. The definitions are currently being modified as a result of the new organisation.

#### 3.2.2. Other risks

##### Commercial risks

In an economic context where there is still no significant growth in demand, greater vigilance is required during negotiations as a result of price pressures imposed by buyers.

##### Dilution risks

The Company issued OCEANE on 15 March 2005 in case the number of own shares held was not sufficient to cover applications to convert the debenture loan. A capital increase would then be carried out thus leading to shareholder dilution. If all the warrants were to be converted, a shareholder not having subscribed to the issue and holding 1% of the share capital would, after the operation, hold 0.88% of the share capital.

##### Accounting risks

Intangible assets represent a major weight compared to shareholders' equity. No amortisation charges were booked for the financial year. No loss of value index had been recorded as at 31 December 2004. The loss of value indicators of the undertakings reveal the overall increase in value of the undertaking: turnover, workforce...

### 3.2.3. Liquidity risks

#### Loans and credits

The Group avails itself of the following loans and credits:

Nature In K€	Fixed or variable rate	Nominal	Balance as at 31/12/04	Due within one year	Falling due after one year	Cover
(a) Syndicate loan	Variable	6,800	2,040	1,360	680	Yes (rate swap)
(b) Miscellaneous loans	Variable	280	140	93	47	No
	Fixed	867	94	94		
(c) Short term credit	Variable	300	300	300		No

#### (a) Syndicated loan

The syndicated loan taken out is subject to covenants. The three ratios required as of 30 June 2004 are: Gearing ratio (net consolidated borrowing over consolidated shareholders' equity < 0.6), Leverage ratio (net financial borrowing over consolidated EBITDA < 2) and Debt Service ratio (consolidated free cash flow over consolidated net debt service charges > 0.8). As at the same date, the covenants had not been complied with. Our financial partners have not demanded early repayment. These covenants have not been complied with as at 31 December 2004.

By means of an additional clause dated 22 September 2004, the lead bank confirmed the change in the credit margin as a result of failure to comply with the covenants. This margin has risen from 120 base points to 150 base points.

Definitions contained in the covenants

Definitions agreed within the framework of the syndicated loan:

**EBITDA:** consolidated net earnings

- Before corporation tax,
- After deduction of consolidated financial expense,
- Before any exceptional item,
- After deduction (or addition as the case may be) of the share of the profit of any Group entity attributable to a third party shareholder of that entity and the share of equity accounted undertakings,
- After addition (or deduction, as the case may be) of any capital gains or losses from the disposal of assets,
- Before deduction of amortisation and depreciation charges and appropriation of acquisition costs and net goodwill.

#### Free Cash Flow: EBITDA

- Less industrial and financial investments,
- Less variations in working capital requirement.

#### (b) Miscellaneous loans

These contracts are not subject to any special covenants.

#### (c) Short term credit (Belux)

Short term credit is used on a fortnightly basis as required.

#### Cash balances

As at 31/12/04, the Group's cash balances totalled K€ 5,089 including K€ 821 in investment securities.

#### Factoring

As at 31 December 2004, the balance transferred to the Factor amounted to K€ 8,635. K€ 3 045 has been used, leaving an available balance remaining of K€ 3,678.

The cost of the net debt totals M€0.244 in 2004 as against M€ 0.229 in 2003 and M€ 0.230 in 2002.

#### OCEANE issues

At the beginning of 2005, the Company issued OCEANE for M€ 4.6, the nominal value of which was € 11.5. This five year loan pays a 4% coupon with a redemption price of € 12.5.

The operation was highly successful, with demand totalling approximately M€ 10.

The Group has sufficient resources to finance its growth and select its sources of financing.

### 3.2.4. Market risks

#### Equity market risk

The equity market risk is limited to UCITS and own shares. On the basis of a 10% fluctuation, the corresponding total sensitivity is K€ 82.

#### Interest rate risk

Interest rate risks are limited to financial liabilities. The net position after management at less than one year is - M€ 1.8 and - M€ 0.7 between one and five years. If rates fluctuate by 1%, sensitivity over the less than one year period is insignificant.

The syndicated loan agreement is subject to a rate swap agreement, the features of which are described in section 3.4 on commitments.

#### Foreign exchange risk

Since AUSY's transactions are for the most part limited to Europe, foreign exchange risk is considered to be insignificant.

## 3.3 INSURANCE AND RISKS MANAGEMENT

There are no particular operating risks that require specific insurance cover.

The Group benefits from normal coverage in respect of its activities primarily through:

**1.** A third party liability insurance policy for the following amounts of cover:

Operating third party liability:

- comprehensive including bodily injury M€ 7.5 (per claim)
- property damage and non-pecuniary damage M€ 1.0 (per claim) of which non-consequential property damage M€ 0.3 (per claim)

Post delivery third party liability and professional third party liability:

- comprehensive, bodily injury, property damage, M€ 1.0 (per claim and year of insurance) consequential or otherwise
- 2.** An all-risks policy for offices and sales offices
- 3.** A property damage policy covering the cost of re-creating computer files, of which M€ 1 for fixed equipment

The deductibles on these policies are insignificant.

Bearing in mind the nature of the services provided, the company has not taken out any insurance for operating losses.

## 3.4 COMMITMENTS

All information concerning commitments given and received is given in the Notes to the Accounts. There are no off-balance sheet commitments other than those indicated.

For further information, the features of the rate swap agreement are as follows:

- no exchange rate risk,
- Euribor at 3 months against Libor USD 12 months,
- used in euros.

This agreement expires in February 2006. The market value of this swap is insignificant.

With the exception of the aforementioned swap agreement, there are no other complex commitments to be reported.

## 4. OPERATING RESOURCES

### 4.1 INVESTMENT POLICY

The Group has invested primarily in the internal computer infrastructure and the fitting out of offices.

Investment in 2004 was targeted at maintaining and upgrading various assets.

### 4.2 PATENTS AND TRADE MARKS

The AUSY trade mark was registered on 13 July 2001. This filing was extended by an international filing for the following countries: BENELUX, DENMARK, FINLAND, NORWAY, UNITED KINGDOM, SWEDEN and SWITZERLAND.

The ON SITE trade mark was filed in 2000.

The domain names [ausy.fr](http://ausy.fr), [ausy.be](http://ausy.be), [ausy.lu](http://ausy.lu) and [ausy-group.com](http://ausy-group.com) have also been registered.

The company is the owner of the trade marks and assets required for its activity.

### 4.3 COMMUNICATION AND MARKETING

AUSY spent M€ 0.220 on communication and marketing in 2004, compared to M€ 0.203 in 2003 and M€ 0.220 in 2002.

### 4.4 OFFICES

AUSY has offices in Issy-les-Moulineaux, Rennes, Nantes, Lille, Toulouse, Lyon, Strasbourg, Orléans, Aix en Provence, Niort, Bordeaux, Nice, Grenoble and Caen, with a total occupied leased surface area of 6,627 m<sup>2</sup>.

The companies based in Belgium (Brussels and Antwerp) and Luxembourg occupy a leased surface area of 984 m<sup>2</sup>.

Rental charges are within average market ranges.

## 5. LEGAL DOCUMENTS PRESENTED TO THE GENERAL MEETING OF SHAREHOLDER OF 2 JUNE 2005

### Combined General Meeting of Shareholders of 2 June 2005

AUSY

S.A. with share capital of € 3,072,556

Registered office: 10 rue des Acacias - 92130 ISSY-LES-MOULINEAUX  
352 905 707 R.C.S. NANTERRE

### 5.1 AGENDA AND TEXTS OF RESOLUTIONS

#### AGENDA

##### Ordinary items :

- Board of Directors' management report for the financial year ending as at 31 December 2004, including the Group management report and the Report of the Chairman of the Board of Directors.
- Approval of the annual accounts, the consolidated accounts and the agreements referred to in Article L. 225-38 of the Commercial Code.
- Distribution of profits.
- Authorization to be granted to the Board of Directors to arrange for the repurchase by the company of its own shares within the framework of the provisions of Article L. 225-209 of the Commercial Code.
- Authorization to increase the amount of issues in the event of excess demand.
- Delegation of powers to be granted to the Board of Directors to effect a capital increase by up to 10% in order to remunerate contributions in kind comprised of equity securities or transferable securities giving access to the capital.
- Delegation of powers to be granted to the Board of Directors to effect a capital increase through the issue of shares reserved to members of a company savings plan established pursuant to Articles L 443-1 et seq. of the Labour Code.

##### Extraordinary items :

- Delegation of authority to be granted to the Board of Directors to effect a capital increase either through the issue of ordinary shares and/or transferable securities giving access to the capital, maintaining preferential subscription rights or through the incorporation of reserves, premiums and profits,
- Delegation of authority to be granted to the Board of Directors to effect a capital increase through the issue, with cancellation of preferential subscription rights, of ordinary shares and/or transferable securities giving access to the capital.
- Harmonisation of the Articles of Association with Order No. 2004-604 of 24 June 2004 concerning the reform of the transferable securities system.
- Authorization to be granted to the Board of Directors to allocate share subscription and/or share purchase options.
- Authorization to be granted to the Board of Directors to allocate shares free of charge to members of the salaried staff and/or certain corporate officers.
- Powers of attorney to carry out formalities.

## DRAFT RESOLUTIONS

### Ordinary items :

#### First resolution - Approval of the company's accounts

The General Meeting of Shareholders, having taken note of the reports of the Board of Directors, of the Chairman of the Board of Directors and of the statutory auditors for the financial year ending as of 31 December 2004, approves the annual accounts closing as of that date, as presented, which show a profit of € 160,318.

The General Meeting of Shareholders specifically approves the total of € 9,546 for the expenses and charges referred to in Article 39 of the General Tax Code, and the corresponding tax.

#### Second resolution - Approval of the consolidated accounts

The General Meeting of Shareholders, having taken note of the reports of the Board of Directors, of the Chairman of the Board of Directors and of the statutory auditors on the consolidated accounts as at 31 December 2004, approves these accounts

as presented, showing a loss (Group share) of € 2,017,405.

#### Third resolution - Agreements regulated by Articles L. 225-38 et seq. of the Commercial Code

On the basis of the special report presented on the agreements referred to in Articles L. 225-38 et seq. of the Commercial Code, the General Meeting of Shareholders approves the agreements mentioned therein.

#### Fourth resolution - Distribution of profits

Upon a proposal of the Board of Directors, the General Meeting of Shareholders resolves to allocate profits for the year, amounting to € 160,318 in full to retained earnings which will thus total € 1,985,833.

Furthermore, the General Meeting of Shareholders acknowledges that it has been reminded that over the last three financial years, the dividend paid on each share and the corresponding tax credit amounted respectively to:

Year	Net dividend	Tax credit	Gross dividend
2001	0.220	0.110	0.330
2002	0	0	0
2003	0	0	0

#### Fifth resolution - Share repurchase programme

The General Meeting of Shareholders, having taken note of the report of the Board of Directors and of the prospectus approved by the AMF, authorizes the Board of Directors, for a period of eighteen months, pursuant to Articles L. 225-209 et seq. of the Commercial Code, to purchase, on one or more occasions, at such time as it deems fit, shares representing up to 10% of the company's share capital on the basis of existing capital, i.e. 307,255 shares.

This authorization cancels the authorization granted to the Board of Directors by the Combined General Meeting of Shareholders of 30 June 2004.

Purchases could be made with a view:

- To market making on the secondary market or the liquidity of the AUSY share by a financial services intermediary pursuant to a liquidity agreement, in conformity with a code of ethics approved by the AMF,
- To retaining the shares purchased for subsequent remittance in exchange or payment for future external growth transactions
- To ensuring cover for share purchase schemes and other forms of share allocation to the Group's employees and/or corporate officers pursuant to and in accordance with terms and conditions set by law, in particular by way of a share in the company profits, by way of a company savings scheme or the allocation of shares free of charge,

- To ensuring cover for transferable securities granting entitlement to the allocation of company shares within the framework of existing legislation,
- To cancellation of any shares acquired by virtue of the authorization granted by the General Meeting of Shareholders of 30 June 2004 in its thirteenth extraordinary resolution.

Shares may be acquired by any means, including the acquisition of blocks of shares, and at such times as the Board of Directors should see fit, including during the period of public offering, within the limit set by stock exchange regulations. However, the company does not intend to use derivative products.

The maximum purchase price is set at € 25 per share. In the event of a transaction involving the capital, in particular a stock split or reverse stock split or the allocation of shares free of charge, the aforementioned amount will be adjusted pro rata (coefficient equal to the ratio between the number of shares comprising the share capital before the transaction and the number of shares existing after the transaction).

The maximum amount of the operation is therefore set at € 7,681,375.

The General Meeting of Shareholders grants full powers to the Board of Directors to effect these operations, to determine the terms, conditions and arrangements thereof, to enter into any agreements and to carry out any formalities.

#### Extraordinary items :

##### **Sixth resolution - Delegation of authority to the Board of Directors to effect a capital increase through the issue of ordinary shares or transferable securities giving access to the capital reserved to shareholders and/or through the incorporation of reserves, profits or premiums**

The General Meeting of Shareholders, having noted the report of the Board of Directors and the special report of the statutory auditor and pursuant to the provisions of the Commercial Code, in particular Article L. 225-129-2 thereof:

- 1) Grants powers to the Board of Directors to effect a capital increase, on one or more occasions, in the proportions and at the times it deems fit:

a/ through the issue, either in euros or foreign currencies, or in any other unit of account established by reference to several currencies, of ordinary shares and/or transferable securities giving immediate or eventual access, at any time or on a specific date, to ordinary shares of the company or, pursuant to Article L 228-93 of the Commercial Code, of any company that holds directly or indirectly more than half its capital or in which it holds directly or indirectly more than half the capital, whether by subscription, conversion, exchange, redemption, presentation of a warrant or in any other way;

b/ and/or through the incorporation into the capital of premiums, reserves, profits or any other item in the form of the allocation of shares free of charge or an increase in the nominal value of existing shares;

- 2) Sets the period of validity of this authorization at twenty six months from the date of this Meeting.
- 3) Resolves to set the limits on the amounts of the issues authorized in the event that the Board of Directors uses this authorization, as follows:

The overall nominal amount of the shares that can be issued by virtue of this authorization may not exceed € 30,000,000.

The limit thus established includes the overall nominal value of any additional shares that may be issued to protect the rights of holders of transferable securities giving access to the capital, as required by law.

Furthermore, the overall nominal amount of shares issued directly or indirectly by virtue of the following resolution shall be set off against this ceiling.

- 4) In the event that the Board of Directors uses this authorization within the framework of the issues referred to in 1/a/ above:

a/ resolves that the issue or issues shall be reserved in the first instance to shareholders who may apply as of right,

b/ resolves that if subscriptions as of right and, as the case may be, subscriptions for excess shares, have not absorbed the entire issue, the Board of Directors may use the powers provided by law and in particular, offer all or some of the unsubscribed shares to the public.

c/ as regards the incorporation into the capital of premiums, reserves, profits or any other item, resolves that, as applicable, rights corresponding to fractional shares shall not be transferable and that the corresponding shares shall be sold, the amounts generated by the sale being allocated to the holders of the rights within the deadline established by the provisions of law.

- 5) Resolves that the Board of Directors, within the limits set above, shall have the necessary powers in particular to set the conditions of the issue or issues, to record completion of the resulting capital increases, to make the corresponding amendments to the Articles of Association, to set off, at its own discretion, the expenses of the capital increase against the amount of the premiums attaching to these increases and to deduct from that amount the sums required to bring the legal reserve to one tenth of the share capital after each capital increase, and more generally, to take the necessary action in such matters.
- 6) Notes that this authorization cancels any earlier authorization granted for the same purpose.

**Seventh resolution - Delegation of authority to the Board of Directors to effect a capital increase through the issue of ordinary shares or transferable securities giving access to the capital, without preferential subscription rights.**

The General Meeting of Shareholders, having noted the report of the Board of Directors and the special report of the statutory auditor and pursuant to the provisions of the Commercial Code, in particular Article L 225-129-2 thereof:

- 1) Grants powers to the Board of Directors to effect a capital increase, on one or more occasions, in the proportions and at the times it deems fit, on the French and/or international market, through a public offering in euros or foreign currencies or any other unit of account established by reference to several currencies, of ordinary shares and/or transferable securities giving immediate or eventual access at any time or on a specific date, to ordinary shares of the company whether through subscription, conversion, exchange, redemption, presentation of a warrant or in any other way. These securities may be issued to remunerate any securities contributed to the company within the framework of a public offer of exchange of securities

satisfying the terms and conditions laid down in Article L 225-148 of the Commercial Code.

Pursuant to Article L 228-93 of the Commercial Code, the transferable securities to be issued may give access to the ordinary shares of any company that holds, directly or indirectly, more than half its share capital or in which it holds, directly or indirectly, more than half the share capital.

- 2) Sets the period of validity of this authorization at twenty six months from the date of this meeting.
- 3) Resolves to set the limits on the amounts of the issues authorized in the event that Board of Directors uses this authorization as follows:

The overall nominal amount of the ordinary shares that can be issued by virtue of this authorization may not exceed € 30,000,000.

Moreover, the overall nominal amount of the shares issued by virtue of the preceding resolution will be offset against this ceiling.

- 4) Resolves to cancel shareholders' preferential rights to subscribe to the securities which are the subject of this resolution. The Board of Directors shall, however, be authorized to grant shareholders priority rights in accordance with the law.
- 5) Resolves that sum received or to be received by the company for each of the ordinary shares issued within the framework of this authorization, after taking into consideration, in the case of the issue of autonomous share subscription warrants, the issue price of said warrants, will be at least equal to the minimum value set by the legal or statutory provisions applicable at the time at which the Board of Directors exercises this authorization.
- 6) Resolves, in the event of the issue of securities intended to remunerate transferable securities contributed within the framework of a public offer of exchange, that the Board of Directors, within the limits set above, shall have the necessary powers to draw up the list of the securities contributed for exchange, set the issue conditions, the exchange parity and, as the case may be, the amount of the balancing cash adjustment to be paid, and to determine the terms and conditions of the issue.

- 7) Resolves that the Board of Directors, within the limits set above, shall have the necessary powers in particular to set the conditions of the issue or issues, record completion of the resulting capital increases, make the corresponding amendments to the Articles of Association, set off, at its sole discretion, the expenses of the capital increase against the amount of the premiums attaching to these increases and to deduct from that amount the sums needed to bring the legal reserve to one tenth of the new share capital after each capital increase, and more generally, to take the necessary action in such matters.
- 8) Notes that this authorization cancels any earlier authorization granted for the same purpose.

**Eighth resolution - Authorization to increase the amount of the issues in the event of excess applications**

For each of the issues decided upon pursuant to the sixth and seventh resolutions, the number of securities to be issued may be increased in the conditions laid down in Article L 225-135-1 of the Commercial Code and within the limit of the ceilings set by the Meeting, should the Board of Directors find that there are excess applications.

**Ninth resolution - Authorization granted to the Board of Directors to increase the share capital by up to 10% in order to remunerate contributions in kind.**

The General Meeting of Shareholders, having noted the report of the Board of Directors and pursuant to Article L 225-147 of the Commercial Code:

- 1) Authorizes the Board of Directors to effect a capital increase, upon the report of the statutory auditors, in order to remunerate any contributions in kind made to the company and comprising equity securities or transferable securities giving access to the capital where the provisions of Article L 225-148 of the Commercial Code are not applicable.
  - 2) Sets the period of validity of this authorization at twenty six months from the date of this meeting,
  - 3) Resolves that the overall nominal amount of the ordinary shares that can be issued by virtue of this authorization may not exceed 10% of the share capital.
- This ceiling is separate from the ceilings established in the other resolutions of this General Meeting.
- 4) Grants full powers to the Board of Directors to approve the valuation of the contributions, to decide as to the resulting capital increase, to record the completion thereof, to set off, as the case may be, any costs and expenses of the capital increase against the share premium, to deduct from the share premium the sums needed to bring the legal reserve to one tenth of the new share capital after each increase and to make the corresponding amendments to the Articles of Association, and to take all necessary action in relation to such matters.

**Tenth resolution - Authorization to effect a capital increase reserved to members of the company savings scheme**

The General Meeting, having noted the report of the Board of Directors and the special report of the statutory auditor, pursuant to Articles L. 225-129-6 and L. 225-138-1 of the Commercial Code and L. 443-5 of the Labour Code:

- 1) Authorizes the Board of Directors, should it deem it appropriate and at its own discretion, to effect a capital increase on one or more occasions through the issue of ordinary cash shares and, as applicable, through the allocation of ordinary shares or other securities giving access to the capital free of charge, reserved to employees and officers of the company and of companies associated with it within the meaning of Article L. 225-180 of the Commercial Code who are members of a company savings scheme.
- 2) Cancels in favour of such persons the preferential right of subscription to the shares that may be issued by virtue of this authorization.
- 3) Sets the period of validity of this authorization at twenty six months from the date of this meeting.
- 4) Limits the maximum nominal amount of the capital increase or increases that may be made in use of this authorization at € 1,000,000,
- 5) Resolves that the price of the shares to be issued, pursuant to 1) of this authorization, may not be lower by more than 20%, or 30% where the tie in period

provided for in the scheme pursuant to Article L. 443-6 is ten years or more, of the average of opening share prices listed during the 20 trading sessions preceding the decision of the Board of Directors in relation to the capital increase and the issue of the corresponding shares, or higher than this average.

- 6) Grants the Board of Directors full powers to implement this authorization, to take all measures and to carry out all necessary formalities.

**Eleventh resolution - Authorization to be granted to the Board of Directors to grant share subscription and share purchase options**

The General Meeting of Shareholders, having noted the report of the Board of Directors and the special report of the statutory auditors:

- Authorizes the Board of Directors, within the framework of the provisions of Articles L.225-177 to L.225-185 of the Commercial Code, to grant on one or more occasions, to the beneficiaries listed below, options granting entitlement to subscribe to new shares of the company to be issued by way of a capital increase or to purchase existing company shares arising out of redemptions effected in accordance with the provisions of the law,
- Sets the period of validity of this authorization at thirty eight months from the date of this meeting.
- Resolves that the beneficiaries of these options may only be:
  - \* firstly, employees, or certain employees, or certain categories of staff,
  - \* secondly, those corporate officers as defined by law,

both of the company and those companies or economic interest groups that are associated with it as laid down by Article L. 225-180 of the Commercial Code;

- Resolves that the total number of options that will be opened shall not grant entitlement to subscribe to or to purchase a number of shares exceeding 5% of the capital existing as at the date of the initial allocation, subject to any other legal restrictions ;
- Resolves that the price of subscription and/or purchase

of the shares by the beneficiaries will be fixed on the date on which the options are granted by the Board of Directors and may not be lower than the minimum price determined in accordance with the applicable laws and regulations.

- Resolves that no option may be granted:
- Either within the period of the ten trading sessions preceding and following the date on which the consolidated accounts are published,
- Or in the period between the date on which the company's corporate bodies become aware of any information that, if it were to be made public, could have a significant impact on the company's share price, and the date after the ten trading sessions after such information is made public,
- Less than twenty trading sessions after the shares have been detached from a coupon granting entitlement to a dividend or a capital increase,
- Takes note that this authorization involves, to the benefit of the beneficiaries of the share subscription options, express waiver on the part of shareholders of their preferential subscription rights to the shares that will be issued as and when options are exercised.
- Grants full powers to the Board of Directors to establish the other terms, conditions and arrangements for the allocation of options and the exercise thereof and in particular, to:
  - Establish the conditions in which options will be granted and prepare the list or the categories of beneficiaries as provided for above; to establish, as applicable, the length of service requirement that the beneficiaries must satisfy; to decide as to the conditions in which the price and the number of shares must be adjusted, in particular in the hypotheses referred to in Articles L. 174-8 to 174-16 of the Decree of 23 March 1967
  - Fix the period or periods for exercising the options thus granted, it being stated that the period of validity of the options may not exceed eight years as of the date of allocation.
  - Make provision for the power to temporarily suspend the exercise of options for a maximum period of three months in the event that financial transactions are carried out involving the exercise of a right attaching to shares,

- Carry out or cause to be carried out any acts or formalities in order to complete the capital increases that may, as the case may be, be effected by virtue of the authorization which is the subject of this resolution; amend the Articles of Association accordingly and in general, take all necessary action.
- Upon its decision alone and should it deem fit, to set off the expenses of the capital increases against the amount of the premiums attaching to these increases and deduct from that amount the sums needed to bring the legal reserve to one tenth of the new share capital after each increase.

**Twelfth resolution - Authorization to be granted to the Board of Directors to allocate shares free of charge to members of the salaried staff and/or certain corporate officers**

The Extraordinary General Meeting of Shareholders, having noted the report of the Board of Directors and the special report of the statutory auditor, authorizes the Board of Directors on one or more occasions in accordance with Articles L. 225-197-1 and L. 225-197-2 of the Commercial Code, to allocate ordinary shares of the company, existing or to be issued, in favour of:

- Members of staff of the company or of the companies that are associated with it directly or indirectly within the meaning of Article L. 225-197-2 of the Commercial Code or certain categories thereof,
- And/or those corporate officers who satisfy the conditions laid down by Article L. 225-197-1 of the Commercial Code.

The total number of shares thus allocated free of charge may not exceed 5% of the existing share capital as at the date of the initial allocation decided upon by the Board of Directors.

The allocation of shares to the beneficiaries shall become final following a minimum acquisition period of two years. Moreover, the beneficiaries must continue to hold the shares allocated to them for a minimum period of two years.

The Board of Directors has the authorization to extend both the aforementioned periods.

Moreover, the Board of Directors is granted full powers to:

- Establish the conditions and, as applicable, the criteria for the allocation of shares,
- Determine the identity of the beneficiaries and the number of shares allocated to each of them,
- Determine the effects on the rights of beneficiaries of any transactions changing the capital or likely to affect the value of the shares allocated and carried out during the periods of acquisition and tie in and, accordingly, amend or adjust as necessary the number of shares allocated in order to protect the rights of the beneficiaries,
- As applicable:
  - Note the existence of sufficient reserves and, at the time of each allocation, transfer to a blocked reserve account the amounts necessary to pay up the new shares to be allocated.
  - Decide at the appropriate time on any capital increase through the incorporation of reserves, premiums or profits attaching to the issue of the new shares allocated free of charge, the amount of that or these capital increases being set off against the amount of the overall authorization granted in the sixth resolution.
  - Effect the necessary share purchases as part of the share repurchase programme and appropriate them to the allocation scheme,
  - Take all necessary steps to ensure compliance with the beneficiaries' obligation to continue to hold the shares,
  - And, in general, take all action required within the framework of the legislation in force to implement this authorization.

This authorization implies express waiver on the part of shareholders of their rights to the portion of the reserves, premiums and profits to be incorporated into the capital in order to allow the allocated shares to be paid up.

It is granted for a period of thirty eight months from the date of this meeting.

### **Thirteenth resolution - Harmonisation of the Articles of Association with the Order of 24 June 2004**

The General Meeting of Shareholders, having noted the report of the Board of Directors, resolves:

- To harmonise the Articles of Association with the provisions of Order No. 2004-604 of 24 June 2004 concerning reform of the transferable securities system;
- To amend Articles 6, 8, 15 and 16 of the Articles of Association accordingly;

#### **ARTICLE 6 - SHARE CAPITAL**

Paragraph 2 henceforth reads as follows, the rest of the Article remaining unchanged:

It is divided into 3,072,556 ordinary shares of €1 per share.

#### **ARTICLE 8 - CAPITAL INCREASE**

Paragraph 2 henceforth reads as follows, the rest of the Article remaining unchanged:

Preference shares enjoying advantages over all other shares may be created to represent capital increases, subject to the provisions of the Commercial Code regulating voting rights.

#### **ARTICLE 15 - PREFERENCE SHARES**

The Article and title henceforth read as follows:

Upon the decision of the Extraordinary General Meeting, there may be created, through a capital increase or the conversion of ordinary shares already issued, preference shares which are themselves convertible into ordinary shares or preference shares of another category, all in the conditions and limits laid down by the provisions of the law in force. The company shall be entitled at any time to require, upon the decision of the Extraordinary General Meeting, the redemption or conversion of all of its own preference shares, pursuant to the provisions of the Commercial Code. The Extraordinary General Meeting may also delegate this power to the Board of Directors.

#### **ARTICLE 16 - ISSUE OF OTHER TRANSFERABLE SECURITIES**

This Article henceforth reads as follows:

The Board of Directors is authorized to decide or to authorize the issue of bonds. The Ordinary General Meeting may also exercise this power.

The issue of transferable securities giving access to the capital is within the competence of the Extraordinary General Meeting.

#### **Fourteenth resolution (ordinary) - Formalities**

The General Meeting of Shareholders grants full powers to the bearer of an original, a copy or an excerpt of these minutes to carry out the registration and publicity formalities required by law.

## 5.2 GROUP MANAGEMENT REPORT

### Report of the Board of Directors to the General Meeting of Shareholders of 02 June 2005

We have convened this General Meeting in accordance with the law and the provisions of our Articles of Association to ask that you approve the accounts for the financial year ending as at 31 December 2004.

Notice of this Meeting was duly given and the documents referred to by the regulations in force were sent to you or made available to you and to bearers of BSA and OCEANE within the required deadlines.

The purpose of this report is to inform you of the situation of the company and of the Group.

The accounts for the financial year ending as at 31 December 2004 have been prepared on the basis of the same methods of presentation and valuation used last year.

#### I - THE GROUP

##### 1 Activity

The Group, the activity of which we describe, comprises the following (fully consolidated) companies (L 233-13):

Country	Entity
France	AUSY SA, AUSY France, Ausy Solution & Integration (formerly OnSite France)
Belgium	AUSY Belgium
Luxembourg	AUSY Luxembourg

The Group's consolidated accounts show turnover of M€ 75.89, up by more than 8%.

The breakdown by geographical zone is as follows:

	France	Outside France
Turnover in M€	67.23	8.66
In %	88.6	11.4

This is more or less the same as last year.

The loss on operations is M€ 1.509 against M€ 3.813 in 2003.

Operating expenditure totalling M€ 78.124 is up 4.2% over last year.

Profit (loss) on financial operations shows a net expense of M€ 0.41 (against M€ 0.32 in 2003), primarily associated with the medium term loan taken out at the time of the 2001 acquisitions.

After corporation tax, net loss on ordinary activities before amortisation of goodwill totalled M€ 1.482 compared to M€ 2.785 the previous year.

The Group share of loss on ordinary activities amounts to M€ 2.017 against M€ 3.321 in 2003.

The Group's shareholders' equity as at 31 December totals M€ 11.1 against M€ 8.4 as at 31 December 2003. This change takes into account the capital increase effected in June 2004 in the sum of M€ 4.7 and the consolidated profit (loss) for the financial year of M€ -2.

Loans and financial liabilities total M€ 2.6 as at 31 12 2004 against M€ 5.2 as at 31 12 2003.

The Factor credit is M€ 3.045 as at 31 12 2004. It was M€ 5.713 at the close of the previous financial year.

## Loans and credits

The Group avails itself of the following loans and credits:

Nature In €k	Fixed or variable rate	Nominal	Balance At 31/12/04	Within one year	A plus one year	Cover
(a) Syndicated loan	Variable	6,800	2,040	1,360	680	Yes (rate swap)
(b) Miscellaneous loans	Variable	280	140	93	47	No
	Fixed	867	94	94		
(c) Short term credit	Variable	300	300	300		No

### (a) Syndicated loan

The syndicated loan is subject to covenants. The three ratios required as of 30 June 2004 are: Gearing ratio (net consolidated borrowing over consolidated shareholders' equity < 0.6), Leverage ratio (net borrowing over consolidated EBITDA < 2) and Debt Service ratio (consolidated free cash flow over consolidated net debt service charge > 0.8). As at 30 June 2004, the covenants had not been complied with. Our financial partners have not demanded early repayment. These covenants have not been complied with as at 31 December 2004.

By means of an additional clause dated 22 September 2004, the lead bank confirmed the change in the credit margin as a result of failure to comply with the covenants. This margin has risen from 120 base points to 150 base points.

This agreement is the subject of a swap, the features of which are as follows:

- no foreign exchange risk,
- Euribor 3 months against Libor USD 12 months,
- used in euros.

### (b) Miscellaneous loans

These agreements are subject to no specific covenants.

### (c) Short term credit (Belux)

The short term credit is used on a fortnightly basis as required.

## Cash balances

As of 31/12/04, the Group's cash balances totalled K€ 5,089, including K€ 821 in investment securities.

## Factoring

In 2003, the company put in place a factoring agreement. This agreement allows the company to finance its day to day activity on the basis of receivables assigned from which the Factor deducts a guarantee fund of 10% of the invoices assigned and a guarantee representing Turnover in relation to a specific result (less than 5% of the Turnover assigned). Ownership of the invoices is transferred to the Factor, which is then responsible for chasing customers. The Factor grants the company a financing ceiling of € 8,000 as a result of an additional clause dated 14 June 2004.

The company used the Factor for approximately 70% of its receivables in 2004.

On 17 December 2003, the agreement was changed from a «confidential» factoring agreement with assignment of a balance into a «traditional» agreement with assignment of a list of invoices including a subrogation receipt. This change, in accounting terms, amounts to receivables being removed from the balance sheet rather than a financial liability being recorded.

As of 31 December 2004, the balance assigned to the Factor amounted to K€ 8,635. K€ 3,045 of this credit has been used, leaving an available current account balance of K€ 3,678.

Drawings on additional lines obey conditions comparable to lines already drawn down.

We would point out that over the course of the financial year, the Group incurred no research and development costs within the precise meaning of the terminology of the accounting sales.

We would ask you to approve these accounts.

## 2 Key events:

The key events of the financial year were:

– capital increase:

In June 2004, Ausy effected a € 4.8m capital increase through the allocation, free of charge, of BSA to all its shareholders. This operation was carried out in order to strengthen the Group's financial position with a view to kick-starting activity.

- appointment of Philippe Morsillo as Deputy Managing Director of Ausy from 1 October 2004,
- more than 8% growth in turnover,
- steady improvement in operations as a result of positive changes in the intercontract rate, particularly over the 4th quarter.

## 3 Difficulties experienced and comments on activity

### In France

The slight improvement at the beginning of the year, in particular in sales, did not continue into the second half of the year (4.3% increase in turnover in the second half of the year compared to 2003).

Prices stabilised but remained low due to pressure by Sales departments.

### In Belgium and Luxembourg

Problems maintaining a significant rate of growth in turnover, primarily due to lack of effective recruitment.

## 4 Significant events since year-end

Significant events since year-end are as follows:

- At the beginning of 2005 the company issued warrants convertible into and/or exchangeable for new or existing shares (OCEANE) in the sum of € 4.6m, the nominal amount of which was €11.5. This five year loan pays a coupon of 4% with a redemption price of € 12.5. The operation was highly successful, demand totalling approximately € 10m.
- Changes in organisation, characterised by:
  - The creation of 4 Operational Departments which bring together operational support (technical, sales administration, recruitment support).
  - Development of the sales dynamic through the pursuit of actions put in place in late 2004 (proximity and precision in marketing promotions)
- Intercontract rate satisfactory for the start of the year.

## 5 Foreseeable trends and prospects

The upturn in activity in 2004 and the encouraging start to 2005 enable us to set two objectives for the financial year:

- Organic growth in line with the market.
- Positive operating results: the company's three year objective is to return to average margin levels in the sector. For 2005, the objective is to achieve a gross margin level of between 1% and 3% of turnover.

## 6 Environment and risk factors

### 6.1 Activity and social consequences

Our workforce remained relatively stable over the financial year, with 1 086 staff members at the end of 2004 compared to 1 090 at the end of 2003.

#### Breakdown by country:

Workforce as at 31 December 2004	
France	1,018
Belux	68
Total	1,086

#### Breakdown by core activity:

Workforce as at 31 December 2004	
Production staff	88%
Sales staff	8%
Administrative staff	4%

This is comparable to the previous year. There were no particular recruitment problems in 2004. Contracts are of indeterminate duration. The number of fixed term contracts is negligible. The turnover rate remained stable in 2004 at 19%, compared to 18% in 2003 and 19% in 2002. No redundancy plan has been put in place. Average wages and salaries remained stable throughout the year. There were no significant changes in terms of organisation and working hours,

In 2004, the Workplace Health and Safety Committee met three times and worked on a risk prevention scheme.

The use of sub-contractors enables the company to offer flexibility on certain assignments, but in general, sub-contractors account for approximately 4% of the Group's entire production workforce. The volume remained stable over the period and the company complied with labour law regulations.

The inter-contract rate was 10.7% in 2004, against 12% in 2003 and 13% in 2002

In 2004 the group spent M€ 0.7 on training.

## 6.2 Risks

As far as the company is aware, save those listed below, there are no disputes or arbitration likely to have or having had, in the recent past, a significant impact on AUSY's financial situation, its business, its profit and, as the case may be, on the Group.

### 6.2.1 Commitments

Commitments given and received are detailed in the Notes to the consolidated accounts.

### 6.2.2 Legal risks

Sufficient provision has been made in the accounts for all the risks and disputes identified.

Our portion of activity in terms of commitment to produce a specific result remains stable in comparison with last year.

### 6.2.3 Industrial risks and environmental consequences

Since the company is engaged in IT engineering, industrial and environmental risks are deemed to be insignificant.

### 6.2.4 Market risks

Equity, interest rate and foreign exchange rate risks are negligible as at 31 December 2004.

### 6.2.5 Liquidity risks

Liquidity risks relate primarily to the syndicated loan, on which maturities under 1 year amount to € 1.36m and represent € 0.68m for the period between 1 and 5 years. This is a variable rate loan.

The syndicated loan is subject to covenants that had not been respected as at 31 December 2004.

## 7 Internal control

A separate report is attached as an Appendix.

## 8 IAS/IFRS standards

The changeover to IFRS standards for the consolidated accounts is at a sufficiently advanced stage for the audit of the accounts as at 30 June 2005 to include the initial impact in terms of figures.

Cessation of amortisation of goodwill constitutes the major impact in terms of value for 2005.

## II AUSY SA

### 1 Activity and comments

The activity of the holding company AUSY SA is characterised as follows:

Turnover, generated primarily by recharging of its employees within the Group and recharging Group level insurance, is up 24.8% compared to the previous year: M€ 1.067 in 2004 against M€ 0.859 in 2003.

Operating expenditure rose to M€ 1.517 in 2004 against M€ 1.374 in 2003. This expenditure primarily comprises staff costs in the sum of M€ 0.973.

Financial operations show a loss of M€ 0.023 against profits in 2003 of M€ 2.470.

Financial income from the dividends of subsidiaries amounted to M€ 2.5 in 2003, no dividend having been received in 2004.

The financial expense of M€ 0.088 primarily represents loan interest. In 2003, interest and similar charges amounted to M€ 0.128.

The company recorded a tax credit of M€0.635m (carry back on earnings of companies in the tax group).

The result for the 2004 financial year is a profit of M€0.160 compared to a profit of M€ 3.336 in 2003. Shareholders' equity totals M€ 16.227 against M€ 11.355 in 2003.

Under the heading of loans and liabilities, the balance of the syndicated loan represents M€ 2.040 (not including accrued interest).

Participating investments are booked in the assets at the gross value of M€ 14.981 and a net value of M€ 9.905.

Current assets totalled € 8.836m against € 5.281m in 2003, the difference arising out of tax receivables payable by the state to French companies and the increase in the short term investment account.

#### Comments on the activity of AUSY over the financial year ending

Activity has centred on management of the Group, consolidation of its financial base and obligations associated with the listing of shares.

#### Significant events since the start of the year

At the beginning of 2005, the company issued OCEANE in the sum of M€ 4.6, the nominal value of which was €11.5. This five year loan pays a coupon of 4% with a redemption price of € 12.5.

The operation was highly successful with demand amounting to approximately M€ 10.

#### Foreseeable changes

In 2005, in the absence of the resumption of dividend payments, the company's profit (loss) on ordinary activities should remain negative at approximately M€ 0.9.

### 2 Proposed distribution of profits

The company proposes to distribute profits in accordance with the law and the Articles of Association.

We propose to allocate the profit for the year, amounting to € 160,318, in full to retained earnings which will accordingly bring that item to € 1,985,833.

### 3 Earlier dividend payments

Pursuant to the provisions of Article 243 bis of the General Tax Code, we would point out that over the last three years, payments in respect of dividends per share have been as follows:

Year	Net dividend	Tax credit	Gross dividend
2001	0.220	0.110	0.330
2002	0	0	0
2003	0	0	0

### 4 Regulated agreements

No agreement covered by Article L225-38 of the Commercial Code has been entered into over the course of the financial year.

### 5 Non-deductible amounts

We would ask you to approve the overall amount of non tax deductible expenses and charges referred to in Articles 39-4 of the General Tax Code in the sum of € 9,456 and the corresponding tax of € 3,151.

## III SUBSIDIARIES AND SUB-SUBSIDIARIES

### 1 Ausy France

Turnover at this wholly-owned subsidiary was M€ 67.264 up 7.7%.

Operating expenditure totalled M€ 69.152, up 4.01% compared to the previous year.

Net losses amounted to M€(1.704). AUSY France's shareholders' equity remained negative M€(3.009).

### 2 Ausy Belgium

Turnover at this wholly-owned Belgian company was M€ 7.316.

The company made a net profit of M€ 0.167, against M€ 0.003 in 2003.

### 3 Ausy Luxembourg

Turnover at this wholly-owned Luxembourg company was M€ 1.872. Net profit totalled M€ 0.030, against M€ 0.004 in 2003.

### 4 Ausy Solution & Integration

This company did not trade throughout 2004. Its name was changed from OnSite France to Ausy Solution & Integration.

## IV CAPITAL

### 1 Shareholders (L233-13)

We hereby list those individuals holding directly or indirectly as at 31 December 2004 more than 5%, 10%, 20%, 33.33%, 50% or 66.66% of the share capital or voting rights at General Meetings:

Shareholders holding	Shares	Voting rights
Over 5%	Georges PELTE Alten	Georges PELTE Sycomore Asset Management
Over 10%	Sycomore Asset Management	None
Over 20%	None	None
Over 33.33%	Jean-Marie MAGNET	None
Over 50%	None	Jean-Marie MAGNET
Over 66.66%	None	None

The company effected a capital increase on 30 June 2004, following the issue and exercise of BSA. Sycomore Asset Management and Alten subscribed to 216,700 and 204,881 shares respectively.

At year-end, employees held no share in the company capital as defined in Article 225-102 of the Commercial Code.

**Changes to the shareholder structure over the course of the financial year:**

- The Belgian company Same Day Consulting SARL (Route de Longwy, 167,L-1941 Luxembourg) controlled by Benoit della Faille de Leverghem, declared that following the disposal of AUSY shares on the market, it had, on 9 June 2004, gone under the threshold of 5% of the capital of that company and no longer held any shares.
- Mr Jean-Marie Magnet declared that following the AUSY capital increase arising out of the allocation of share subscription warrants for the company's shares, he had, on 30 June 2004, gone under the thresholds of 2/3 of voting rights and 50% of the capital of the company.
- Mr Georges Pelte declared that following the AUSY capital increase arising out of the allocation of share subscription warrants for the company's shares, he had, on 30 June 2004, gone under the threshold of 10% of the voting rights in that company.
- Sycomore Asset Management (55, rue Pierre Charron - 75008 Paris), acting on behalf of the funds that it manages, declared that as a result of the combined effect of the acquisition of a block of AUSY shares on the market and participation in the capital increase of that same company, it had, on 22 June 2004, exceeded

the threshold of 5% of the capital and voting rights of that company.

- Alten (40, Avenue André Morizet - 92513 Boulogne Billancourt cedex) declared that following the exercise of 409 763 share subscription warrants, it had, on 25 June 2004, exceeded the threshold of 5% of the capital of AUSY.
- Sycomore Asset Management (55, rue Pierre Charron - 75008 Paris), acting on behalf of the funds which it manages, declared that following the acquisition of AUSY shares on the market, it had, on 6 December 2004, exceeded the threshold of 10% of the capital of that company.

**2 Treasury stock held within the framework of a share repurchase programme (L. 225-211 indent 2)**

Within the framework of repurchase programmes (Visa No 04-0592 of 11 June 2004 and No. 03-0545 of 6 June 2003) in force between 1 January 2004 and 31 December 2004, the company carried out the following transactions:

- The acquisition on the market of 42,150 shares at the average price of € 6.321, in the total sum of €266,428,
- Disposal on the market of 43,466 shares at the average price of € 6.233, in the total sum of € 270,924.

	Purchases	Sales / transfers
Market making	42,150	43,466
Salaried shareholders	0	0
Securities granting entitlement to the allocation of shares	0	0
External growth transactions	0	0
Cancellation	0	0

At year-end, the number of shares registered in the name of the company was 1,305 in the sum of € 10,896 valued at the purchase price. This number of shares having an overall nominal value of € 1 per share represents 0.04% of the capital.

Shares acquired before 13 October 2004, the date of entry into force of the European regulations concerning reform of share repurchase programmes related to market making only.

### 3 Authorization to effect capital increases

- Authorization to increase the share capital through contributions in cash or the incorporation of reserves, profits or premiums (Article L. 225-129-2 of the Commercial Code)

The sixth and seventh resolutions of the General Meeting of Shareholders of 27 June 2003 granted the Board of Directors, for a period of 26 months, the necessary powers to effect a capital increase. These authorizations expire on 26 August 2005. It is therefore proposed that they now be renewed.

We would therefore ask you to grant to the Board of Directors:

- Delegation of authority to increase the capital through the issue of ordinary shares or transferable securities giving access to the capital reserved to shareholders and/or through the incorporation of reserves, profits or premiums.
- Delegation of authority to increase the capital through the issue of ordinary shares and/or securities giving access to the capital, without preferential subscription rights.

The purpose of these authorizations is to grant the Board of Directors, within the legal deadline of 26 months, freedom to issue ordinary shares and/or any transferable securities giving immediate or eventual access to ordinary shares, at such times as it deems fit.

The nominal amount of the capital increases that may be effected may not exceed € 30,000,000. This amount would include the overall nominal amount of any additional ordinary shares issued to protect the rights of holders of transferable securities giving access to the capital, as required by law.

Within the framework of these two authorizations, provision would be made for the Board of Directors to have powers, in the conditions and within the limits set by the legal and regulatory provisions, to increase the number of transferable securities provided for in the initial issue. This decision would be subject to a specific resolution.

In accordance with the law, any transferable securities to be issued would give access to the ordinary shares of any

company that holds, either directly or indirectly, more than half the share capital of this company or any company in which this company holds, either directly or indirectly, more than half the share capital.

These issues could be effected with or without shareholders' preferential subscription rights.

Should preferential subscription rights be maintained, if subscriptions have not absorbed the entire issue, the Board of Directors may use the powers provided by law and in particular, offer all or some of the unsubscribed shares to the public.

In the event of an issue through a public offering, without preferential subscription rights, the Board of Directors would be able to grant shareholders priority subscription rights.

Again, should this be the case, the amount payable immediately or in future to the company in respect of each of the ordinary shares issued, after having taken into account in the event that share subscription warrants are issued, the subscription price of such warrants, will be determined in accordance with the legal and regulatory provisions.

In the event of the issue of securities intended to remunerate transferable securities contributed within the framework of a public offer of exchange, the Board of Directors, within the limits set above, would have the necessary powers to draw up the list of securities contributed for exchange, set the issue conditions, the exchange parity and, as the case may be, the amount of the balancing cash adjustment to be paid, and to determine the terms and conditions of the issue.

- Authorization to increase the capital in order to remunerate contributions in kind comprising securities (Article L. 225-147 of the Commercial Code)

We would ask you to grant the Board of Directors authorization to increase the capital by up to 10% of its amount to remunerate any contributions in kind made to the company and comprising equity securities or transferable securities giving access to the capital.

This authorization would be granted for a period of 26 months.

The total nominal amount of ordinary shares that could be issued by virtue of this authorization may not exceed 10% of the share capital. This ceiling is independent of any other ceiling provided for in the other delegations of authority in relation to capital increases.

- Authorization to effect a capital increase reserved to members of a company savings scheme (Articles L.225-129-6, L.225-138-1 of the Commercial Code and L.443-5 of the Labour Code).

We also propose that a vote be taken on a draft delegation of authority to be granted to the Board of Directors to effect a capital increase reserved to members of a company savings scheme and effected pursuant to Article L 443-5 of the Labour Code through the issue of ordinary cash shares and, as applicable, through the allocation free of charge of ordinary shares or other transferable securities giving access to the capital.

Pursuant to the provisions of Article L.443-5 of the Labour Code, the price of the shares to be issued may not be lower by more than 20% (or 30% where the tie in period provided in the scheme pursuant to Article L. 443-6 is ten years or more) of the average opening share prices listed during the 20 trading sessions preceding the date of the decision of the Board of Directors in relation to the capital increase and the issue of the corresponding shares, nor higher than this average.

The maximum nominal amount of the increase or increases that can be effected in use of the authorization is € 1,000,000.

To this end, we propose that the Board of Directors be granted full powers for a period of 26 months to use this authorization.

- The Board of Directors will, in the limits fixed above, have the necessary powers, in particular, to establish the terms and conditions of the issue or issues, to record completion of the resulting capital increases, to make the corresponding amendments to the Articles of Association, to set off, at its sole discretion, the costs of the capital increases against the amount of the premiums attaching thereto and to deduct from that amount the sums needed to bring the legal reserve to one tenth of the share capital after each increase, and more generally, to take all necessary action in this respect.

- Authorization to allocate shares free of charge to members of staff and/or to certain corporate officers

We propose that the Board of Directors be granted powers, for a period of 38 months, within the framework of Article L. 225-197-1 of the Commercial Code, to allocate free of charge any new shares resulting from a capital increase through the incorporation of reserves, premiums or profits, or existing shares.

The beneficiaries of such allocations would be:

- members of the salaried staff or certain categories thereof both of the company and of any companies directly or indirectly associated with it pursuant to the provisions of Article L 225-197-2 of the Commercial Code,
- those corporate officers satisfying the conditions of Article L 225-197-1 of the Commercial Code.

The number of shares that could be allocated free of charge by the Board of Directors by virtue of this authorization could not exceed 5% of the share capital existing as at the date of the initial allocation.

The allocation of these shares to the beneficiaries would only become final following a minimum acquisition period of two years from the date of the decision of the Board to effect the allocation. Moreover, the beneficiaries would have to continue to hold their shares for a minimum period of two years as of the date of final allocation.

Accordingly, the Board, within the limits laid down above, will have full powers to establish the terms and conditions and, as the case may be, the criteria for allocation of the shares, to determine the identity of the beneficiaries of the free allocation of shares from amongst those persons satisfying the conditions established above and the number of shares to be allocated to each one, to determine the effect on the rights of the beneficiaries of transactions modifying the share capital or likely to influence the value of the shares to be allocated and carried out during the acquisition and tie in periods, as the case may be, to note the existence of sufficient reserves and at the time of any allocation, to transfer to a blocked reserve account the sums required to pay up the new shares to be allocated, to decide as to the capital increase or increase through the incorporation of reserves, premiums or profits corresponding to the issue of the new shares allocated free of charge, to make the

necessary acquisitions of shares within the framework of the share repurchase programme and to appropriate them to the allocation plan and in general, to take any action required for implementation of this authorization within the framework of the regulations in force.

- Authorization to allocate options to subscribe to and/or purchase shares

The authorization granted to the Board of Directors to allocate options to subscribe to and/or to purchase shares is due to expire on 26 August 2006. We propose that it be renewed early from this year for a further period of 38 months in order to coincide with the period of validity of the authorization to allocate shares free of charge and therefore grant the Board of Directors the power to grant options to subscribe to and/or purchase shares in favour of employees, of certain employees, or certain categories of staff, and/or those corporate officers defined by law, both of the company and of those companies or economic interest groups that are associated with it in the conditions of Article L. 225-180 of the Commercial Code.

The total number of options that will be opened may not grant entitlement to subscribe to or to purchase a number

of shares in excess of 5% of the capital existing on the date of the initial allocations, subject to any other legal restrictions.

The price of subscription and/or purchase of the shares by the beneficiaries shall be fixed on the date on which the options are granted by the Board of Directors and may not be lower than the minimum price determined pursuant to the applicable legal provisions in force.

The period of validity of the options set by the Board of Directors may not exceed eight years as of the date of allocation.

Accordingly, the Board of Directors, within the limits laid down above, shall have full powers to set the other terms and conditions for the allocation of options and their exercise and in particular to set the conditions in which the options will be granted and to draw up the list or the categories of beneficiaries as provided for above, to fix the periods for exercising the options thus granted, to carry out or cause to have carried out all acts and formalities in order to finalise the capital increase or increases which can, as the case may be, be effected, to amend the Articles of Association accordingly and in general, to take all necessary action.

#### 4 Authorization for a company share repurchase programme (Article L. 225-209 of the Commercial Code)

We propose that the Board of Directors be granted, for a further period of eighteen months, the powers necessary to purchase, on one or more occasions, at such time as it deems fit, shares representing up to 10% of the company's share capital on the basis of existing capital, i.e. 307,255 shares.

This authorization would cancel the authorization granted to the Board of Directors by the General Meeting of Shareholders of 30 June 2004.

Purchases could be made with a view to:

- Market making on the secondary market or the liquidity of the AUSY share by a financial services intermediary pursuant to a liquidity agreement, in conformity with a code of ethics approved by the AMF,
- Retaining the shares purchased for subsequent remittance in exchange or payment for future external growth transactions
- Ensuring cover for share purchase schemes and other forms of share allocation to the group's employees and/or corporate officers pursuant to and in accordance with terms and conditions set by law, in particular by way of a share in the company profits, by way of a company savings scheme or the allocation of shares free of charge,
- Ensuring cover for transferable securities granting entitlement to the allocation of company shares within the framework of existing legislation,
- Cancellation of any shares acquired by virtue of the authorization granted by the General Meeting of Shareholders of 30 June 2004 in its thirteenth extraordinary resolution.

The maximum purchase price is set at € 25 per share.

The maximum amount of the operation is thus set at € 7,681,375.

We would remind you that by virtue of the authorization granted by the thirteenth extraordinary resolution of the General Meeting of Shareholders of 30 June 2004, the Board of Directors has the powers necessary to reduce the share capital by up to 10% by means of cancellation of treasury stock. This authorization expires on 29 June 2006.

#### 5 Adjustment of the bases for conversion of share subscription warrants

We would remind you that our company has issued transferable securities giving access to the capital. 24,800 share subscription warrants were allocated by the Board of Directors on 5 July 1999 to Ausy group employees granting entitlement to 24,800 shares at the price of € 22.38.

The conditions in which these warrants may be exercised were adjusted by the Board of Directors on 30 June 2004, following the allocation free of charge to all Ausy shareholders of 2 133 973 BSA, 2 BSA granting entitlement to subscribe to one AUSY share at the price of € 5.15 between 8 June 2004 and 22 June 2004. Therefore, the subscription price and the number of shares subject to options were adjusted pursuant to the provisions of Articles 174-8, 174-9, 174-13 and 174-1,1, a) of the Decree of 23 March 1967.

Following this adjustment, the share subscription warrants will grant entitlement to subscribe to 24,952 shares at the price of € 22.25.

#### Summary table of share subscription warrants after adjustment

Date of General meeting	03/02/99
Date of General meeting of the Board of Directors	05/07/99
Total number of shares open for subscription	24,952*
Number of shares open to subscription by directors	0
Number of directors concerned	0
Start date for exercising options	05/07/04
Closing date	05/07/05
Subscription price	€ 22.25*
Number of shares subscribed as at 31/12/04	0

\* number of shares and subscription price after adjustment of 30 June 2004

## V ADMINISTRATION - CORPORATE GOVERNANCE

### 1. Board of Directors

#### 1.1 Composition of the Board of Directors

The following persons are members of the Board of Directors:

Details are given of the office and duties of each member (225-102-1 para. 3)

- **Mr Jean-Marie MAGNET**
  - Chairman and CEO and Director of AUSY
  - AUSY representative, Chairman and CEO AUSY France,
  - Chairman and CEO and Director of On Site France,
  - Managing Director of AUSY Belgium,
  - Managing Director of Ausy Luxembourg.
- **Mr Georges PELTE**
  - Director, AUSY,
  - Managing Director AUSY France,
  - Director of Operations AUSY France
- **Mrs Marie-Jacqueline de La TOUANNE**
  - Director, AUSY.
  - Administrative and Financial Director, AUSY,
  - Director of AUSY Belgium.
  - Director and Managing Director of On Site France,
  - Director of Ausy Luxembourg.
- **Mr Joël MAGNET**
  - Director, AUSY,
  - Director of Operations, AUSY France.

Mr B. della Faille and Mr Reynders resigned in the second half of 2004.

#### 1.2 Independent Directors

Bearing in mind the size of the Group, it is not deemed necessary for the time being to appoint any new Independent Directors.

#### 1.3 Operation of the Board of Directors

The Board of Directors met seven times, pursuant to its Rules of Procedure.

#### 1.4 Appointments, renewals and confirmation of co-options

Mr Philippe Morsillo was appointed Deputy Managing Director on 1 October 2004. He occupies no other office and carries out no other duties within the Group or within any other company.

#### 1.5 Remuneration of Directors (225-102-1 paras 1 and 2)

We hereby inform you of the total amounts and benefits in kind paid by the company and the controlled companies during the financial year closing as of 31 December 2004 to each corporate officer:

- Mr Jean-Marie MAGNET, as Chairman and CEO of AUSY SA received fixed gross remuneration of € 152,753 and benefits in kind in the sum of € 7,680. No variable amount was paid in 2004. During the 2003 financial year, the amounts paid included a fixed portion of € 152,753 and benefits in kind amounting to € 6,783. The variable portion, calculated on the basis of the company's profit (loss) on ordinary activities is paid the following year.
- Mr Georges PELTE, as Managing Director and Director of Operations of AUSY France received fixed gross remuneration of € 133,728 and benefits in kind in the sum of € 5 024. No variable portion was paid in 2004. During 2003, the amounts paid included a fixed portion of €133,728 and benefits in kind amounting to € 5,024. The variable portion, calculated on the basis of the company's profit (loss) on ordinary activities, is paid the following year.
- Mrs Marie-Jacqueline de La TOUANNE, as Administrative and Financial Director of AUSY SA, received fixed gross remuneration of € 114,702 and benefits in kind in the sum of € 1,776. No variable portion was paid in 2004. During the course of 2003, the amounts paid included a fixed portion of € 114,702 and benefits in kind in the sum of € 1,554. The variable portion, calculated on the basis of the company's profit (loss) on ordinary activities is paid the following year.
- Mr Joël MAGNET, as Division Director of AUSY France received gross fixed remuneration of € 99,327 and benefits in kind in the sum of € 3,083. No variable portion was paid in 2004. During 2003, the amounts paid included a fixed portion of € 94,824 and benefits in kind of € 3,080. The variable portion, calculated on the basis attainment of the objectives set at the start of the year, is paid the following year.

- Mr Philippe Morsillo, as Deputy Managing Director, received fixed gross remuneration of € 42,500. A variable portion, calculated on the basis of the attainment of the objectives set at the start of the year, is paid the following year.

No other option, equity security or transferable security giving access to the capital was granted to any of the corporate officers over the financial year.

The General Meeting of Shareholders of 30 November 2004 resolved to issue 150,000 BSA in favour of Mr Philippe MORSILLO, deputy managing director of AUSY. The BSA are non-transferable and non-negotiable. Each BSA may be subscribed at the price of € 1. The subscription price of each BSA must, on the subscription date, be fully paid up in cash. 75,000 BSA had been subscribed by 31 December 2004 and fully paid up on subscription. The remaining 75,000 BSA may be subscribed until 30 June 2005; they must be fully paid up on subscription. One BSA will allow for the purchase of one Ausy share, at the exercise price of € 8. The BSA may be exercised at any time between 1 January 2008 and 31 December 2009; on expiry of this period, any BSA that have not been exercised will automatically expire.

## 2. Audit Committee

The Audit Committee is composed of the following members:

- Mrs Marie-Jacqueline de La TOUANNE
- Mr Axel du FRETAY
- Mr Dominique NORDERA

The Committee met three times over the course of the year. Pursuant to its Operating Charter, the Audit Committee reviews risks, procedures, internal control and relations with the external auditors.

## VI HARMONISATION OF THE ARTICLES OF ASSOCIATION WITH THE ORDER OF 24 JUNE 2004

We would ask that you make various amendments to the Articles of Association arising out of Order N°. 2004-604 of 24 June 2004 concerning reform of the transferable securities system.

This legislative text contains rules that have a direct impact on the wording of the Articles of Association, which we propose to amend accordingly. These rules are as follows:

- Redefinition of equity securities (ordinary and preference shares) and elimination of the concept of categories of shares (for ordinary shares).
- Elimination of priority shares, replaced by preference shares,
- Elimination of priority dividend shares without voting rights,
- Elimination of the exclusive competence of the Ordinary General Meeting to issue bonds.

Consequently, it is proposed that Articles 6, 8, 15 and 16 of the Articles of Association be amended as follows:

### ARTICLE 6 - SHARE CAPITAL

Paragraph 2 will henceforth read as follows, the rest of the Article remaining unchanged:

It is divided into 3,072,556 ordinary shares of € 1 per share.

### ARTICLE 8 - CAPITAL INCREASE

Paragraph 2 will henceforth read as follows, the rest of the Article remaining unchanged:

Preference shares enjoying advantages over all other shares may be created to represent capital increases, subject to the provisions of the Commercial Code regulating voting rights.

### ARTICLE 15 - PREFERENCE SHARES

The Article and title shall henceforth read as follows:

Upon the decision of the Extraordinary General Meeting, there may be created, through a capital increase or the conversion of ordinary shares already issued, preference shares which are themselves convertible into ordinary shares or preference shares of another category, all in the conditions and limits laid down by the provisions of the law in force. The company shall be entitled at any time to require, upon the decision of the Extraordinary General Meeting, the redemption or conversion of all of its own preference shares, pursuant to the provisions of the Commercial Code. The Extraordinary General Meeting may also delegate this power to the Board of Directors.

### ARTICLE 16 - ISSUE OF OTHER TRANSFERABLE

## SECURITIES

This Article shall henceforth read as follows:

The Board of Directors is authorized to decide or to authorize the issue of bonds. The Ordinary General Meeting may also exercise this power.

The issue of transferable securities giving access to the capital is within the competence of the Extraordinary General Meeting.

## VII CONCLUSION

We would ask that you grant full and final discharge to the Board of Directors in respect of its management duties for the financial year ending as at 31 December 2004, and to the Statutory Auditors for their audit, details of which are given in their general report.

The Board would ask you to vote to approve the texts of the resolutions it has proposed.

**The Board of Directors**

**APPENDIX: SUMMARY TABLE OF CURRENTLY VALID AUTHORIZATIONS AS REGARDS CAPITAL INCREASES  
AS OF 31 DECEMBER 2004**

In Euros	Date of AGM	Authorization expiry date	Amount authorized	Increase(s) effected in previous years	Increase(s) effected this year	Residual amount as at the date of this table
Authorization to effect a capital increase maintaining preferential rights of shareholders	27/06/03	26/08/05	30,000,000	0	938 583	29,061,417
Authorization to effect a capital increase without preferential rights of shareholders	27/06/03	26/08/05	30,000,000	0	0	29,061,417
Authorization to effect a capital increase with out preferential rights of shareholders in favour of members of a company savings scheme	27/06/01	26/06/06	1% of the share capital i.e. 21,339.73	0	0	1% of the share capital, i.e. 21,339.73
Authorization to issue share subscription warrants	27/06/03	26/08/06	5% of the share capital, i.e. 106,698.65	0	0	5% of the share capital, i.e. 106,698.65

## LAST FIVE FINANCIAL YEARS

NATURE OF INFORMATION	FINANCIAL YEAR 2000	FINANCIAL <sup>(1)</sup> YEAR 2001	FINANCIAL YEAR 2002	FINANCIAL YEAR 2003	FINANCIAL <sup>(2)</sup> YEAR 2004
<b>I -Capital at year-end</b>					
Share capital	1,512,274	2,133,973	2,133,973	2,133,973	3,072,556
Number of existing ordinary shares	1,983,973	2,133,973	2,133,973	2,133,973	3,072,556
Number of existing priority dividend shares (without voting rights)					
Maximum number of shares to be created in future:					
. Through bond conversion					
. Through the exercise of subscription rights	24,800 <sup>(3)</sup>	32,800 <sup>(4)</sup>	32,800 <sup>(4)</sup>	32,800 <sup>(4)</sup>	182,952 <sup>(5)</sup>
<b>II -Operations and results for the financial year</b>					
Turnover, excluding tax	230	120,359	973,132	859,011	1,066,745
Profit (loss) before tax, employee profit sharing and depreciation and amortisation charges and transfers to provisions	394,757	1,003,520	1,302,536	1,972,181	(458,519)
Tax on profits	(79,591)	(491,850)	(1,325,912)	(1,370,422)	(634,822)
Employee profit sharing payable for the financial year	0	0	0	0	0
Profit (loss) after tax, employee profit sharing, depreciation and amortisation charges and transfers to provisions	474,348	1,486,014	(2,452,595)	3,335,869	160,318
Distributed profits	453,682	496,474	0	0	0
<b>III -Earnings per share</b>					
After tax, employee profit sharing but before depreciation and amortisation charges and transfers to provisions	0.24	0.70	1.23	1.57	0.06
After tax, employee profit sharing and depreciation and amortisation charges and transfers to provisions	0.24	0.70	-1.15	1.56	0.05
Dividend paid on each share	0.23	0.22	0	0	0
<b>IV -Staff</b>					
Average number of staff employed during the financial year	0	0	10	10	11
Wage bill for the financial year	0	0	874,924	611,814	671,428
Amount paid out by way of welfare benefits for the financial year (social security, company welfare facilities etc.)	0	0	373,541	278,280	301,356

(1) Capital increase

(2) Capital increase

(3) Share subscription options granting entitlement to subscribe to 24 800 shares

(4) Options to subscribe to shares granting entitlement to subscribe to 24 800 shares

BSA 2001 granting entitlement to subscribe to 8 000 shares

(5) Share subscription options granting entitlement to subscribe, after adjustment, to 24 952 shares

BSA 2001 granting entitlement to subscribe to 8 000 shares

BSA 2004 granting entitlement to subscribe to 150 000 shares

### 5.3 SPECIAL REPORT ON SHARE PURCHASE AND SUBSCRIPTION OPTIONS

#### 1. Statement of share purchase and subscription options (225-184 para 1) granted to the corporate officers and employees of the company and controlled companies

Name of scheme	Date of authorization by the Meeting	Date of allocation by Board of Directors	Nature of transaction (P or S)	N°. options granted	Expiry date	Exercise price	N°. options exercised in 2003	Options exercised by 31 december 2003
Plan 1999	3 February 1999	5 July 1999	subscription	24,952*	5 July 2005	€ 22.25*	0	24,952*

\* number of shares and subscription price after adjustment of 30 June 2004:

Initially, 24 800 share subscription options were granted by the Board of Directors on 5 July 1999 to Ausy Group employees granting entitlement to the allocation of 24,800 shares at the price of € 22.38.

The conditions for exercising these options were adjusted by the Board of Directors on 30 June 2004, following the allocation free of charge to all Ausy shareholders of 2,133,973 BSA, 2 BSA granting entitlement to subscribe to one AUSY share at the price of € 5.15 between 8 June 2004 and 22 June 2004. The subscription price and the number of shares under option were adjusted pursuant to the provisions of Articles 174-8, 174-9, 174-13 and 174-1, 1, a) of the Decree of 23 March 1967.

Following this adjustment, the subscription options grant entitlement to subscribe to 24,952 shares at the price of € 22.25.

#### 2. Options granted to corporate officers in 2004 (225-184 para 2)

None

#### 3. Options exercised by corporate officers in 2004 (225-184 para 2)

None

#### 4. Options granted during 2004 to each of the ten company employees to whom the largest number of options was granted: (225-184 para 3)

None

#### 5. Options exercised in 2004 by each of the ten company employees by whom the largest number of shares was so purchase or subscribed: (225-184 para 3)

None

The Board of Directors

## 6. FINANCIAL STATEMENTS

### 6.1 CONSOLIDATED FINANCIAL STATEMENTS

#### I - CONSOLIDATED BALANCE SHEET

ASSETS (in thousands of euros)	Notes	31/12/04	31/12/03	31/12/02
Goodwill on acquisition	1	7,659	8,194	8,730
Intangible fixed assets	2	230	249	286
Tangible fixed assets	3	633	765	973
Financial fixed assets	4	1,147	2,591	258
Equity accounted shares	5			115
<b>Total fixed assets</b>		<b>9 669</b>	<b>11 799</b>	<b>10 362</b>
Trade debtors and related accounts	6	14,695	22,394	22,105
Other debtors and prepayments and accrued income	7	5,624	4,048	3,866
Short term investments	8	821	159	1 100
Cash at bank and in hand	9	4,572	3,875	1,310
<b>Total current assets</b>		<b>25,712</b>	<b>30,476</b>	<b>28,380</b>
<b>Total assets</b>		<b>35,380</b>	<b>42,275</b>	<b>38,743</b>

LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of euros)	Notes	31/12/04	31/12/03	31/12/02
Capital		3,073	2,134	2,134
Share premium accounts		11,049	7,276	7,276
Consolidated profit (loss) and reserves		-3,021	-1,003	2,321
<b>Group shareholders' equity</b>		<b>11,101</b>	<b>8,406</b>	<b>11,730</b>
<b>Minority interests</b>				
Provisions for liabilities and charges	10	1,481	1,024	1,020
Loans and financial liabilities	11	2,623	5,183	7,010
Trade creditors and related accounts	12	1,902	1,624	2,169
Other creditors and accruals and deferred income	13	18,273	26,038	16,813
<b>Total liabilities and shareholders' equity</b>		<b>35,380</b>	<b>42,275</b>	<b>38,743</b>

## II - CONSOLIDATED INCOME STATEMENT

PROFIT AND LOSS ACCOUNT (in thousands of euros)	Notes	31/12/04	31/12/03	31/12/02
<b>Turnover</b>	15	<b>75,891</b>	<b>70,182</b>	<b>77,566</b>
Other operating income	16	724	956	1,508
Consumables purchased				
Staff costs	17	-61,629	-59,500	-64,605
Other operating expenditure		-13,039	-12,232	-14,545
Taxes		-2,231	-2,070	-2,619
Depreciation and amortisation charges and transfers to provisions	18	-1,225	-1,149	-1,320
<b>PROFIT (LOSS) ON OPERATIONS</b>		<b>-1,509</b>	<b>-3,813</b>	<b>-4,014</b>
Financial income and expenses	19	-409	-316	-250
<b>PROFIT (LOSS) ON ORDINARY ACTIVITIES of consolidated companies</b>		<b>-1,918</b>	<b>-4,130</b>	<b>-4,264</b>
Extraordinary income and expenses	20	-22	-85	23
Income Tax	21	459	1 429	1 275
<b>NET PROFIT (LOSS) of consolidated companies</b>		<b>-1,482</b>	<b>-2,785</b>	<b>-2,965</b>
Share of profit (loss) of equity accounted affiliates				54
Amortisation of goodwill on acquisition		-536	-536	-3 760
<b>NET PROFIT (LOSS) of the consolidated group</b>		<b>-2,017</b>	<b>-3,321</b>	<b>-6,671</b>
Minority interests				1
<b>NET PROFIT (LOSS) (Group share)</b>		<b>-2,017</b>	<b>-3,321</b>	<b>-6,670</b>
<b>Earnings per share:</b>		<b>€</b>	<b>€</b>	
Earnings per share	22	-0.77	-1.56	-3.13
Diluted earnings per share		-0.77	-1.56	-3.13

### III - CASH FLOW STATEMENTS

In thousands of euros	31/12/04	31/12/03	31/12/02
<b>Cash flow from operating activities</b>			
Net Profit (loss) of consolidated companies	-1,482	-2,785	-2,965
Elimination of income and expenditure having no impact on cash flow or not generated by operating activities:			
. Depreciation, amortisation and provisions	766	708	1 069
. Change in deferred taxation	177	-58	58
. Capital gains on disposals, net of tax	3	107	70
Cash flow of consolidated companies	-536	-2 029	-1 768
Dividends received from equity-accounted affiliates			
Variation in working capital requirement	-1,462	8,012	295
<b>Cash flow generated by activity</b>	<b>-1,998</b>	<b>5,983</b>	<b>-1,473</b>
<b>Cash flow from investment operations</b>			
Acquisition of fixed assets	-251	-2,571	-417
Disposals of fixed assets	1,455	15	12
Effect of changes in scope of consolidation	24		
<b>Net cash flow from investment operations</b>	<b>1,204</b>	<b>-2,533</b>	<b>-405</b>
<b>Cash flow from financing operations</b>			
Dividends paid to parent company shareholders		-469	
Dividends paid to minority shareholders of consolidated companies			
Capital increases in cash	4,712		
Loans and financial liabilities contracted	2	426	592
Repayment of loans and financial liabilities	-2,361	-2,141	-2,038
<b>Net cash flow from financing operations</b>	<b>2,354</b>	<b>-1,715</b>	<b>-1,916</b>
<b>Change in cash flow</b>	<b>1,560</b>	<b>1,735</b>	<b>-3,794</b>
Cash flow at start of period	3,529	1,794	5,588
Cash flow at end of period	5,088	3,529	1,794
Effect of changes in foreign exchange rates			

#### Effect of the factoring agreement on cash flows as of 31/12/2004:

As of 31 December 2004, the balance transferred to the Factor totalled K€ 8,635. K€ 3,045 of the credit has been used. The remaining current account is therefore K€ 3,678. Disposals of fixed assets correspond primarily to decreased guarantees granted to the Factor.

#### IV - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of euros	Capital	Premiums	Consol. reserves	Profit (loss) for the period	Foreign exchange transl. diffs.	TOTAL
Position as of 31/12/02	2,134	7,276	8,987	-6,670	3	11,730
Consolidated profit (loss) for the period				-3,321		-3,321
Changes in exchange adjustments					-3	-3
Allocation of profit (loss) N-1			-6,670	6,670		
<b>Position as of 31/12/03</b>	<b>2,134</b>	<b>7,276</b>	<b>2,318</b>	<b>-3,321</b>		<b>8,406</b>
Change in capital of consolidating company	939	3,773				4,712
Consolidated profit (loss) for the period				-2,017		-2,017
Allocation of profit (loss) N-1			-3,321	3,321		
<b>POSITION AS OF 31/12/04</b>	<b>3,073</b>	<b>11,049</b>	<b>-1,003</b>	<b>-2,017</b>		<b>11,101</b>

#### V - NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Financial year from 1 January 2004 to 31 December 2004

##### A - Key events

Following the meeting of the Board of Directors of 30 June 2004, the share capital was increased by € 939, plus a share premium of K€ 3,895. The costs of this capital increase were set off against the share premium at the amount thereof, net of tax, i.e. K€ 197.

This capital increase arose out of the exercise of share subscription warrants issued and allocated free of charge to all the company's shareholders.

At the General Meeting of Shareholders of 30 November 2004, 150,000 share subscription warrants of €1 each were allocated to Mr Philippe MORSILLO. Half the subscription was effected in December for K€ 75, and the other half is scheduled to take place before 30 June 2005.

##### B - Scope of consolidation

###### B. 1 List of consolidated companies

Company	Country	% control	% interest	Method of consolidation
AUSY	France	-	-	Parent company
AUSY France	France	100%	100%	Full consolidation
AUSY Belgium	Belgium	100%	99%	Full consolidation
ON SITE France	France	100%	99%	Full consolidation
AUSY Luxembourg	Luxembourg	100%	100%	Full consolidation

## C - Accounting principles, methods of consolidation

### C - Accounting principles, methods of consolidation

#### C. 1 Consolidation principles

The consolidated financial statements have been prepared in compliance with the accounting principles and standards applicable in France and Regulation No. 99-02 of the Comité de la Réglementation Comptable [French accounting standards organisation]

The companies in which the group exercises exclusive control are fully consolidated.

The companies in which the group exercises a significant influence are consolidated according to the equity method.

The financial statements of the consolidated companies are, as applicable, restated in order to ensure consistency in the application of accounting and valuation rules.

All significant transactions between consolidated companies are eliminated, as are the group's internal results (dividends, capital gains etc.).

Companies acquired over the course of the financial year are consolidated on the basis of the portion of turnover made and expenses incurred between the acquisition date and year-end.

The financial year of all Group companies is twelve months, running from 1 January to 31 December each year.

#### C.2 Foreign currency translation method used to consolidate foreign subsidiaries

The financial statements of foreign companies (outside the euro zone) were translated at the closing rate for all balance sheet items and at the average rate for the year for the items of the profit and loss account.

Foreign currency translation differences are taken to shareholders' equity under foreign currency translation differences.

The foreign currency translation rates used are as follows:

euro/currency	Average rates			Closing rate		
	2004	2003	2002	2004	2003	2002
Swiss franc	(*)	(*)	1.4660	(*)	(*)	1.4524

(\*) In 2003 and 2004, no foreign currency translation was necessary as there was no Swiss subsidiary.

## D - Notes to the balance sheet

### 1 - Goodwill on acquisition

If the difference on acquisition of a shareholding between the acquisition price of a consolidated company and the group share in the identifiable assets and liabilities acquired, valued at fair value (on the date of first consolidation), is positive, it is taken to the assets and amortised on a straight line basis over periods determined on a case by case basis, and not exceeding 20 years.

Where it is negative, it is taken to the liabilities and recognised over periods determined on a case by case basis, not exceeding 20 years.

The Group records and estimates potential goodwill impairment according to the discounted free cash flow valuation method, on the basis of forecast medium term prospects. If these factors worsen in relation to initial forecasts, an additional amortisation charge is recorded for the difference between the amount recoverable on this basis and the net book value of the asset.

The goodwill amortisation base is in this case adjusted using the prospective method

in thousands of euros	Gross values				Amortisation				Net as of		
	Open	Increase	Decrease	Close	Open	Charges	Decrease	Close	31/12/04	31/12/03	31/12/02
1990	1,521			1,521	1,033	76		1,109	412	488	564
1992	62			62	35	3		38	24	27	30
1993	27			27	14	1		15	11	13	14
1998	16			16	4	1		5	11	11	12
1999	1 327			1,327	332	66		398	929	996	1,062
2001	11,123			11,123	4,464	388		4,852	6,271	6,659	7,047
2002	1			1	0	0		0	1	1	1
<b>Total goodwill on acquisition</b>	<b>14,076</b>			<b>14,076</b>	<b>5,882</b>	<b>536</b>		<b>6,418</b>	<b>7,659</b>	<b>8,194</b>	<b>8,730</b>

## 2 - Intangible fixed assets

in thousands of euros	Gross values				Amortisation				Net as of		
	Open	Increase	Decrease	Close	Open	Charges	Decrease	Close	31/12/04	31/12/03	31/12/02
Formation costs	1			1	1			1			
Software (a)	674	17		691	619	27		647	44	55	66
Concessions, patents, licences...	43	12		54	39	6		45	9	4	12
Goodwill (b)	443			443	253	14		267	176	190	204
Other intangible fixed assets	17			17	17			17			4
<b>Total intangible fixed assets</b>	<b>1,178</b>	<b>28</b>		<b>1,207</b>	<b>930</b>	<b>47</b>		<b>977</b>	<b>230</b>	<b>249</b>	<b>286</b>

### (a) Software

Costs relating to the design and development of certain software designed by the company are capitalised. The criteria used to capitalise these expenses are those issued by the Conseil National de la Comptabilité.

The costs are amortised over three years on a straight line basis from the date of the first sale.

Software packages purchased are booked at acquisition cost. They are amortised on a straight line basis over 4 years.

### (b) Goodwill

Goodwill acquired (where acquisition involves the client base but not the sales staff) is amortised on a straight line basis over 5 years. Goodwill contributed and goodwill acquired as part of the takeover of a company or business is amortised on a straight line basis over 20 years.

## 3 - Tangible fixed assets

Tangible fixed assets are valued at their acquisition cost (purchase price + incidental charges, other than transfer tax, commission, registration fees etc.).

Depreciation is calculated as follows:

Item	Method of depreciation	Period of depreciation
Building installations and improvements	Straight line	8 years
Transport equipment	Straight line	3 to 5 years
Office equipment	Straight line	5 years
Computer equipment	Straight line or diminishing balance	3 to 5 years
Furniture	Straight line	8 years

Breakdown of tangible fixed assets:

in thousands of euros	Gross values				Provisions				Net as of		
	Open	Increase	Decrease	Close	Open	Charges	Decrease	Close	31/12/04	31/12/03	31/12/02
Building installations and improvements	591	14	-6	600	386	60	-4	442	158	205	246
Transport equipment	155			155	41	36		77	78	114	101
Office and computer equipment	1,767	184	-100	1,851	1,456	209	-99	1,566	285	311	459
Furniture	374	14		388	239	36		274	113	135	167
<b>Total tangible fixed assets</b>	<b>2,887</b>	<b>212</b>	<b>-105</b>	<b>2,994</b>	<b>2,122</b>	<b>340</b>	<b>-102</b>	<b>2,360</b>	<b>633</b>	<b>765</b>	<b>973</b>

#### Finance leasing agreements

Vehicles financed by means of finance leasing are treated as if the corresponding assets had been acquired by means of a loan. They are capitalised and depreciated on a straight line basis over 5 years.

#### 4 - Financial fixed assets

in thousands of euros	Gross values				Provisions				Net as of		
	Open	Increase	Decrease	Close	Open	Charges	Decrease	Close	31/12/04	31/12/03	31/12/02
Other participating investments	2			2					2	2	2
Loans	2	-2								2	4
Deposits and guarantee deposits (a)	2,589	13	-1,455	1,147	1			1	1,145	2,587	252
<b>Total financial fixed assets</b>	<b>2,592</b>	<b>11</b>	<b>-1,455</b>	<b>1,148</b>	<b>1</b>			<b>1</b>	<b>1,147</b>	<b>2,591</b>	<b>258</b>
Maturing in less than one year									879	2,328	2

#### (a): Deposits and guarantee deposits:

The significant change in this item is accounted for by the guarantees and reserves required by the factoring company.

#### 5 - Equity-accounted investments

in thousands of euros	Gross values				Provisions				Net as of		
	Open	Increase	Decrease	Close	Open	Charges	Decrease	Close	31/12/04	31/12/03	31/12/02
Proactive Partners											115
<b>Total equity-accounted investments</b>											<b>115</b>

Shares in Proactive Partners were disposed of in March 2003, with retroactive effect to 1 January 2003.

#### 6 - Trade debtors and related accounts

Receivables are valued at their nominal value. Provisions are calculated on the basis of the risks identified according to each customer.

in thousand of euros	- 1 year	+ 1 year	TOTAL 31/12/04	TOTAL 31/12/03	TOTAL 31/12/02
Trade debtors	12,425		12,425	17,924	18,198
Bills receivable	224		224	2,306	1,989
Invoices still to be issued	1 975		1,975	2,083	1,862
Doubtful debts		542	542	632	344
<b>sub-total</b>	<b>14,624</b>	<b>542</b>	<b>15,166</b>	<b>22,945</b>	<b>22,392</b>
Provisions for doubtful debts		-471	-471	-551	-287
<b>Total trade debtors and related accounts</b>	<b>14,624</b>	<b>71</b>	<b>14,695</b>	<b>22,394</b>	<b>22,105</b>

As of 31 December 2004, this item no longer includes receivables assigned by AUSY France within the framework of the factoring agreement.

As of 31 December 2004, the balance assigned to the Factor by AUSY France totalled K€ 8,635.

## 7 - Other debtors and prepayments and accrued income

in thousand of euros	- 1 year	+ 1 year	TOTAL 31/12/04	TOTAL 31/12/03	TOTAL 31/12/02
Suppliers	17		17	90	61
Staff and welfare organisations	7		7	15	52
State <sup>(a)</sup>	394	3,459	3,854	3,165	2,600
Deferred tax assets (see breakdown)	409		409	586	528
Group and shareholders	75		75	5	
Sundry debtors <sup>(b)</sup>	1,108		1,108	35	327
Foreign exchange translation differences: assets				4	
Prepayments and accrued income	155		155	147	308
<b>sub-total</b>	<b>2,165</b>	<b>3,459</b>	<b>5,624</b>	<b>4,048</b>	<b>3,875</b>
Provisions					-9
<b>Total other debtors and prepayments and accrued income</b>	<b>2,165</b>	<b>3,459</b>	<b>5,624</b>	<b>4,048</b>	<b>3,866</b>

(a) This item includes a carry back of K€ 3,459 that can be discounted.

(b) This amount corresponds primarily to deductions by the Factor from receivables representing lump sum contracts

### Deferred tax assets

Deferred tax assets are shown on the profit and loss account and on the balance sheet to take account of any difference between the book value and the value for tax purposes of the assets and liabilities appearing on the consolidated balance sheet, whether they arise out of operations booked in the individual financial statements or only in the consolidated financial statements. (restatement pertaining to consolidation, eliminations etc.)

Deferred taxes are recognised according to the liability method, which takes account of the tax rates known at year-end. Deferred taxes are recognised as assets only to the extent that it is probable that future taxable profits will be available.

Breakdown of deferred tax - assets:

in thousands of euros	31/12/04	31/12/03	Variat.	31/12/02	Variat.
Provision for pension commitments	340	352	- 12	391	- 39
Restatement for leasing	3	3	+ 1	5	- 2
Restatement for uniformity				18	- 18
Losses that can be carried forward	812	1 163	- 352	949	+ 215
Temporary tax differences	116	83	+ 33	103	- 20
<b>Total deferred tax base</b>	<b>1,271</b>	<b>1,601</b>	<b>-329</b>	<b>1,465</b>	<b>+ 135</b>
<b>Deferred tax assets</b>	<b>409</b>	<b>586</b>	<b>- 178</b>	<b>528</b>	<b>+ 59</b>

The temporary differences relate primarily to the solidarity contribution (Organic) for previous years.

## 8 - Short term investments

in thousand of euros	31/12/04			31/12/03	31/12/02
	Total	Val.	+/- latent value		
Treasury stock	38	38		40	35
Sicav (UCITS)	764	772	8	99	940
Mutual funds	19	20	1	19	119
Certificates of deposit					
Other investments					5
Accrued interest receivable					1
<b>sub-total</b>	<b>821</b>	<b>829</b>	<b>8</b>	<b>159</b>	<b>1,100</b>
Provisions					
<b>Total short term investments</b>	<b>821</b>	<b>829</b>	<b>8</b>	<b>159</b>	<b>1,100</b>

The General Meeting of Shareholders of 3 February 1999 authorized Ausy to repurchase shares within the limits laid down by law. The treasury stock held was acquired within the framework of a liquidity agreement aimed at stabilising market prices.

## 9 - Cash at bank and in hand

in thousands of euros	31/12/04	31/12/03	31/12/02
Bills of exchange presented for redemption	9		
Bills of exchange presented for discounting			
Banks	4,560	3,873	1,308
Accrued interest receivable			
Cash in hand	2	2	2
<b>Total cash at bank and in hand</b>	<b>4,572</b>	<b>3,875</b>	<b>1,310</b>

Cash balances at year-end include the facility granted by the factoring company in the sum of K€ 3,678 as of 31 December 2004.

## 10 - Provisions for liabilities and charges

in thousands of euros	Charge	Released from provs.		31/12/04	31/12/03	31/12/02
		Used	Not used			
Provisions for litigation <sup>(a)</sup>	695	-173	-49	1,087	614	581
Provisions foreign exchange losses			-4		4	
Provisions for pensions and similar obligations <sup>(a)</sup>			-12	340	352	391
Provisions for restructuring						48
Miscellaneous provisions				54	54	
<b>Total provisions for liabilities and charges</b>	<b>695</b>	<b>- 173</b>	<b>- 65</b>	<b>1,481</b>	<b>1,024</b>	<b>1,020</b>

### (a) Provisions for litigation or miscellaneous liabilities and charges

Any litigation identified as of the date of closure of the accounts is the subject of a provision established according to the prudence principle. The elements making up these provisions are regularly analysed in order for any adjustments deemed economically justified to be made.

### (b) Provision for pension commitments

The Group's pension commitments are the subject of a provision booked in the consolidated financial statements. This provision is calculated on the basis of the likely current value of the benefits that the Group will have to pay to employees when they retire, adjusted by length of service as of the closing date. The current value is determined taking into account length of service and the likelihood of employees being with the company on retirement and future estimated salary. A declining turnover rate has been used according to age range and employee categories.

#### Actuarial hypothesis used:

- rate of inflation applied: 2%
- discount rate: 5%
- mortality table: TV 88-90
- retirement age: 60.

## 11 - Loans and financial liabilities

in thousands of euros	-1 year	+1 year -5 years	+5 year	31/12/04	31/12/03	31/12/02
Fixed rate bank loans	203	47		250	682	812
Variable rate bank loans	1,360	680		2,040	3,400	4,760
Total bank loans	1,563	727		2,290	4,082	5,572
Bank overdraft	304			304	505	616
Employee profit sharing					566	733
Group and shareholders						1
Sundry	30			30	30	88
<b>Total loans and financial liabilities</b>	<b>1,897</b>	<b>727</b>		<b>2,623</b>	<b>5,183</b>	<b>7,010</b>

Repayments for the financial year amounted to K€ 2 361.

Three financial criteria were required by the financial partners in order for the syndicated loan to be maintained. As of 31 December 2004, the criteria had not been met.

This loan is subject to specific guarantees, Note 14, § b.

## 12 - Trade creditors and related accounts

in thousands of euros	-1 year	+1 year -5 years	+5 year	31/12/04	31/12/03	31/12/02
Trade creditors	1,191			1,191	861	1,320
Invoices not yet received	712			712	763	849
<b>Total trade creditors and related accounts</b>	<b>1,902</b>			<b>1,902</b>	<b>1,624</b>	<b>2,169</b>

## 13 - Other creditors, accruals and deferred income

in thousands of euros	-1 year	+1 year -5 years	+5 year	31/12/04	31/12/03	31/12/02
Clients	336			336	171	214
Staff	4,415			4,415	4,396	4,623
Welfare organisations	7,146			7,146	7,026	6,289
State	5,293	65		5,358	5,066	4,819
Sundry creditors	197			197	8 665	23
Accruals and deferred income	819			819	714	844
<b>Total other creditors, accruals and deferred income</b>	<b>18,208</b>	<b>65</b>		<b>18,273</b>	<b>26,038</b>	<b>16,813</b>

Accruals and deferred income are accounted for by adjustments arising out of the turnover cut-off date: maintenance billed in advance, difference between technical progress and billing.

As of 31 December 2003, the item « sundry creditors » included a sum of M€ 8.4 representing the equivalent of receivables assigned under a factoring agreement.

As of 31 December 2004, these receivables are deducted direct from "Trade debtors and related accounts".

## 14 - Off-balance sheet commitments

### a) Guarantees given

The Group's guarantees concern property guarantees in the sum of K€ 96 as of 31 December 2004 (against K€ 103 for 2002 and 2003). In 2003, guarantees for customer projects in the sum of K€ 22 were given compared to K€ 95 at the end of 2002.

### b Liabilities accompanied by a guarantee

The swap agreement backing the syndicated loan generates an off-balance sheet commitment of K€ 2,040 as of year-end. This commitment is given and received. It was K€ 3,400 at the end of 2003. This swap agreement involves a variable rate swap and matches the term of the syndicated loan.

The company has pledged the shares of the Belgian and Luxembourg companies as security for the syndicated loan, the amount of which still outstanding as of 31 December 2004 is K€ 2,040.

It was agreed to pledge the business assets of Onsite SA (which became Ausy Belgium) as security for very short term credits which can be used by the Belgian subsidiary. As of 31 December 2004, K€ 300 has been used.

## E - NOTES TO THE INCOME STATEMENT

### 15 - Turnover

Income is taken into account as and when the service is provided (percentage of completion method).

in thousands of euros	France	Belgium	Other E.U.	Other countries	Total
<b>Turnover 2004</b>	<b>67,229</b>	<b>7,636</b>	<b>919</b>	<b>106</b>	<b>75,891</b>
<b>%</b>	<b>88.6%</b>	<b>10.1%</b>	<b>1.2%</b>	<b>0.1%</b>	
Turnover 2003	61,582	6,196	1,570	834	70,182
%	87,7%	8,8%	2,2%	1,2%	
<b>Variation 2004/2003</b>	<b>+ 9,2%</b>	<b>+ 23,2%</b>	<b>- 41,5%</b>	<b>- 87,3%</b>	<b>+ 8,1%</b>
Turnover 2002	68,586	6,728	1,310	943	77,566
%	88,4%	8,7%	1,7%	1,2%	
Variation 2003/2002	- 10,2%	- 7,9%	+ 19,9%	- 11,6%	- 9,5%

### 16 - Other operating income

in thousands of euros	31/12/04	31/12/03	31/12/02
Amounts released from provisions for liabilities and charges	252	385	210
Amounts released from provisions for diminution in value	203	60	42
Transfers of staff costs	95	361	764
Other transfers of charges	56	22	36
Other income	118	128	457
<b>Total other operating income</b>	<b>724</b>	<b>956</b>	<b>1,508</b>

Transfers of staff costs concern repayments received from various organisations: Apicil (welfare payments), Agefos, Fafiec, Fongecif, and consideration for benefits in kind.

### 17 - Staff costs

in thousands of euros	31/12/04	31/12/03	31/12/02
Wages and salaries	42,879	41,663	45,643
Social charges	18,750	17,837	18,962
<b>Total staff costs</b>	<b>61,629</b>	<b>59,500</b>	<b>64,605</b>

## 18 - Depreciation and amortisation charges and transfers to provisions

in thousands of euros	31/12/04	31/12/03	31/12/02
Depreciation and amortisation of fixed assets	388	450	529
Transfers to provisions for liabilities and charges	714	375	543
Transfers to provisions for diminution in value of clients	123	323	177
Transfers to provisions for pension commitments			71
<b>Total depreciation and amortisation charges and transfers to provisions</b>	<b>1,225</b>	<b>1,149</b>	<b>1,320</b>

## 19 - Financial income and expense

in thousands of euros	31/12/04	31/12/03	31/12/02
Income from short term investments	25	19	154
Transfers to/Amounts released from provisions for financial liabilities and charges	4	-4	
Loan interest	-174	-239	-344
Interest on frozen employee profit sharing accounts	-9	-41	-51
Other financial expense (*)	-254	-51	-9
<b>Total financial income and expense</b>	<b>-409</b>	<b>-316</b>	<b>-250</b>

(\*): of which expense associated with factoring agreement: K€ 204.

## 20 - Extraordinary profit (loss)

Only income and expense not generated by the company's ordinary activities and which is non-recurring is classed as extraordinary profit (loss). Such is the case in particular for capital gains or losses on the disposal of assets.

Share of tax on profits relating to extraordinary profit (loss):

in thousands of euros	31/12/04	31/12/03	31/12/02
Extraordinary profit (loss)	-22	-85	23
Tax on profits	8	29	-

## 21 - Tax on profit

in thousands of euros	31/12/04	31/12/03	31/12/02
Tax on profit	636	1,371	1,321
(of which receivable arising out of the carry back of losses)	(763)	(1,370)	(1,326)
Withholding on distributed capital gains	0	0	-1
Variation in deferred tax	-177	59	-58
Tax credits			13
<b>Total tax on profits</b>	<b>459</b>	<b>1,429</b>	<b>1,275</b>

Reconciliation of tax expense and pre-tax income:

in thousands of euros	Tax base	Corresponding tax
Net profit (loss) of consolidated companies	-1,482	
Tax on profits	459	
<b>Profit (loss) before tax on profits</b>	<b>-1,940</b>	
Theoretical tax at the rate in force for the consolidating company, i.e.: 34,33%		666
Effect of non-deductible expenses		-102
Effect of rate changes		-87
Unused tax losses		-8
Sundry		-11
<b>TOTAL</b>		<b>459</b>

Ausy SA and Ausy France are members of the same tax group.

## 22 - Earnings per share

Earnings per share are calculated on the basis of the weighted average number of shares in circulation over the financial year in question.

Diluted earnings per share are calculated by applying the share buy back method.

Where earnings per share are negative, diluted earnings per share will be identical since distribution of the loss over a large amount of shares cannot be deemed to have a diluting effect.

AUSY's share capital has changed over the course of the financial year from 2,133,973 shares as of 1 January to 3,072,556 at the time of the capital increase of 30 June 2004.

Since earnings per share are negative, diluted earnings per share are the same as basic earnings per share.

## F - OTHER INFORMATION

### 1 - Average number of employees

	2004	2003	2002
France	1,036	1,010	1,078
Benelux	72	76	89
<b>TOTAL</b>	<b>1,108</b>	<b>1,086</b>	<b>1,167</b>
<b>Breakdown by category:</b>			
Production staff	980	949	1 013
Structural staff	128	137	154

## 2 - Remuneration of members of the management bodies

The members of the Board of Directors and of the Group management committee received total payments of € 518,072.

No advances, loans or guarantees were granted in favour of members of the Group management committee.

No commitment as regards pensions and similar benefits has been assumed in favour of members or former members of the management bodies.

## 3 - Information by sector

This information is presented on the basis of geographical segmentation between the France zone and the Belux zone.

Income and expense by sector is determined before elimination of intra-group transactions, save where these transactions are within the same geographical sector.

### Financial year closing as of 31 December 2004:

in thousands of euros	FRANCE	BELUX	Eliminations, restatement	TOTAL
Turnover	67,332	8,883	-324	75,891
Profit (loss) on operations	-1,792	282	0	-1,509
Fixed assets not including shares of group companies and not including goodwill <sup>(1)</sup>	2,180	148	-318	2,010
Workforce	1,036	72		1,108

(1): including amounts given as security in relation to the factoring agreement totalling K€875 (AUSY France).

### Financial year closing as of 31 December 2003:

in thousands of euros	FRANCE	BELUX	Eliminations, restatement	TOTAL
Turnover	62,545	8,014	-377	70,182
Profit (loss) on operations	-3,911	98		-3,813
Fixed assets not including shares of group companies and not including goodwill <sup>(1)</sup>	3,811	155	-361	3,604
Workforce	1,010	76		1,086

(1): including amounts given as security in relation to the factoring agreement totalling K€ 2,326 (AUSY France).

## 6.2 PARENT COMPANY FINANCIAL STATEMENTS

### I - BALANCE SHEET

ASSETS (in thousands of euros)	Notes	Gross	Deprec. amort. & Provisions	Net 31/12/04	Net 31/12/03
Tangible fixed assets	(1)	53	36	16	32
Financial fixed assets	(2)	14,981	5,076	9,905	9,905
Other financial fixed assets		1		1	
<b>Total fixed assets</b>		<b>15,035</b>	<b>5,112</b>	<b>9,922</b>	<b>9,937</b>
Trade debtors and related accounts	(3)	542		542	465
Other debtors	(3)	7,454		7,454	4,633
Short term investments	(4)	821		821	159
Cash at bank and in hand		19		19	24
<b>Total current assets</b>		<b>8,836</b>		<b>8,836</b>	<b>5,281</b>
Prepaid expenses		6		6	5
<b>Total assets</b>		<b>23,877</b>	<b>5,112</b>	<b>18,765</b>	<b>15,223</b>

LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of euros)	Notes	31/12/04	31/12/03
Capital		3,073	2,133
Premiums		11,049	7,276
Legal reserve		119	119
Retained earnings		1,826	(1,510)
Profit (loss)		160	3,336
<b>Shareholders' equity</b>	<b>(5)</b>	<b>16,227</b>	<b>11,354</b>
Provisions for liabilities and charges			
Bank loans and overdrafts	(6)	2,046	3,410
Sundry loans and financial liabilities	(6)	49	62
Trade creditors and related accounts	(7)	148	191
Tax and social security	(7)	282	204
Other operating liabilities	(7)	13	1
<b>Liabilities</b>		<b>2,538</b>	<b>3,868</b>
<b>Total liabilities and shareholders' equity</b>		<b>18,765</b>	<b>15,223</b>

## II - INCOME STATEMENT

<b>PROFIT AND LOSS ACCOUNT (in thousands of euros)</b>	<b>Notes</b>	<b>31/12/04</b>	<b>31/12/03</b>
Turnover	(9)	1,067	859
Other operating income and amounts released from provisions		0	9
<b>Total operating income</b>		<b>1,067</b>	<b>868</b>
Other purchases and external charges		508	436
Tax		21	22
Staff costs		972	890
Depreciation and amortisation charges and transfers to provisions		16	16
Other charges		0	9
<b>Total operating expenses</b>		<b>1,517</b>	<b>1,374</b>
<b>PROFIT (LOSS) ON OPERATIONS</b>		<b>(451)</b>	<b>(506)</b>
Financial income	(10)	97	2,596
Financial expenses	(11)	120	126
<b>PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX</b>		<b>(474)</b>	<b>1,964</b>
Extraordinary income	(12)	0	24
Extraordinary expenses	(12)	0	23
<b>EXTRAORDINARY PROFIT (LOSS)</b>		<b>0</b>	<b>1</b>
Income Tax	(13)	635	1,370
<b>NET PROFIT (LOSS)</b>		<b>160</b>	<b>3,336</b>

## III - NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

### A - GENERAL PRINCIPLES

The annual financial statements have been prepared in accordance with the accounting principles and standards applicable in France. The basic method used to value the items of the accounts is the historical cost method.

### B - KEY EVENTS

Following a meeting of the Board of Directors on 30 June 2004, the share capital was increased by K€ 939, plus an issue premium of K€ 3 895. The costs of the capital increase were set off against the issue premium for their amount net of tax, i.e. K€ 197.

This increase arose out of the exercise of share subscription warrants issued and allocated free of charge to all the company's shareholders.

At the General Meeting of 30 November 2004, 150,000 share subscription warrants of € 1 each were allocated to Mr Philippe MORSILLO. Half of the subscription took place in December for €75, and the other portion is scheduled to take place by 30 June 2005.

## C - INFORMATION CONCERNING THE BALANCE SHEET

### List of subsidiaries and participating interests

Financial information (in thousands of euros)	Capital	Shareholders' equity other than le capital	Share of capital held (as a percentage)	Book value of investments held	
				Gross	Net
<b>Subsidiaries and participating interests</b>					
<b>A. Detailed information on each investment where the gross value exceeds 1% of the capital of the disclosing company:</b>					
<b>1. Subsidiaries holding of + 50%):</b>					
AUSY France	1,380	- 4,389	100%	2,991	2,991
AUSY Belgium	425	306	90%	10,464	6,912
<b>2. Participating interests (holding between 10 and 50%):</b>					
AUSY Luxembourg	614	- 424	47%	1,524	0
<b>B. General information on the other investments, the gross value of which does not exceed 1% of the capital of the disclosing company:</b>					
French subsidiaries (all)					
Foreign subsidiaries (all)					
Participating investments in French companies (all)					
Participating investments in foreign companies (all)					
<b>C. General information on investments (A+B):</b>					
French subsidiaries (all)	1,380	-4,389		2,991	2,991
Foreign subsidiaries (all)	425	306		10,464	6,912
Participating investments in French companies (all)	0	0		0	0
Participating investments in foreign companies (all)	614	-424		1,524	0

### Note 1 - Tangible fixed assets

Depreciation is calculated as follows:

Transport equipment:	Straight line	3 to 4 years
Computer equipment:	Straight line or diminishing balance	3 to 5 years

### Note 2 - Financial fixed assets

This item comprises participating investments held. In 2002, the Belgian and Luxembourg subsidiaries were the subject of a provision for diminution in value of € 5,076k. This provision was calculated by comparing the inventory value of the investments against their book value. Within the framework of the Group's consolidated financial statements as of 31 December 2004, a goodwill impairment test was carried out for these subsidiaries which generated no additional diminution in goodwill and made it possible to confirm the book value of these investments in the accounts of Ausy SA.

Loans and advances granted by the company and not yet repaid	Amount of guarantees and avals given by the company	Turnover not including tax for the year ending	Profit or loss from the last financial year	Dividends received by the company during the financial year	Observations
0	0	67,263	- 1,701	0	
0	0	7,316	167	0	
0	0	1,872	30	0	
0	0	67,263	- 1,701	920	
0	0	7,316	167	0	
0	0	0	0	0	
0	0	1,872	30	0	

### Note 3 - Debtors

#### Trade debtors

Trade debtors amount to K€ 542. This item comprises in full receivables from subsidiaries at less than one year.

#### Other debtors

Other debtors include a carry back receivable that can be discounted for 2002, 2003 and 2004 for a total of K€ 3,459, the initial maturity of which is 5 years and a current account of K€ 3,773 from its French subsidiary.

Amounts receivable included in other debtors amount to K€ 72.

#### Note 4 - Short term investments

##### Treasury shares

Within the framework of a liquidity agreement, Ausy S.A. holds 1,305 treasury shares for a total of K€ 11 (market value).

##### Short term investments

Short term investments are booked at their acquisition price.

Acquisitions over the period totalled K€ 5,187 and disposals K€ 4,522.

These transactions generated a capital gain of K€ 25. As of 31 December 2004, there was an estimated latent capital gain of K€ 8.

#### Note 5 - Shareholders' equity

The share capital comprises 3,072,556 shares with a nominal value of € 1 per share. A capital increase was effected on 30 June 2004 through the issue of 1,877,166 BSA, resulting in the subscription of 938,583 new shares having a nominal value of € 1 per share.

Table of changes in shareholders' equity:

In thousands of euros	2004	2003
<b>Opening shareholders' equity</b>	<b>11,354</b>	<b>8,019</b>
Capital increase (*)	4,713	
Profit (loss) for the year	160	3 336
<b>Closing shareholders' equity</b>	<b>16,227</b>	<b>11,354</b>

(\*) See key events

#### Note 6 - Loans and financial liabilities

In thousands of euros	TOTAL	- 1 year	+ 1 year
Bank loans and overdrafts (*)	2,046	1,366	680
Group	49	19	30
<b>TOTAL</b>	<b>2,095</b>	<b>1,385</b>	<b>710</b>
Of which charges payable	6	6	

(\*) amount of loans repaid over the course of the financial year: K€ 1,360

The company entered into a swap agreement backing the syndicated loan based on a swap of variable rates involving a nominal amount of K€ 2,040.

3 financial criteria were required by financial partners in order to maintain this syndicated loan. As of year-end, these criteria had not been met.

#### Note 7 - Other debts

All these items mature within one year.

Charges payable, included under other debts, amount to K€ 199:

Trade creditors	76
Tax and social security	110
Other	13
Total	199

#### Note 8 - Items included under more than one balance sheet entry

Balance sheet entry (in thousands of euros)	Amount concerning the companies		Amount of debts or receivables represented by commercial paper
	Associated (> 50%)	In which the company has a participating interest (< 50%)	
Participating interests	9,904		
Trade creditors and related accounts	542		
Other creditors	3,845		
Trade debtors and related accounts	18	7	
Financial liabilities	49		

## D - INFORMATION CONCERNING THE INCOME STATEMENT

#### Note 9 - Turnover

The full figure for turnover is accounted for by holding company activity billed to its subsidiaries.

#### Note 10 - Financial income

This item includes interest on the current account with the French subsidiary (K€ 72) and a capital gain on the disposal of short term investments (K€ 25).

#### Note 11 - Financial expense

This item includes bank interest (K€ 88) and a loss on the syndicated loan swap (K€ 32).

#### Note 12 - Extraordinary income and expense

None

### Note 13 - Tax on profits

The company is part of a tax group within the meaning of Articles 223A to U of the General Tax Code. Tax charges are recorded by each beneficiary subsidiary as if it were not part of the tax group. Any tax savings associated with losses are booked by the parent company and regarded as an immediate gain for the financial year.

Breakdown:

	2004	2003
Fixed income tax	-30	0
Carry back	763	1,370
Tax on costs of capital increase	-98	
<b>TOTAL</b>	<b>635</b>	<b>1,370</b>

## E - OTHER INFORMATION

### Note 14 - Average number of staff members

	Management	Employees	Total
Men	4		4
Women	5	2	7
<b>TOTAL</b>	<b>9</b>	<b>2</b>	<b>11</b>

### Note 15 - Commitments

#### a) Commitments in respect of pensions, retirement and benefits

The company's commitments as regards pensions benefits are not the subject of any provision in the accounts. As of year-end, they amount to K€ 27. This amount is calculated on the basis of the probable amount that the company will have to pay to its employees when they retire, adjusted by length of service as of the closing date.

The current value is calculated taking into account length of service and the probability of the employee being with the company as of the date of retirement, as well as estimated future salaries.

#### b) Off-balance sheet commitments

The company has pledged the shares of the Belgian and Luxembourg entities as security for the syndicated loan, the amount outstanding as of 31 December 2004 being K€ 2,040. The swap agreement backing the syndicated loan generates an off-balance sheet commitment of K€ 2,040 as of year-end. This commitment is given and received. At the end of 2003, it amounted to K€ 3,400. The swap agreement involves a variable rate swap and it matches the term of the syndicated loan.

### Note 16 - Remuneration of members of the management bodies

The remuneration paid to members of the management and administration bodies for the financial year 2004 in respect of their duties amounted to K€ 319.

## 7. CERTIFICATIONS AND REPORTS

### 7.1 INDIVIDUAL RESPONSIBLE FOR THE REFERENCE DOCUMENT

#### 7.1.1 Name of the individual

Mr Jean-Marie MAGNET, Chairman of the Board of Directors

#### 7.1.2 Certification of the individual responsible for the reference document

«To our knowledge, the information contained in this reference document is true. It includes all the information needed by investors to form an opinion on the net worth, the activity, the financial position, the results and the prospects of the Company. No information has been omitted that would alter the scope of this reference document».

Issy-les-Moulineaux, 3 may 2005

A handwritten signature in blue ink, appearing to read 'Magnet', enclosed within a large, stylized blue scribble or flourish.

Monsieur Jean-Marie MAGNET  
Chairman and CEO

## 7.2 INDIVIDUALS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

### 7.2.1 Names of the statutory auditors

#### Statutory auditors

- Calan Ramolino et Associés, represented by Mr Jean-Marc LUMET, 191, avenue Charles de Gaulle - 92200 NEUILLY-SUR-SEINE.  
Appointed by the Ordinary General Meeting, meeting as an Extraordinary Meeting, of 31 December 1998; re-appointed by the General Meeting of 27 June 2003 for a period of 6 financial years; term of office expires in the financial year ending as of 31-12-2009.
- Prestige International Audit, represented by Mr Benoit GILLET and Madame Sophie DUVAL, 21, rue d'Artois - 75008 PARIS.  
Appointed by the Combined General Meeting of 27 June 2002 for a period of 6 financial years; term of office expires in the financial year ending as of 31-12-2007.

#### Deputy auditors:

- COEXCOM, 65 avenue Kléber - 75116 Paris,  
Appointed by the General Meeting of 30 June 2004 for a period of 6 financial years; term of office expires in the financial year ending as of 31-12-2009.
- BEAS, 7-9 villa Houssay - 92200 Neuilly sur Seine.  
Appointed by the Combined General Meeting of 27 June 2002 for a period of 6 financial years; term of office expires in the financial year ending as of 31-12-2007.

### 7.2.2 Fees of the statutory auditors

in k€	Calan Ramolino Deloitte Touche				Prestige International Audit			
	Amount		%		Amount		%	
	2004	2003	N	N-1	2004	2003	N	N-1
<b>Audit</b>								
Auditing, certification, examination of the individual and consolidated financial statements	100	83	96%	100%	41	26	91%	100%
Additional assignments	4		4%		4		9%	
<b>Sub-total</b>	<b>104</b>	<b>83</b>	<b>100%</b>	<b>100%</b>	<b>45</b>	<b>26</b>	<b>91%</b>	<b>100%</b>
<b>Other services, as applicable</b>								
Legal, tax, social								
Information technology								
Internal Audit								
Other								
<b>Sub-total</b>								
<b>TOTAL</b>	<b>104</b>	<b>83</b>	<b>100%</b>	<b>100%</b>	<b>45</b>	<b>26</b>	<b>100%</b>	<b>100%</b>

### 7.2.3 Opinion on the truthfulness of the reference document

**Prestige International Audit**  
21, rue d'Artois  
75008 Paris

**Calan Ramolino & Associés**  
191, avenue du Général de Gaulle  
92200 Neuilly-sur-Seine

**AUSY** Société Anonyme  
10, rue des Acacias - 92130 Issy-Les-Moulineaux

**OPINION OF THE STATUTORY AUDITORS  
ON THE REFERENCE DOCUMENT**  
Financial year ending as of 31 December 2004

As statutory auditors of Ausy and pursuant to Article 211-5-2 of the general regulations of the Autorité des marchés financiers, in accordance with the professional standards applicable in France, we have audited the information relating to the financial position and historical accounts shown in this reference document.

This reference document was prepared by the Board of Directors. It is our duty to express an opinion on the truthfulness of the information it contains regarding the financial position and the accounts.

In accordance with French accounting standards, our tests consisted of assessing the truthfulness of the information relating to the financial position and the accounts, in order to verify that it matched the accounts being reported on. These checks also included examining the other information contained in the reference document, in order to identify, where applicable, any significant inconsistencies with the information relating to the financial position and the accounts and to highlight any clearly erroneous information that we may detect on the basis of the general knowledge we acquired on the company during our assignment. This reference document contains no individual forecast data derived from a structured drafting process.

The annual and consolidated financial statements for the financial years ending as of 31 December 2004, 2003 and 2002 as prepared by the Board of Directors in accordance with French accounting principles, were audited by us using the professional standards applicable in France, and certified without reservation or comment.

The reference document also contains:

- The general report and the report on the consolidated financial statements as of 31 December 2004 of the statutory auditors (section 7.2 of the reference document) containing explanations of the assessments of the statutory auditors prepared pursuant to the provisions of Article L. 225-235 of the Commercial Code;
- The report of the statutory auditors (section 1.4 of the reference document), prepared pursuant to the last paragraph of Article L. 225-235 of the Commercial Code, on the report of the Chairman of the Board of Directors describing the internal control procedures relating to the preparation and processing of accounting and financial information.

On the basis of our audit, we have no comment to make on the truthfulness of the information relating to the financial position and the accounts shown in the reference document.

Neuilly-sur-Seine et Paris, 3 may 2005

The Statutory Auditors

**Prestige International Audit**



Sophie DUVAL



Benoît GILLET

**Calan Ramolino & Associés**



Jean-Marc LUMET

## 7.2.4 General report on the consolidated financial statements

### Prestige International Audit

21, rue d'Artois  
75008 Paris

### Calan Ramolino & Associés

191, avenue du Général de Gaulle  
92200 Neuilly-sur-Seine

AUSY Société Anonyme  
10, rue des Acacias - 92130 Issy-Les-Moulineaux

### REPORT OF THE STATUTORY AUDITORS Consolidated Financial Statements Financial year ending as of 31 December 2004

In performance of the task entrusted to us by the General Meeting of Shareholders, we have audited the consolidated financial statements of AUSY for the financial year ending as of 31 December 2004, as attached to this report.

The consolidated financial statements were prepared by the Board of Directors. Our responsibility is to express an opinion on these accounts based on our audit work.

#### 1. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit so as to obtain reasonable assurance that the consolidated financial statements are free of any material misstatement. An audit includes the examination, by means of selective tests, of the documentation supporting the information contained in the accounts. It also includes an evaluation of the accounting principles applied and any significant estimates made in preparing the accounts and an evaluation of their presentation as a whole. We believe that our audit provides a reasonable basis for our opinion which is expressed below.

We certify, having regard to French accounting principles, that the financial statements present a true and fair view of the net worth, the financial position and results of the group of companies included in the consolidation.

#### 2. Explanation of our evaluations

Pursuant to the provisions of Article L. 225-235 of the Commercial Code concerning explanation of our evaluations, we would inform you of the following:

Note D1 of the Notes to the financial statements describes the accounting rules and methods relating to the valuation of goodwill on acquisition. Our job is to evaluate the suitability of the methodology applied, to evaluate the data and assumptions upon which these estimates are based and to review the calculations made by the company. We have, on this basis, found the estimates made to be reasonable.

The evaluations thus made are part of our audit of the consolidated financial statements taken as a whole and therefore contributed to the unqualified opinion expressed in the first section of this report.

#### 3. Specific checks

In addition, we checked the information relating to the Group given in the management report. We have no comment to make as to its truthfulness and consistency with the consolidated financial statements.

Paris and Neuilly, 6 April 2005

The Statutory Auditors

### Prestige International Audit




Sophie DUVAL



Benoît GILLET

### Calan Ramolino & Associés



Jean-Marc LUMET

## 7.2.5 General report on the company financial statements

### Prestige International Audit

21, rue d'Artois  
75008 Paris

### Calan Ramolino & Associés

191, avenue du Général de Gaulle  
92200 Neuilly-sur-Seine

AUSY Société Anonyme  
10, rue des Acacias - 92130 Issy-Les-Moulineaux

### GENERAL REPORT OF THE STATUTORY AUDITORS Annual financial statements Financial year ending as of 31 December 2004

In performance of the task entrusted to us by the General Meeting of Shareholders, we present our report for the financial year ending as of 31 December 2004 on:

- the audit of the annual financial statements of Ausy, as attached to this report,
- explanation of our evaluations,
- the specific checks and information required by law.

The annual financial statements were prepared by the Board of Directors. Our job, on the basis of our audit, is to express an opinion on these accounts.

#### 1. Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit so as to obtain reasonable assurance that the annual financial statements are free of any material misstatement. An audit includes the examination, by means of selective tests, of the documentation supporting the information contained in the accounts. It also includes an evaluation of the accounting principles applied and any significant estimates made in preparing the financial statements and an evaluation of their presentation as a whole. We believe that our audit provides a reasonable basis for our opinion which is expressed below.

We certify, having regard to the French accounting regulations and principles, that the annual financial statements are correct and give a true and fair view of the results of the company's operations over the course of the financial year ending and the company's financial situation and net worth at the end of this financial year.

#### 2. Explanation of evaluations

Pursuant to the provisions of Article L.225-235 of the Commercial Code concerning explanation of our evaluations, we would inform you of the following:

As indicated in Note C2 of the Notes to the financial statements concerning the valuation of participating investments, the goodwill impairment tests carried out within the framework of the Group consolidated financial statements confirmed the net book value of the participating investments. As part of our evaluation, we reviewed these assumptions and checked that the estimates made were reasonable.

The evaluations thus made constitute a part of our audit of the annual financial statements taken as a whole and therefore contributed to our unqualified opinion expressed in the first section of this report.

### 3. Specific checks and information

Pursuant to the professional standards applicable in France, we also conducted the specific checks required by law. We have no comment to make as to the sincerity and consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the documents sent to shareholders on the financial situation and the annual financial statements.

As required by law, we obtained assurance that the various information relating to the identity of the holders of the capital and voting rights was provided to you in the Management Report.

Paris and Neuilly, 6 April 2005

The Statutory Auditors

#### Prestige International Audit



Sophie DUVAL



Benoit GILLET

#### Calan Ramolino & Associés



Jean-Marc LUMET

## 7.2.6 Special report on regulated agreements

### Prestige International Audit

21, rue d'Artois  
75008 Paris

### Calan Ramolino & Associés

191, avenue du Général de Gaulle  
92200 Neuilly-sur-Seine

AUSY Société Anonyme

10, rue des Acacias - 92130 Issy-Les-Moulineaux

### SPECIAL REPORT OF THE STATUTORY AUDITORS

Financial year ending as of 31 December 2004

As the auditors of your company, we are obliged to present a report on the regulated agreements of which we have been notified. It is not our job to seek out the existence of any such agreements.

We would inform you that we have been notified of no regulated agreement as referred to in Article L. 225-38 of the Commercial Code.

Paris and Neuilly, 6 April 2005

The Statutory Auditors

### Prestige International Audit



Sophie DUVAL



Benoît GILLET

### Calan Ramolino & Associés



Jean-Marc LUMET

## 8 CROSS REFERENCE TABLE

### OF THE REFERENCE DOCUMENT

(pursuant to Articles 211-1 to 211-42 of the General Regulations of the AMF)

The annual report having been filed as the reference document approved by the Autorité des Marchés Financiers, this table indicates for each of the headings covered by these regulations, the number of the page on which the required information may be found.

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