Reference document
2008/2009

The power of simplicity
«Ce qui est simple est fort»

solucom
management & IT consulting

Pascal Imbert

Chairman of the Board

Michel Dancoisne

Chairman of the Supervisory Board

“ A new status in the market ”

Chairmen’s message

Dear shareholders,

Two years ago we set ourselves an ambitious objective: to become one of the top five IT consulting firms in France by 2010.

This objective has now been reached, a year ahead of target.

With nearly a thousand employees and a turnover of more than 100 million euros on 31 March 2009, Solucom is now one of the leading consulting firms alongside IBM, Capgemini, Logica and Accenture. This position was achieved by an acceleration in our growth rate: more than 40% per year for two years compared to an average of 25% for the previous three years.

This change in size has been accompanied by a considerable expansion of the areas in which we are active. We have strengthened our position as a leading technology consultant, traditionally the firm's core activity, and have also acquired strong positions providing consulting services on management, governance, and major IT projects. With 30% of turnover now outside of technology related services, the broadening of our position has become a reality.

The quality of our results is as strong as ever. Solucom remains one of the most profitable companies in its sector with an operating margin of 11.2% at the end of the last financial year. Solucom also has a solid financial position with equity of 32.1 million euros and gearing of only 16%.

As you have observed, the last two years have seen the accomplishment of many of our ambitions.

However, with the current financial crisis, the future is somewhat uncertain and our development must now face a market environment that has drastically deteriorated.

We are therefore in a situation in which our priorities must be reversed. For once, we will not focus on growth, but rather on securing our activities and maintaining our margins.

Our objectives for 2009/2010 are very conservative and reflect this cautious attitude: turnover in excess of 102 million euros and an operating margin of between 8% and 10%. These objectives will be fine-tuned, if necessary, as our forecasting abilities gradually improve.

We are confident of our capacity to overcome the crisis. We have numerous advantages to help us in this challenge, notably our new status as a major player in the market.

We thank you for your confidence. It is vital for us during the period of uncertainty that lies ahead, just as it was in the achievement of the results that we are proud to present in this annual report.

Solucom's profile

Solucom is a consulting firm offering management and IT services.

Our clients include some of France's largest companies and organizations.

For these clients, we work with their business and IT departments, in the context of strategy development, idea innovation and transformation projects.

Solucom was built on the basis of a simple idea: to bring together within the same firm the best expertise in the market for each of the key areas in management and IT consultancy, and to seamlessly combine all of our skills in order to provide exceptional added value in all of the tasks that we undertake.

Our wide-ranging expertise and in depth knowledge of issues in every major economic sector, has enabled us to become a top ranking firm, and a natural partner for our clients in key decisions and projects.

This strategy, our choice of independence and our focus on consulting expertise, are the basis of our model.

A model carried forward by nearly one thousand people and proven in the market place, and which has enabled Solucom to work its way up, in accordance with its ambition, to a place among the top five IT consulting firms in France[1].

[1] Source: PAC Study (June 2009) - IT & Management Consulting Market - Outlook 2008-2012

30%

average annual growth over the 5 past years

101.9

revenues in € million

966

employees

Stock market data

Share price at 13/06/09
€ 17.20

Number of shares
4,966,8825

Market capitalization
€ 69.5 million

Enterprise value[2]
€ 74.7 million

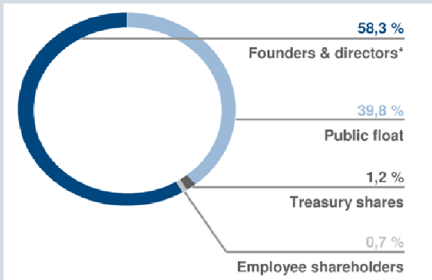
BEPS year ended 31.03.09
€ 1.28

Share information
Market : NYSE Euronext Paris
LCO
ISIN Code: FR0004036036
ICB : 9533 IT services
Reuters : SLUC.LN2
Bloomberg : LCO:FP

[2] Market capitalisation at 17.06.09 + net financial debt at 31.03.09

Shareholder breakdown

At 11 May 2009



* Solucom company directors

Financial reporting timetable

2009

22 July [3]	Q1 2009/10 revenues
25 September	Annual General Meeting
21 October [3]	H1 2009/10 revenues
24 November [3]	H1 2009/10 earnings

2010

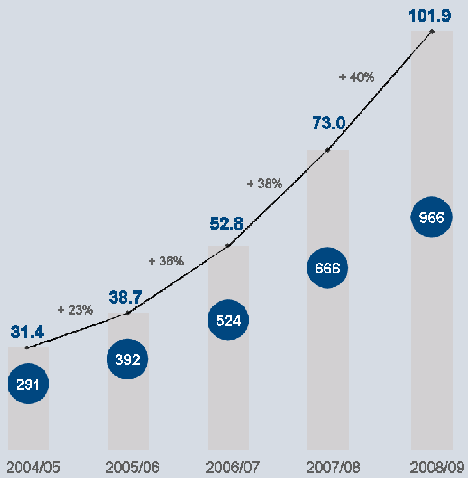
27 January [3]	Q3 2009/10
31 March	End of fiscal year 2009/10
11 May [3]	2009/10 revenues
1st June [3]	2009/10 earnings

[3] After market closure

Simplified income statement at 31 March

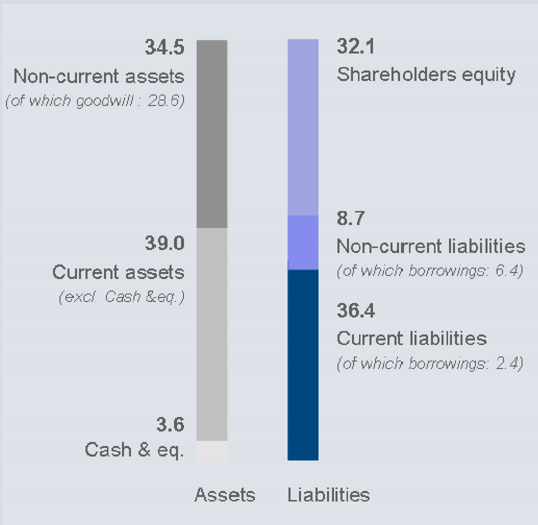
€ millions	2008/09	2007/08	Change
Revenues	**101.9**	73.0	+ 40%
Operating profit on ordinary activities	**11.4**	9.5	+ 21 %
Operating profit on ordinary activities	*11.2%*	*13.0%*	-
Operating profit	**11.1**	9.2	+ 20%
Net profit group share	**7.0**	6.2	+14%
Net margin	6.9%	8.5%	-

Revenues and headcount



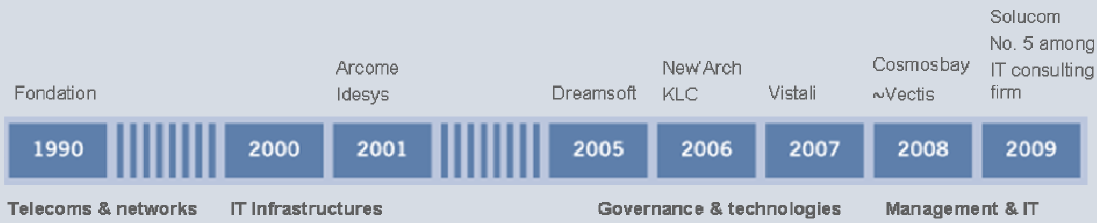
Change in revenues (€m) and headcount

Balance sheet



Balance sheet at 31 March 2009

History



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Presentation of Solucom and its activities

Fiscal 2008/2009

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Presentation of Solucom and its activities

Solucom, a new force in consulting

Solucom is a consulting firm offering management and IT services.

Our clients include some of France's largest companies and organizations.

For these clients, we work with their business and IT departments, in the context of strategy development, idea innovation and transformation projects.

We have developed a wide range of expertise that we offer through six consulting services. This expertise corresponds to the major issues that now face companies: strategy and customer relationship models, innovation in services and usage, IT alignment and governance, rationalisation of architectures and risk management.

Solucom was built on the basis of a simple idea: to bring together within the same firm the best expertise in the market for each of the key areas in management and IT consultancy, and to seamlessly combine all of our skills in order to provide exceptional added value in all of the tasks that we undertake.

Our wide-ranging expertise and in depth knowledge of issues in every major economic sector, has enabled us to become a top ranking firm, and a natural partner for our clients in key decisions and projects.

This strategy, our choice of independence and our focus on consulting expertise, are the basis of our model.

A model carried forward by nearly one thousand people and proven in the market place, and which has enabled Solucom to work its way up, in accordance with its ambition, to a place among the top five IT consulting firms in France[1].

[1] PAC Study (June 2009) - IT & Management Consulting Market - Outlook 2008-2012

Our mission statement

Our clients are the leading companies in their sectors. Their shared wish is to meet the challenges in their markets in order to get themselves permanently into the top position.

For these companies, we have created a new force in management and IT consulting.

Our mission? To place innovation at the heart of business lines, to define clear targets and to accomplish the associated transformations that are sources of added value and to turn IT into a real asset designed to serve corporate strategy.

We are not willing to replace our clients, to hide behind our expertise or to create complexity. On the contrary, our approach to consulting is to propose simple, clear targets and orientations that can be the source of lasting performance.

Together with our clients we build a close, long-term relationship by seeking a balance between challenge and respect. Challenge, by giving a relevant and independent point of view. Respect, by always paying attention both to the corporate culture and to its people.

Solucom is now 20 years old. The entrepreneurial spirit that gave birth to us is the basis for our key values: enthusiasm, commitment, simplicity and the need for excellence.
Values that nourish our approach to consulting. Values that place us every day at the service of our clients' ambitions.

An unrivalled range of skills and expertise

Our consulting services are divided into six main areas of expertise.

Strategy and management

Supporting the company in its customer development strategy

Supporting companies in their customer and market development strategies remains the best response to the economic crisis and increased competition. Our experts lead discussions with managers on strategy decisions, assist with transformations and have developed unique expertise in helping companies to re-examine their customer relationship model and turning it into a competitive tool (Multi-Proximité©). Solucom has a particularly strong presence in the Energy-Services, Banking-Insurance, and Health sectors.

Telecoms & innovation

Providing value through new communication services

The necessary and permanent confrontation between innovation and information systems positions new communication technologies as a major performance lever for a company's activities and its employees. In this context, Solucom assists its clients with a rare combination of marketing and technological expertise. ToIP and unified communications, new generation customer relationship centers…areas in which we link an understanding of business activities with the use of technological solutions and control of technical requirements.

IT Transformation

Bringing IT systems in line with corporate strategy and business requirements

A business performance lever and vector of innovation, the IT system constitutes a strategic resource for large organisations. To meet the requirements of strong performance and value creation, we advise clients in the alignment of their IT systems with their corporate strategy and business requirements. Through a strong methodological approach ("*4 cadrans*" model), operational experience of change management and the management of innovative solutions, Solucom defines urbanization procedures and portfolios of associated projects and steers the transformation.

IT Architecture

Making IT agile and efficient through a service-oriented approach

Managing the IT architecture is managing 50% of the IT budget; it is also guaranteeing the availability of services and their upgradeability. These are the challenges that we meet for our clients. To accomplish this, we offer an unrivalled range of expertise (networks, datacenters, desktops, middleware) and proven architecture design methodologies (SOI, METEOR).

IT Governance

Improving both economic and operational performance

Serving corporate strategy, IT governance offers a comprehensive reference frame, targeting efficiency and economic excellence. Working in close collaboration with IT departments, Solucom advises on how to structure their relationships with the company's business departments, define and manage their supplier relationships, and optimize their operational performance.

Security and risk Management

Managing risks and keeping IT compliant with regulations

Managing and targeting risks, bringing the IT system into compliance with regulations and managing technological change in accordance with new security models constitute vital challenges for our clients. To meet these challenges, we offer a comprehensive range of skills, from the mapping of business risks to the definition of actual solutions to be implemented. Our audit services have had ISO 27001 certification since September 2008.

Within these services, the offers that we have chosen to present to our clients reflect our vision of the issues that concern them and market expectations in 2009.

Business departments — *IT departments*

Strategy & management	IT Transformation	IT Governance
▪ Customer-oriented strategy ▪ New customer relationship models ▪ Products and services marketing	▪ IT architecture maps and urbanization ▪ IT project management support & change management ▪ Portal & collaborative environment working	▪ Sourcing strategy ▪ Services offered by IT department ▪ Service management
Telecoms & innovation	**IT Architecture**	**Security & risk management**
▪ Innovative services marketing ▪ Customer relationship center ▪ ToIP ▪ Rationalizing of telecoms services	▪ Audit & applications industrialization ▪ Integration architectures & SOA ▪ Datacenters ▪ Consolidation & virtualization ▪ Desktops & user services	▪ Audit & Risk management ▪ Business continuity planning ▪ Identity management

Our clients

Solucom has chosen to address a clientele made up exclusively of large accounts.

To develop the firm's activity in this sector, we have assembled a dedicated sales force that operates in close collaboration with our teams of consultants.

This sales force's objective is to develop a real "intimacy" with each ordering party so as to gradually elevate Solucom to the level of top ranking partner with each of our clients. To accomplish this, our business engineers rely on a range of services which evolves every year in order to be in phase with market expectations and our clients' requirements.

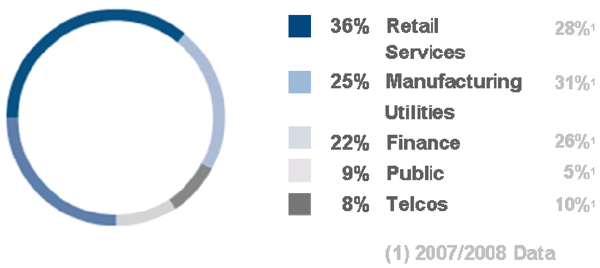
Within this portfolio,
about 90% of turnover is with clients that were present the previous year. This reflects exemplary loyalty, the basis of which lies in a business culture that is focused on quality and a quest for excellence.

Solucom strives to distribute its business over a range of sectors. This distribution ensures some resistance to the vagaries of the economic environment and means that every year we are able to tap into growth in the most dynamic sectors.

Our twenty largest clients in 2008/2009

1	GDF SUEZ	11%
2	EDF	7%
3	LA POSTE	7%
4	SNCF	5%
5	ORANGE	5%
6	SOCIETE GENERALE	3%
7	CREDIT AGRICOLE	3%
8	BANQUE DE FRANCE	3%
9	BNP PARIBAS	3%
10	TOTAL	2%
11	AIR FRANCE - KLM	2%
12	AREVA	2%
13	SUEZ ENVIRONNEMENT	2%
14	BOUYGUES TELECOM	2%
15	MMA	2%
16	EIFFAGE	2%
17	SANOFI AVENTIS	2%
18	BANQUE POPULAIRE	1%
19	APHM	1%
20	CANAL +	1%

Per Industry revenue breakdown



Market and competition

A market in crisis

During recent years the French consultancy market has enjoyed a buoyant economic environment conducive to rapid growth. Demand has been driven by a search for new business models, the emergence of new technologies, the need to optimize processes and numerous company restructurings and mergers.

However, from the fourth quarter of 2008, the consultancy market suffered a severe slow-down as a result of the general deterioration in the economic environment.

The market generally showed signs of worsening in the first months of 2009 with most sectors moving into negative growth.

Syntec Management[1] is thus expecting a 5% reduction in consultancy activity in 2009. Concerning the IT consulting segment, which accounts for more than 90% of Solucom's turnover, almost all observers have revised their forecast downwards for 2009 with a final figure of – 5% according to Syntec Informatique[2].

Although, according to Pierre Audouin Consultants (PAC), some sectors and segments will be able to do well despite the market: the Energy/Utilities and Insurance sectors, the public sector and some segments in IT consultancy (in particular consulting on infrastructures).

[1] Source: Annual Syntec Management Study
[2] Source: Software & Services in France - Outlook 2009, April 2009

Top 10 IT consulting firms in France (PAC)

Rank	Firm	Country of origin
1	IBM	US
2	Capgemini	FR
3	Logica	UK
4	Accenture	US
5	Solucom	FR
6	CSC	US
7	Sopra Group	FR
8	Orange Business Services	FR
9	BearingPoint	US
10	Atos Origin	FR

Solucom, one of the big names in consulting

In the course of its activities in IT and management consultancy, Solucom encounters three types of competitor:

- Large Groups which, in addition to management and IT consultancy, are present in all activities across the entire IT sector: IBM, Capgemini, Accenture
- Computer Services Companies, which have established themselves in consultancy through one of their activities: Logica, Devoteam, Sopra Group
- Companies specializing in consulting, like Solucom, whose activity is sometimes focused exclusively on IT consultancy: Ineum Consulting (ex Deloitte Consulting), Octo Technology

Solucom now ranks among the top five IT consultancy firms in France. A position that was confirmed by the latest rankings of IT firms published by PAC. A year ahead of its 2010 target, Solucom has thus achieved its ambition of becoming one of the top five IT consultancy firms and acquired new status as a consultancy leader.

Relations with other players in the market

As a consultancy company, Solucom maintains close relations with the other players in the market. These relationships are expressed through purely technological partnerships that ensure the complete independence of the firm. This independence is a determining factor, given the role of lead contractor played by Solucom on behalf of its clients.

Solucom is an active contributor to the principal study groups in its fields of activity: AFAI/ISACA (*Association Française de l'Audit et du Conseil Informatique* / Information Systems Audit and Control Association), AeSCM (Association eSCM), CLUSIF (*Club de la Sécurité de l'Information Français*), EBG (Electronic Business Group), and ITSMF (Information Technology Service Management Forum).

Solucom is also member of Syntec Management and Syntec Informatique.

Capitalisation and distribution of our expertise: a lead on the competition

A culture of excellence is at the heart of our strategy

Solucom has brought together top-ranking teams and companies from within the market. These teams work with the same objective: to reach the highest possible level of skills and expertise in their field. They are motivated by the same conviction: that it is by combining and exploiting all of these various skills and expertise that Solucom will consolidate its position as a benchmark independent consulting firm.

Solucom therefore devotes a significant part of its consultants' time every year to training, technology and market surveillance, and the development of methodologies and doctrines. In 2008/2009 this accounted for approximately 6% of our consultants' time.

Publications to pass on our vision and thoughts on current developments

Drawing on this business culture focused on the capitalisation of expertise, Solucom has set up a publishing policy with a view to sharing its vision and thoughts with the market in its major fields of expertise.

The firm's regular publications include:

- **La lettre Sécurité**: a quarterly newsletter that looks at issues and news in security and risk management.
- **Trajectoire**: Solucom's strategy & management letter dealing with news of clients' strategies.
- **Optiques**: new communication services letter.
- **Les Synthèses Solucom**: summaries from KLC's IT management research unit.

Solucom has also assembled a collection of states of the art and analyses of market trends that we are constantly developing and updating. Solucom publishes the barometer of customer relationships.

These publications are permanently available on www.solucom.fr

Multiple opportunities to compare our convictions with the market

Solucom regularly compares its convictions with the market by participating in major events in the profession (The European Security and Information System Congress, The Energy Forum, Telecoms 2008, A-eSCM Annual Convention, ITSMF Annual Conference etc.).

Solucom has also developed its own events in order to provide regular opportunities to meet its clients: Strategy conferences, Workshops, "Matinales", "Escales".

White Papers, summaries & surveys 2008/2009

White Paper "Where is e-Sourcing going ?" (June 2008)

White Paper "ISO 27001, the new security nirvana" (October 2008, 2nd edition)

White Paper "e-CRM, how to place the internet at the heart of multi-channel client strategy" (February 2009)

White Paper "SOI: Service Oriented Infrastructure" (April 2009)

Summary "Governance in practice" (May 2008)

Summary "Where have telecoms got to in 2008?" (September 2008)

Summary "Economic ratios in IT Departments" (February 2009)

Survey "ToIP 2008, continuity, division and convergence" (November 2008)

Our teams

One objective: to attract the most talented people…

Solucom cultivates a spirit of excellence and consequently has a rigorous and highly selective approach to recruitment.

We recruit consultants from the best engineering and management schools and have a long standing tradition of recruiting young graduates.

Nearly 40% of employees joining Solucom in 2008/09 were graduates from the most prestigious engineering and management schools, such as Centrale, EDHEC, ESCP, ESSEC, EM Lyon, HEC, INSA Lyon, Polytechnique, Supélec, Télécom Bretagne, Télécom Paris Tech and Télécom Sud Paris.

Solucom operates a robust recruitment procedure combining sourcing and awareness initiatives and communication on the profession: an intensive school relations programme (educational partnerships, talks), co-opting campaigns, top-level events such as the Solucom' meetings …

Three fundamentals underpin the implementation of these various operations: selectivity, proximity and a focus on innovative communication channels and image vectors.

These fundamentals have enabled Solucom to develop real expertise in terms of recruitment and have helped to create a recognized employer style.

…and keep them

Solucom's teams are developed with the aim of excellence and a culture of quality.

This culture and spirit constitute an essential foundation for building loyalty and long-term relations. The consultants are associated in human-sized teams of fifteen to twenty staff, encouraging close management and the development of individual career paths. This balance of know-how and experience within each team is a valuable asset in the integration and development of the young graduates who join us each year.

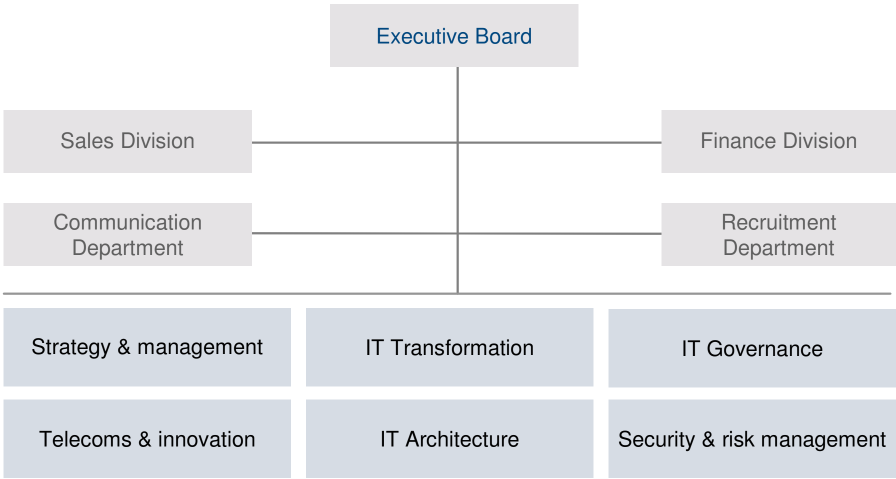
To accompany the careers of its consultants, the firm invests permanently in their training and in knowledge management. Training activities may take the form of external courses, or seminars held in the firm's internal training facility.

Exclusively reserved for Solucom's employees, this training facility provides courses on a wide variety of subjects, including professional techniques, methodology, personal development, and other skills relating to the firm's specialisations.

Lastly, the consulting firm has established an employee savings scheme.

Our organization

Organization chart at 1st April 2009



An organization favouring the combining of skills and expertise

Solucom has adopted an organizational model that favours the combining of skills and expertise, a comprehensive approach to each client and the development of synergy between teams.

Each of the companies making up the firm operates between one and three business lines (teams of consultants). Each business line is associated with one of the firm's six consulting services:

Strategy & management	IT Transformation	IT Governance
Telecoms & innovation	IT Architecture	Security & risk management

The sale of services is carried out by business engineers who market the firm's entire range of services to the clients for whom they are responsible. Overall the sales force is managed by a sales director whose task is to define and steer the firm's sales strategy.

The financial department brings together finance and IT functions.

The recruitment department manages all of the firm's recruitment activities.

The communication department is in charge of communication strategy and is responsible for or supervises all communication activities.

The human resources and sales administration teams are decentralized within the business lines with close coordination implemented at the level of the firm as a whole.

Management

The firm is managed by an Executive Board. This consists of Solucom's chairman, the heads of all of the companies in the firm, and the firm's sales and finance directors.

The main tasks of this board are to define Solucom's strategy and supervise its application. It manages the action plans and annual budgets. On a daily basis it supervises operations, monitors the achievement of objectives and encourages the development of synergies between the consulting services.


Pascal IMBERT
Chairman of the Management Board and CEO


Patrick HIRIGOYEN
COO of Solucom and member of the Management Board


Siegfried Günther
CEO of Idesys


Bassam ALMOUSSA
CEO of Arcome


Marc MULLER
CEO of Dreamsoft


René DUMOUCEL
CEO of New'Arch


Catherine Le Louarn
Managing director of KLC

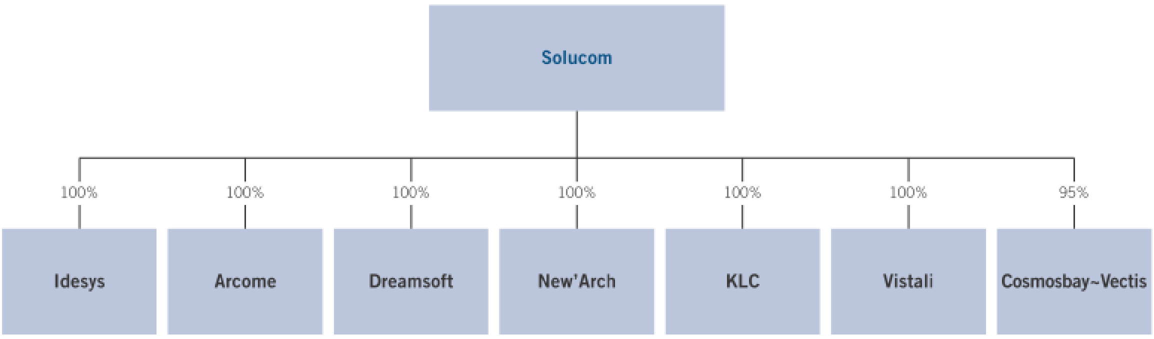

Pierre BOUGERET
CEO of Vistali


Eric RABAUX
CEO of Cosmosbay Vectis


Reza Maghsoudnia
Sales Director


Pascale Besse
Finance Director

Legal structure at 31/03/2009



Solucom is the firm's holding company and also one of the firm's operational components. Solucom's operational component is designated by Solucom SA.

The firm’s activities are thus spread over the seven subsidiaries (Idesys, Arcome, Dreamsoft, New'Arch, KLC, Vistali, Cosmosbay~Vectis) and Solucom SA.

Key data for the firm's subsidiaries during 2008/09

(€ 000)	Revenues	Operating profit	Net profit
Idesys	20 174	2 301	1 365
Arcome	10 224	1 083	600
Dreamsoft	15 271	1 566	919
New'Arch	6 992	941	543
KLC	3 237	161	28
Vistali	10 346	789	457
Cosmosbay~Vectis	20 068	(22)	(640)

For a presentation of the business activities of Solucom, please refer to chapter 3 "Financial Information / table of subsidiaries and holdings".

Within the firm, each subsidiary holds its own operational assets. Given Solucom’s activity, which provides purely intellectual services, these assets are very limited. The principal resources of the companies are their employees. Solucom’s subsidiaries do not hold any strategic investments.

There are numerous areas of collaboration between Solucom’s companies and synergies are developed between practices within the firm. These areas of collaboration concern joint performance of services to clients.

Business projects shared among several Solucom’s companies give rise to internal sub-contracting. The corresponding intercompany recharges in the year ended 31 March 2009 are shown below.

Client companies	Supplier companies							
(€000)	Solucom	Arcome	Dreamsoft	Idesys	New’Arch	KLC	Vistali	Cosmosbay ~ Vectis
Solucom	-	5,981	1,233	2,441	2,219	953	1,175	919
Arcome	3,954	-	542	1,051	193	303	451	69
Dreamsoft	456	376	-	822	8	150	8	7
Idesys	1,928	525	90	-	146	147	194	433
New'Arch	545	134	21	0	-	58	57	0
KLC	37	10	0	0	26	-	3	48
Vistali	1,062	202	42	6	420	403	-	47
Cosmosbay ~Vectis	12	11	16	45	2	0	0	-

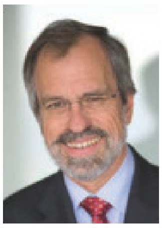
Other synergies exist: shared premises, shared technical facilities, centralised accounts, and shared support service teams.

Management Board and Supervisory Board

Management Board:

- Pascal Imbert, Chairman of Management Board
- Patrick Hirigoyen, Member of Management Board

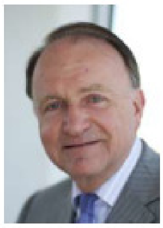
Supervisory Board at 1st April 2009:


Michel Dancoisne
Chairman


Jean-Claude Malraison
Vice-Chairman


Pierre Laigle
Member


Jacques Pansard
Member


Jean-François Perret
Member

Biographies of supervisory board members can be found in the Supervisory Board report, part 4 – Corporate governance.

Branches, capital expenditure policy and fixed assets

All Solucom's staff is located in a single site at Paris La Défense.

Tour Franklin
100/101, terrasse Boieldieu
92042 Paris La Défense Cedex

The consulting firm has regional branches in regions.

- **Lyon** (Rhône Alpes):

  Le Parc de Villeurbanne
  107, bd Stalingrad
  69628 Villeurbanne Cedex

- **Aubagne** (PACA):

  Chemin de St Lambert
  Actiburo 1, Bâtiment A
  13400 Aubagne

- **Nantes** (West):

  Immeuble Les Salorges 2
  1, bd Salvador Allende
  44100 Nantes

The premises occupied by Solucom are rented from owners who are independent of the company and its subsidiaries.

The firm's activity requires no capital expenditure other than IT equipment, software licenses, and office fixtures and fittings required for daily operations.

These assets are recorded either as capital expenditure or are financed through hire-purchase.

Capital expenditure (€ millions)	31/03/09	31/03/08	31/03/07
Fixed assets and intangible assets	1,943 (1)	1,759 (2)	1,258 (3)

(1) of which € 429,000 financed through hire-purchase
(2) of which € 585,000 financed through hire-purchase
(3) of which € 184,000 financed through hire-purchase

Management report

Fiscal 2008/2009

2

Management report

Management Board report to the Extraordinary and Ordinary General Meeting dated 25 September 2009

Supervisory Board report to annual general Meeting dated 25 September 2009

Risks

Information

On trends

Management Board report to the Extraordinary and Ordinary General Meeting dated 25 September 2009

Ladies and Gentlemen,

We have convened this Ordinary and Extraordinary General Meeting in accordance with legal requirements and the Company's Articles of Association.

Formal notices for this meeting as well as all relevant documentation required by current regulations have been sent to you or have been available for you to consult in accordance with legal time periods.

Ordinary General Meeting

Preface

The purpose of this report is to present the results of the Solucom's, constituted of Solucom SA and its subsidiaries.

This report will also include the management report as specified under Article 222-3 of the general regulations of the AMF (French financial markets regulator) and is required to be included in the Annual Financial Report mentioned under Article L 451-1-2 of the French Monetary and Financial Code.

I. Business review

The financial statements for the year ended 31 March 2009 include Solucom SA, Idesys, Arcome SAS, Dreamsoft, New'Arch, KLC, Vistali and Cosmosbay~Vectis over a 12 month period.

The consolidated financial statements for the year ended 31 March 2008 attached hereto include Solucom SA, Idesys, Arcome SAS, Arcome Consulting, Dreamsoft, New'Arch, KLC, and Vistali over a 12 month period. Arcome Consulting (Spain), which has been dormant since 31 March 2002, was liquidated during the first half of 2008/09.

I.1 Analysis of Solucom's results

Consolidated revenues amounted to €101,937,000 up 40% from €72,970,000 in the prior year.

Operating profit on ordinary activities came in at €11,416,000 (after employee profit share), up 21% over the prior year's figure of €9,455,000. The operating margin on ordinary activities, being the operating profit on ordinary activities divided by revenues, is 11.2%, compared to 13.0% in the prior year.

The principal exceptional expense relates to the move of Cosmosbay~Vectis's Paris-based staff to the premises in the Tour Franklin.

After exceptional items, **operating profit** came in at €11,095,000, up 20% over operating profit for the prior year of €9,223,000.

Net borrowing costs amounted to €447,000 over the year, which comprises €87,000 of interest income and €533,000 of interest costs over the year in view of Solucom's €10,000,000 bank loan that it took out at the end of March 2008. This figure compares with Net negative borrowing costs (i.e. income) of €75,000 for the prior year.

Profit before tax amounted to €10,595,000, up 15% over the prior year's profit before tax of €9,233,000.

Corporation tax came in at €3,580,000, representing 34% of profit before tax.

Net profit for the year amounted to €7,015,000 representing a net margin of 6.9%, up 14% over the prior year, for which net profit was €6,168,000, representing a net margin of 8.5%.

Given that there are no minority interests, net profit group share also amounts to €7,015,000, up 14% over the prior year's net profit Group share of €6,168,000.

Consolidated net assets stood at €32,058,000 at 31 March 2009, up 24% from €25,797,000 as at 31 March 2008.

Net cash and cash equivalents, after deducting bank overdrafts and accrued interest from gross cash, amounted to €3,607,000 at 31 March 2009, compared to €16,098,000 at 31 March 2008.

Borrowings (excluding bank overdrafts and accrued interest) stood at €8,759,000, which breaks down as €8,039,000 of bank loans and sundry borrowings, and €720,000 of finance lease liabilities; at the end of 2007/08, Solucom took out a €10,000,000 bank loan. As at 31 March 2008, borrowings amounted to €10,657,000.

Solucom debt stood at €5,151,000 at 31 March 2009 compared to net cash and cash equivalents of €5,442,000 at 31 March 2008. The principal items underlying this variance are free cash flow of €7,995,000, up 15% over 2007/08; €929,000 of dividends paid; €14,076,000 of capital expenditure including the acquisition of Cosmosbay~Vectis, and a €3,484,000 increase in working capital.

Note that the firm does not discount its receivables or use factoring.

I.2 Company accounts of Solucom SA

Solucom SA **revenues** amounted to €45,605,000 up 22% from €37,285,000 in the prior year.

Operating profit before employee profit share amounted to €6,195,000 up 34% from €4,609,000 in 2007/08. Consequently the operating margin came in at 13.6% compared to a margin of 12.4% for the prior year.

Net financial items totalled a gain of €1,815,000, compared to a gain of €3,048,000, for the prior year. Net financial items include €2,577,000 in respect of dividend income received from subsidiaries and €645,000 for financial expenses.

Exceptional items totalled a loss of €443,000, compared to a loss of €1,000 for the prior year. The 2008/09 loss largely consists of the expense of the bonus share issue. Note that this expense does not appear in the consolidated financial statements given that it corresponds to a provision included under operating expenses during the vesting period of the relevant schemes.

The corporation tax charge amounted to €1,437,000 compared to €1,601,000 for the prior year.

Employee profit share totalled €581,000, up from €530,000 for the prior year.

In view of the above income and expenses, **net profit** amounted to €5,549,000, up from €5,525,000 for the prior year.

Shareholders' equity of the Company stood at €30,823,000 at 31 March 2009 up from €26,169,000 at 31 March 2008.

Net financial debt, excluding treasury shares but including a bank loan contracted at the end of March 2008 with an outstanding balance of €8 036,000 as at 31 March 2009, amounted to €10,415,000 at 31 March 2009 compared to net cash and cash equivalents of €1,202,000 at 31 March 2008.

I.3 Solucom SA and the group's revenues during the year

Solucom's revenues amounted to €101.9 million, up 40% over the prior year. While this was slightly lower than the initial objective of €105 million, it was in line with the revised objective of €100 million to €105 million announced as of the half year results release.

The increase was boosted by sustained organic growth over the year amounting to + 14% on a like for like basis (excluding Cosmosbay~Vectis), compared to +21% in 2007/08. The consolidation of Cosmosbay~Vectis throughout the full year added an additional +26% to revenue growth.

Operating profit on ordinary activities for the year came in at €11.4 million, up 21% compared to the previous year. The 11.2% operating margin is in line with the target of 10%-12% announced at the beginning of the year.

After accounting for the increase in the cost of borrowings following recent acquisitions paid for in cash, net profit group share was up 14% at €7.0 million representing a net margin of 6.9%.

These results reflect the firm's ability to maintain strong performance indicators despite the recession.

Over the full year, the firm's activity rate amounted to 79%, pulled down by the inclusion of Cosmosbay~Vectis which posted a significantly lower activity rate among its consultants due to insufficient new business. On a like-for-like basis excluding Cosmosbay~Vectis, the firm's 2008/09 activity rate amounted to 83%, which is in line with the firm's long-term rate between 82% and 84%.

Sales prices rose for the third year in a row to €740, i.e. up 2% year on year. This increase reflects the positive contribution from Cosmosbay~Vectis, which managed to maintain its sales prices at a good level. On a like-for-like basis excluding Cosmosbay~Vectis, the firm's sales prices remained stable in relation to the prior year despite a return of pricing pressures.

With regard to balance sheet structure, Solucom's shareholders' equity stood at €32.1 million as at 31 March 2009 while net financial debt, which is free of any banking covenants, stood at €5.2 million representing a low gearing ratio of 16%. Solucom currently holds an additional cash facility amounting to €16.1 million for liabilities arising from small acquisitions limited to €2.4 million, which provides the firm considerable financial flexibility.

2008/09 was a year of contrasts for Solucom with the emergence of the credit crunch giving way to a full-blown economic crisis during the second half of 2008/09.

For Solucom's clients this crisis was reflected in longer decision making, numerous project postponements, attempts to renegotiate prices and a tougher competitive environment. Furthermore, market visibility reduced considerably leading to a high level of uncertainty which seems destined to continue.

The economic slowdown did not affect all clients in the same way. Indeed the breakdown by business sector of Solucom's revenues changed significantly during the year. The Industry-Utilities sector expanded to 36% of revenues (up from 28% in 2007/08) and the share of the public sector doubled to 9% of revenues (up from 5% in 2007/08).

The acquisition of Cosmosbay~Vectis was one of the key events of the year and represented a strategic deal for Solucom, namely a change in dimension enabling the firm to cover all areas of information systems consulting. Cosmosbay~Vectis also enables Solucom to boost its presence in the public sector, notably in the health and social segment.

Cosmosbay~Vectis posted disappointing 2008/09 results, including revenues down 7% on 2007 and a slightly negative operational margin of -1%. These figures reflect a deterioration in the company's commercial performance.

Actions undertaken in the second half 2008/09 to boost Cosmosbay~Vectis's sales led to initial signs of a turnaround, albeit insufficient. Consequently, the activity rate gradually picked up from 57% in the second quarter 2008/09 to 65% in the fourth quarter.

With regard to human resources, trends in the job market turned around during the year from high demand during the first half to a rapid loosening in the second half.

The firm had 966 employees as at 31 March 2009, up 45% compared to 666 a year earlier. Headcount increased by 13% excluding Cosmosbay~Vectis employees as at 1 April 2008. Staff turnover, measured by dividing the number of resignations by the end of year staff total, came in at 9%, against 13% the previous year.

I.4 Recent developments and future prospects

In June 2007, Solucom announced a 3 year development plan running from 2007 to 2010. The goal of this plan is to become one of the top 5 IT consulting firms by 2010. To achieve this goal, Solucom has set itself 3 objectives as follows:

- Reinforce its position as leader in technology consultancy
- Consolidate its market position in IT governance and major projects
- Pursue growth to reach 1,000 employees by 2010

The financial year 2008/09 was the second phase of this 3-year plan.

Commercial success coupled with the strategic acquisition of Cosmosbay~Vectis has given the firm a real new dimension. Backed by 966 employees as at 31 March 2009, Solucom is now close to the 1,000 employee target it initially set itself for 2010. In addition, with over 30% of revenues now coming from activities other than technology consulting, Solucom has gained real credibility in all domains of IT consulting, notably IT governance and major information systems transformation projects. This has enabled Solucom to join the top 5 IT consulting firms in France[1] one year ahead of its initial objective. This new market position as a major consulting firm was also boosted by unifying the firm's various brands in April 2009.

The recently begun financial year 2009/10 will be a year dominated by the crisis. The economic downturn in the last few months is already having a major impact on the IT services market. Consequently, all market analysts have downgraded their forecasts and currently predict that the consulting market will contract in 2009.

However, Solucom has several strengths to weather the market slowdown, including its position as a major consulting firm, its broad presence in various sectors, its range of offers that meet the demands of the 2009 major clients, and its products specifically designed for the crisis such as outsourcing consulting and management of IT rationalisation projects.

One of Solucom's priorities for 2009/10 will be to continue Cosmosbay~Vectis's turnaround. Actions undertaken in the second half 2008/09 resulting in a gradual, albeit insufficient, improvement in the activity rate, will be stepped up in order to raise Cosmosbay~Vectis's profitability margins to those of the rest of the firm.

Solucom will also boost commercial investment, which was already strengthened in 2008/09.

Lastly, Solucom plans to manage growth extremely conservatively by timing recruitment based on developments in performance indicators. The focus will be on maintaining margins by safeguarding activity rates and by applying a strict cost control policy.

2009/10 will therefore suffer a slowdown in growth, which will become apparent as from the first quarter, and revenues will be similar to the prior year. First quarter 2009/10 is additionally hit by particularly adverse underlying trends.

For the full financial year, Solucom has set a revenue target of over €102 million, representing positive organic growth, and an operating margin on ordinary activities of 8% to 10%. These deliberately conservative objectives may be adjusted during the year as and when visibility improves.

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[1] Source: PAC (June 2009) - IT and Management consulting market - 2008/2012 perspectives

II. Legal events of the financial year

A. Takeover of Cosmosbay~Vectis

Solucom acquired Cosmosbay~Vectis during the year. Cosmosbay~Vectis operates in management and IT consulting based on three business lines as follows: management consulting, IT consulting and technology and website consulting. The takeover took place as follows:

First, on 2 April 2008, Solucom purchased 94% of Cosmosbay~Vectis's issued shares in circulation as at this date.

Next, between April and December 2008, Solucom acquired additional shares based on terms equivalent to those applied for the initial transaction, thereby raising its stake to nearly 100% of the share capital as at 31 December 2008.

In January 2009, under schemes existing as of the initial transaction, bonus shares were issued to Cosmosbay~Vectis employees amounting to some 5% of share capital. It is planned that Solucom will acquire these shares in December 2011, based on terms equivalent to those applied for the initial transaction. It should be noted that the value of this part of the transaction has already been accrued in Solucom's financial statements.

B. Increase in Solucom's share capital

On 26 May 2009, the Management Board recorded a capital increase of €1,622.00 at par, under the provisions of Article L 225-178 of the French Commercial Code, in respect of the total stock options exercised by employees and/or directors of Arcome SAS and Idesys over the period 1 April 2008 to 31 March 2009 amounting to 16,220 options.

In consequence, the Management Board changed Article 6 of the articles of association as follows:

"Article 6 - SHARE CAPITAL:

Share capital shall be set at €496,688.20. It consists of 4,966,882 shares of the same class."

For more information on point B above and further details we refer you to the special report of the Management Board pursuant to Article L225-184 of the French Commercial Code.

C. Bonus shares

C.1 Final allocation of the 15 March 2006 "Senior executive plan no. 1"

The thirty (30) months vesting period of the "Senior executive plan no. 1" dated 15 March 2006 expired during the year in favour of three beneficiaries.

Having established and verified that the beneficiaries met all conditions and cumulative criteria set by the Management Board of the allocation to become final (per Articles 2.4 and 2.5 of the plan), namely:

a) Maintenance of employment under an employment contract

b) Personal investment in Solucom shares

c) Performance criteria based on operating profit on ordinary activities

The Management Board meeting dated 15 September 2008 allocated 9,928 shares to each of the three beneficiaries, amounting to 29,784 shares in total which were taken from Solucom's holding of treasury shares.

C.2 Final allocation of the 15 March 2008 “Employees plan no. 1”

The “Employees plan no. 1” dated 15 March 2008, which has a twenty four (24) months vesting period, expired as at 31 March 2008 in favour of employees of Solucom SA, Arcome SAS, Idesys and Dreamsoft, pursuant to the option that they chose under this sclheme. In accordance with the firm’s employee savings plan, the Management Board, having established and verified that the beneficiaries met all the conditions for final allocation of the scheme (article 2-5), as at 15 March 2008 decided to allocate irrevocably to all the 92 employees concerned of the aforementioned companies a total of 1,659 existing Solucom shares held as treasury shares.

C.3 Initial allocation pursuant to the plan dated 15 September 2008 for the employee savings plan “Employee Plan no. 3”

On 15 September 2008, the Management Board introduced a bonus share plan entitled “Employee Plan no. 3” in accordance with the firm’s employee savings plan. This “Employee Plan no. 3” covers employees of Solucom, Idesys, Arcome SAS, Dreamsoft and New'Arch, pursuant to the option under the firm’s employee savings plan.

Note that at the initial allocation date, there were 91 employee beneficiaries and that 1,771 Solucom share will be issued under this plan, representing 0.04 % of Solucom’s share capital as at 15 September 2008.

For further details regarding the matters discussed in this paragraph, we recommend you refer to the special report of the Management Board, as required by Article L.225-197-4 of the French Commercial Code.

III. Important Post-Balance Sheet Events for Solucom and its group

None.

IV. Research and development activities of Solucom and its group

Solucom has no fundamental research activities. However, Solucom was acknowledged as an innovative business by the organisation ‘OSEO Innovation’, which confirms that the Company is at the leading edge of innovation in its activities and that the firm continues to apply its innovation on behalf of its clients.

V. Solucom subsidiaries and equity investments

V.1 Business review of subsidiaries and equity investments

For reference, subsidiary activities and equity investments for the year ended 31 March 2009 may be found in a table included in the notes to the financial statements.

Idesys posted revenues for the year ended 31 March 2009 of €20,174,000. This represents a sharp rise (36%) over prior year revenues of €14,844,000. Operating profit for the year amounted to €2,301,000, representing an operating margin of 11.4%, which compares with an operating profit of €1,742,000 and an operating margin of 11.7% for the prior year.

Arcome SAS 2008/09 revenues amounted to €10,224,000. This represents a sharp rise (36%) over prior year revenues of €7,509,000. Operating profit for the year amounted to €1,083,000, representing an operating margin of 10.6%, which compares with an operating profit of €504,000 and an operating margin of 6.7% for the prior year.

Dreamsoft 2008/09 revenues amounted to €15,271,000, up 16% over the prior year's revenues of €13,119,000. Operating profit for the year amounted to €1,566,000, representing an operating margin of 10.3%, which compares with an operating profit of €1,687,000 and an operating margin of 12.9% for the prior year.

New'Arch 2008/09 revenues amounted to €6,992,000, up 4% over the prior year's revenues of €6,744,000. Operating profit for the year amounted to €941,000, representing an operating margin of 13.5%, which compares with an operating profit of €816,000 and an operating margin of 12.1% for the prior year.

KLC 2008/09 revenues amounted to €3,237,000, down 1% compared to the prior year's revenues of €3,276,000. Operating profit for the year amounted to €161,000, representing an operating margin of 5.0%, which compares with an operating profit of €383,000 and an operating margin of 11.7% for the prior year.

Vistali 2008/09 revenues amounted to €10,346,000. This represents a sharp rise (38%) over prior year revenues of €7,492,000. Operating profit for the year amounted to €789,000, representing an operating margin of 7.6%, which compares with an operating profit of €701,000 and an operating margin of 9.4% for the prior year.

Cosmosbay~Vectis revenues for the year ended 31 March 2009 amounted to €20,068,000, which compares with revenues during calendar year 2007 of €21,656,000, given that Cosmosbay~Vectis had a shortened 3 month financial period from 1 January 2008 to 31 March 2008 which is not material. The company posted an operating loss in 2008/09 of €222,000, representing a negative operating margin of 1.1%, which compares with an operating profit of €1,425,000 and an operating margin of 6.6% for calendar year 2007.

Note that, in view of close synergies between the firm's various activities, the revenues of each company generally include a significant proportion of business sub-contracted by other Group companies. As a result, there may be major differences between a company's revenues and operating profits and its effective contribution to the consolidated results.

V.2 Acquisition of equity investments, takeovers

Please refer to paragraph II A above.

V.3 Reciprocal equity investments

None.

V.4 Disposal of equity investments

None.

VI. Approval of the company and consolidated financial statements - Solucom SA earnings appropriation

VI.1 Company financial statements

We submit for your approval the Company financial statements of Solucom SA (balance sheet, income statement and notes to the financial statements) as presented to you, showing a net profit for the year ended 31 March 2009 of €5,549,128.97 that we recommend to be appropriated, in the stated order, as follows:

- €162.20 to the "Legal reserve" to increase it to 10% of the share capital,

- €932,308.53 or €0.19 per share, to be paid as dividends to the shareholders, in respect of the 4,906,887 shares entitled to dividends based on shareholders as at 11 May 2009.
- Transfer of the balance of €4,616,658.24 to the line “Other reserves”

The dividend will be paid in cash as of 12 October 2009.

Pursuant to the provision of Article 158.3.2 of the CGI (French General Tax Code), natural persons who are resident in France are entitled to a 40% allowance for income tax purposes on the gross dividend provided they have not opted for the fixed rate of 18% (excluding social security contributions) specified under Article 117 quater of the CGI (French General Tax Code).

If, at the moment of the dividend payment, the number of treasury shares without dividend rights held by Solucom has changed, the sum corresponding to the dividends not paid or to be paid by reason of this variation shall be posted to the “Retained Earnings” account.

As required by law, we hereby set out the dividends distributed in respect of the past three financial years, as follows:

Financial year ended	Number of shares receiving dividends	Dividend paid per share	Proportion of dividend eligible for the 40% allowance
31 March 2008	4,890,385	€0.19	100%
31 March 2007	4,811,822	€0.14	100%
31 March 2006	1,188,298	€0.40 (1)	100%

(1) prior to the four-for-one bonus issue of shares dated 25 October 2006.

Furthermore, in accordance with Article 223 (4) of the French General Tax Code, we hereby inform you that there were no non-deductible expenses listed under Article 39.4 of the French General Tax Code.

Attached to this report is the table of the Company’s financial results of the last five financial years.

VI.2 Group consolidated financial statements

We submit for your approval the consolidated financial statements as presented with our comments, showing net profit Group share of €7,014,996.

VII. Directors fees

We recommend that the total amount of directors’ fees paid to members of the Supervisory Board with effect from 1 October 2009 and for future financial years until a new decision taken in General Meeting, be set at €20,000 per financial year.

VIII. Agreements specified under articles L.225-86 et seq. of the French Commercial Code, including articles L.225-79-1 and L.225-90-1

In accordance with Articles L.225-86 et seq. of the French Commercial Code, we request that you:

1/ Take formal note that there were no new agreements or commitments approved or signed during the year ended 31 March 2009.

2/ Make formal note of the agreements previously approved in respect of prior years, which resulted in transactions during the year ended 31 March 2009.

The statutory auditors have been duly notified of all these agreements, in compliance with Article R 225-57 of the French Commercial Code, as stated in the special auditors report.

IX. Material ongoing agreements

The list and purpose of the material ongoing agreements specified under Article L. 225-87 of the French Commercial Code have been communicated to the members of the Supervisory Board and the auditors; on request, you may also receive a copy.

X. Share capital

X.1 Notice of crossing shareholder thresholds

Not applicable.

X.2 Breakdown of share capital and voting rights

In accordance with Article L.223-13 of the French Commercial Code and taking account of information received pursuant to articles L.233-7 and L.233-12 of the French Commercial Code, we hereby list below the identity of shareholders holding more than 5%, 10%, 20%, 25%, 33.33%, 50%, 66.66%, 90% and 95% of the share capital or voting rights as at 31 March 2009:

- Mr Pascal Imbert holds more than 25% of the share capital and more than 33.33% of the voting rights,
- Mr Michel Dancoisne holds more than 25% of the share capital and more than 33.33% of the voting rights,
- Mr. Pascal Imbert and Mr. Michel Dancoisne, acting in concert, hold more than 50% of the share capital and more than 66.66% of the voting rights,
- Lazard Frères Gestion SAS (acting on behalf of mutual funds) holds more than 5% of the share capital
- To Solucom's knowledge and belief, no other shareholder holds more than 5% of the share capital as at 26 May 2009.

X.3 Increases or decreases in share capital

With the exception of the share capital increase specified in paragraph II point B above, there has been no other transaction during the year affecting the share capital of Solucom.

X.4 Movement in Solucom share price

The Solucom share price stood at €15.60 at the beginning of the financial year on 1 April 2008, and at €10.85 as at the balance sheet date on 31 March 2009, down 30.4%. The prices stated are closing prices on the dates in question.

X.5 Treasury shares - share buy-back programme

Pursuant to authorisations specified below under paragraph XV entitled “Share buy-back programme”, Solucom purchased its own shares on the stock exchange in accordance with conditions required by law and with the share buy-back programme it has established and fully included in the Reference Document submitted on 30 June 2008 to the AMF under number D.08.0520, and in accordance with the provisions of Article 241-2° of the AMF’s General Regulations.

You have been notified of the details of the share buy-back programme as of 31 March 2009 in the notes to Solucom SA’s financial statements; they are also given below under paragraph XV “Share buy-back programme”.

Apart from steps taken in conjunction with the share buy-back programme, the Company holds no other treasury shares.

X.6 Status of employee shareholdings

In accordance with the provisions of Article L 225-102 of the French Commercial Code, as at 31 March 2009, we hereby declare that current or former employees of Solucom and/or its related companies, as defined by Article L 225-180 of the French Commercial Code, hold 34,959 Solucom shares (0.7% of the share capital) in conjunction with a PEG (Group savings plan).

XI. Employee shareholdings

XI.1 Staff earnings-based incentives (“Intéressement”)

Within the firm, Vistali is bound by a 3-year incentives contract (‘intéressement’) signed on 1 December 2006.

XI.2 Stock options

No stock options were granted during the year ended 31 March 2009.

However, stock options from existing plans were exercised during the year.

For further details, please refer to paragraph II point B above and to the special report of the Management Board, pursuant to Article L225-184 of the French Commercial Code.

XI.3 Solucom bonus share issues

Regarding bonus share issues, please refer to paragraph II.C and to the special report of the Management Board, pursuant to Article L225-197-4 of the French Commercial Code.

XII. Information relating to directors

XII.1 Corporate governance bodies

Solucom is a *Société Anonyme* (public limited company) with a Management Board and Supervisory Board.

The terms of office of the Management Board members, the Chairman of the Management Board, the Supervisory Board members and the Chairman of the Supervisory Board expired at the ordinary annual general meeting dated 26 September 2008.

Following the reappointment of some members and two new appointments to the Supervisory Board as decided by the annual general meeting dated 26 September 2008, and by the Supervisory Board also meeting on 26 September 2008 following the AGM, the members of these boards in respect of the year ended 31 March 2009 were as follows:

From 1 April 2008 to 26 September 2008

Management Board

Mr Pascal Imbert:	Chairman of the Management Board
Mr Patrick Hirigoyen:	Member of the Management Board

Supervisory Board

Mr Michel Dancoisne:	Chairman of the Supervisory Board
Mr Jean-Claude Malraison:	Vice-Chairman of the Supervisory Board
Mr Hervé Nora:	Member of the Supervisory Board
Mr Jacques Pansard:	Member of the Supervisory Board

From 26 September 2008 to 31 March 2009 and as of today's date

Management Board

Mr Pascal Imbert:	Chairman of the Management Board
Mr Patrick Hirigoyen:	Member of the Management Board

Supervisory Board

Mr Michel Dancoisne:	Chairman of the Supervisory Board
Mr Jean-Claude Malraison:	Vice-Chairman of the Supervisory Board
Mr Jacques Pansard:	Member of the Supervisory Board
Mr. Pierre Laigle:	Member of the Supervisory Board
Mr. Jean-François Perret:	Member of the Supervisory Board

XII.2 List of appointments and functions of the directors during the year ended 31 March 2009 and during the last 5 years

Name	Date of first appointment and date of renewal	Expiry of term of office	Principal function in the Company	Principal function outside the Company	Other appointments and functions in any company	Other offices held during the last 5 financial years
Pascal Imbert	30/09/2002 26/09/2008	26/09/2014	Chairman of the Management Board		Cosmosbay~Vectis - Director	
Patrick Hirigoyen	30/09/2002 26/09/2008	26/09/2014	Member of the Management Board		Solucom - Solucom - Deputy Managing Director in charge of operations Cosmosbay~Vectis Director	
Michel Dancoisne	30/09/2002 26/09/2008	26/09/2014	Chairman of the Supervisory Board		Solucom - Solucom - Manager position III with expertise in financial policy, development and acquisitions	
Jean-Claude Malraison	30/09/2002 26/09/2008	26/09/2014	Vice-Chairman of the Supervisory Board	Critical Eye - Chairman of the Board of Directors	Kervillen SARL - Managing Director	
Hervé Nora	30/09/2002 ❶	30/09/2008 ❶	Member of the Supervisory Board	Telfix SA - Chairman of the Board of Directors		
Jacques Pansard	30/09/2002 26/09/2008	26/09/2014	Member of the Supervisory Board	Independent consultant		Amediax - Director
Jean-François PERRET	26/09/2008	26/09/2014	Member of the Supervisory Board	Pierre Audoin Consultants – Vice-Chairman of the Supervisory Board	CVMP Conseil – Managing Director	Pierre Audoin Consultants - Chairman of the Management Board
Pierre LAIGLE	26/09/2008	26/09/2014	Member of the Supervisory Board	KLC – Chairman		

❶ Term of office expired at the ordinary annual general meeting dated 26 September 2008

The directors individually confirm that in the past five years:

- They have not been condemned for fraud
- They have not been personally associated with any bankruptcy, sequestration or liquidation in which the directors were involved acting in the capacity of members of corporate governing or supervisory bodies
- They have not been indicted and/or subject to an official public sanction levied against the directors by the competent legal or regulatory authorities

The directors declare they are not aware of:

- Any potential conflicts of interest between their duties towards the Company and their private and/or other interests
- Any family links existing between any of the directors

XII.3 Directors and executives' remuneration

Preface

Pursuant to the provisions of Article L 225-102-1 paragraphs 1 to 3 of the French Commercial Code, we are bound to report to you the total remuneration including fixed, variable and exceptional pay, remuneration in shares and debt securities or securities entitling the holder to equity or debt securities as well as benefits of any kind granted during the past year to each director, and the criteria serving as the basis for calculating such remuneration or the circumstances by virtue of which the remuneration was decided.

We must also report to you all types of commitments made by Solucom in favour of its directors in relation to remuneration, compensation or benefits that may be payable on assuming, terminating or changing the office of director or becoming payable thereafter, as well as the procedures for determining such changes.

The AFEP / MEDEF[1] corporate governance code as modified on 6 October 2008 made recommendations in relation to disclosures of directors remuneration for listed companies.

Having reviewed said AFEP / MEDEF recommendations, the Solucom SA Supervisory Board meeting dated 24 November 2008 decided to comply with them unconditionally for the preparation of the Management Board report, given that Solucom's policy in this regard has adopted this corporate governance approach over the last few years.

On 22 December 2008, the AMF published a recommendation relating to required disclosures in the Reference Document concerning directors' remuneration. As a result, this paragraph summarises all provisions and the ten tables recommended both by AFEP / MEDEF and the AMF with a view to improving transparency, consistency and completeness of the various statutory documents (i.e. Management Board report and Reference Document) that cover this topic.

[1] AFEP and MEDEF : French association of companies and French Business Confederation

Explanations and comments

<u>Fixed remuneration</u>

Fixed remuneration is determined by taking into account the director's level and difficulty of responsibilities, experience in office, time with Solucom, and practices observed in groups or companies operating similar businesses.

<u>Variable remuneration</u>

For the Chairman of the Management Board, variable remuneration is based on the difference between actual Group earnings and the budgeted objectives set at the beginning of the financial year. This applies to the following lines: operating profit on ordinary activities and net profit group share on a like-for-like basis, i.e. excluding changes in scope of consolidation in the year. The value of the variable remuneration based on the budget being achieved amounted to €43,800 gross in 2008/09 and €37,500 gross in 2007/08. The variable portion can vary between 50% and 200% of this amount.

For the second member of the Management Board, variable remuneration is based on the difference between actual Group earnings and the budgeted objectives set at the beginning of the financial year. This applies to the following lines: Solucom SA operating profit adjusted for certain non-operating items, and operating profit on ordinary activities on a like-for-like basis, i.e. excluding changes in scope of consolidation in the year. The value of the variable remuneration based on the budget being achieved amounted to €42,500 gross in 2008/09 and €40,000 gross in 2007/08. The variable portion can vary between 50% and 200% of this amount.

The table given below lists remuneration and all types of benefits in kind due in respect of the year and paid during the year to Solucom SA directors by all Group companies. Part of the remuneration due in respect of the year is actually paid during the first few months of the following year.

		Annual gross remuneration 2008/09				Annual gross remuneration 2007/08			
Euros		Fixed	Variable	Directors fees	Total	Fixed	Variable	Directors fees	Total
Management Board									
Pascal IMBERT	Due	144,000	54,630		198,630	138,000	45,558		183,558
	Paid	*144,000*	*48,708*		*192,708*	*138,000*	*38,288*		*176,288*
Patrick HIRIGOYEN	Due	125,040	61,310		186,350	118,920	44,947		163,867
	Paid	*125,040*	*46,198*		*171,238*	*118,920*	*45,699*		*164,619*
Supervisory Board Michel DANCOISNE	Due	49,600			49,600	48,200			48,200
	Paid	*49,600*			*49 600*	*48,200*			*48,200*
Jean-Claude MALRAISON	Due			5,000	5,000			4,750	4,750
	Paid			*5,000*	*5,000*			*4,750*	*4,750*
Hervé NORA (a)	Due			2,500	2,500			4,750	4,750
	Paid			*2,500*	*2,500*			*4,750*	*4,750*
Jacques PANSARD	Due			5,000	5,000			4,750	4,750
	Paid			*5,000*	*5,000*			*4,750*	*4,750*
Pierre LAIGLE (b)	Due	124,200	18,272	1,000	143,472	118,830	13,500	-	132,330
	Paid	*124,200*	*27,096*	*1,000*	*152,296*	*118,830*	*13,724*	-	*132,554*
Jean-François PERRET (b)	Due			2,500	2,500			-	-
	Paid			*2,500*	*2,500*			-	-

(a) Member of the supervisory board until 26 September 2008

(b) Member of the supervisory board since 30 September 2008

Other information

We would also like to point out that Solucom is not under the control of any company; consequently Solucom directors do not receive any remuneration from such companies.

No Solucom director has received any remuneration other than that stated in the table below, including remuneration specified under Article L.225-102-1 paragraph 1 of the French Commercial Code (controlled companies).

The Company has no policy for severance pay, arrival pay or deferred pay in respect of departure or change of functions for Solucom directors as defined under Article L.225-90-1 of the French Commercial Code. Nor is there any supplementary pension scheme specific to Solucom directors as defined under Article L 225-79-1 of the French Commercial Code.

No Solucom director or executive has received any benefits in kind.

The ten following tables provide all data required under all current regulations including stock options and performance shares.

Summary of remuneration, stock options and shares granted to each executive director (table 1 of the AMF recommendations).

Euros	Gross annual remuneration 2007/08 Amounts due	Gross annual remuneration 2008/09 Amounts due
Pascal Imbert Chairman of the management board		
Remuneration due for the year	183,558	198,630
Value of options granted during the year	n/a	n/a
Value of performance shares granted during the year	n/a	n/a
Total	183,558	198,630
Patrick Hirigoyen Member of the management board		
Remuneration due for the year	163,867	186,350
Value of options granted during the year	n/a	n/a
Value of performance shares granted during the year	n/a	n/a
Total	163,867	186,350

Summary of remuneration granted to each executive director (table 2 of the AMF recommendations)

	Gross annual remuneration 2007/08		Gross annual remuneration 2008/09	
Euros	Amounts paid	Amounts due	Amounts paid	Amounts due
Pascal Imbert				
Chairman of the management board				
Fixed remuneration	138,000	138,000	144,000	144,000
Variable remuneration	38,288	45,558	48,708	54,630
Exceptional remuneration	n/a	n/a	n/a	n/a
Directors fees	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
Total	**176,288**	**183,558**	**192,708**	**198,630**
Patrick Hirigoyen				
Member of the management board				
Fixed remuneration	118,920	118,920	125,040	125,040
Variable remuneration	45,699	44,947	46,198	61,310
Exceptional remuneration	n/a	n/a	n/a	n/a
Directors fees	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
Total	**164,619**	**163,867**	**171,238**	**186,350**

Directors' fees and other remuneration granted to non-executive directors (table 3 of the AMF recommendations)

	Amount paid during the year 2007/08	Amount paid during the year 2008/09
Jean-Claude Malraison		
Directors fees	4,750	5,000
Other remuneration	n/a	n/a
Hervé Nora (a)		
Directors fees	4,750	2,500
Other remuneration	n/a	n/a
Jacques Pansard		
Directors fees	4,750	5,000
Other remuneration	n/a	n/a
Pierre Laigle (b)		
Directors fees	n/a	1,000
Other remuneration	132,554	151,296
Jean-François Perret (b)		
Directors fees	n/a	2,500
Other remuneration	n/a	n/a
Total	**146,804**	**167,296**

(a) Member of the supervisory board until 26 September 2008

(b) Member of the supervisory board since 30 September 2008

Stock options granted during the year to each executive director by the issuer and by other group companies (table 4 of the AMF recommendations)

	No. and date of plan	Option type (purchase or subscription)	Value of options per same method as for the consolidated accounts	Number of options granted during the year	Exercise price	Exercise period
Pascal Imbert	n/a	n/a	n/a	n/a	n/a	n/a
Patrick Hirigoyen	n/a	n/a	n/a	n/a	n/a	n/a
Total						

Stock options exercised during the year by each executive director (table 5 of the AMF recommendations)

	No. and date of plan	Number of options exercised in the year	Exercise
Pascal Imbert Patrick Hirigoyen	n/a n/a	n/a n/a	n/a n/a
Total			

Performance shares granted to each director (table 6 of the AMF recommendations)

Performance shares granted During the year by the general meeting to each director by the issuer and by all group companies	No. and date of plan	Number of options granted during the year	Value of options per the same method for the consolidated accounts	Date of acquisition	Date of availability	Performance conditions
Pascal Imbert Patrick Hirigoyen	n/a n/a	n/a n/a	n/a n/a	n/a n/a	n/a n/a	n/a n/a
Total						

Performance shares that became available for each director (table 7 of the AMF recommendations)

Performance shares that became available for each director	No. and date of plan	Number of shares becoming available during the year	Acquisition conditions
Pascal Imbert Patrick Hirigoyen	n/a n/a	n/a n/a	n/a n/a
Total			

Details of past stock options granted (table 8 of the AMF recommendations)

	Plan no.3	Plan no.4
Date of meeting		
Date of board of Directors or Management Board meeting	30/12/2002	30/12/2002
Total number of shares that can be subscribed or purchase, of which the number can be subscribed or purchased by directors :	41,724	59,052
Pascal Imbert	n/a	n/a
Patrick Hirigoyen	n/a	n/a
Michel Dancoisne	n/a	n/a
Earliest exercise date	30/12/2002	30/12/2002
Expiry date	29/12/2008	29/12/2008
Subscription or purchase price	2.06	2.06
Exercise Procedure (if the plan has several trenches)	n/a	n/a
Number of shares subscribed at 29/12/2008	32,212	44,938
Cumulative number of cancelled or lapsed stock options	5,588	12,050
Balance of outstanding stock options at year end	0	0

Stock options granted to the top ten beneficiaries among employees and directors and options exercised by them (table 9 of the AMF recommendations)

Stock options granted to the top ten employees (non directors) **and options exercised by them**	**Total number of options granted / shares subscribed or purchased**	**Weighted average price**
Options granted during the year by the issuer and all companies included in the stock option plan to the top ten employees of the issuer and all companies included in the scope	n/a	n/a
Options held on the issuer and the before mentioned companies, exercised during the year by the top ten employees of the issuer	16,220	2

Information on non-accumulation of directorships (table 10 of the AMF recommendations)

Executives and directors	Employment contract		Supplementary pension scheme		Compensations or benefits to be due following severance or change in duties		Non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Pascal Imbert Chairman of the Management Board		X		X		X		X

XII.4 Restrictions on executives pursuant to Articles L 225-185 and L 225-197 II section 4 of the French Commercial Code

On 18 June 2007, in accordance with Articles L 225-185 section 4 and L 225-197 II section 4 of the French Commercial Code, the Supervisory Board decided to establish a 25% minimum limit of the shares that directors of Solucom and all subsidiaries shall be required to retain in registered form until expiry of their term of office, in relation to the shares received in their capacity as directors under each plan introduced by Solucom insofar as they are eligible for such rights in accordance with legal conditions.

It is stated that:

This provision only concerns the plans implemented on behalf of directors following the effective introduction of the law dated 30 December 2006.

- No plan has been implemented since that date to the directors and that therefore said restrictions have not applied.

XII.5 Transactions in Company shares undertaken by Directors' and their families

Pursuant to the provisions of Article L.621-18-2 of the French Monetary and Financial Code and Article 223-26 of the AMF's General Regulations, we have set forth below the directors' and senior executives' transactions in the Company's shares and those of persons closely related to them during the financial year.

Mr. Pascal Imbert. Chairman of the Management Board of Solucom

- 8 December 2008 Purchase 2,148 shares €10.94
- 9 December 2008 Purchase 309 shares €10.83
- 10 December 2008 Purchase 88 shares €11.00
- 11 December 2008 Purchase 108 shares €11.00
- 15 December 2008 Purchase 20 shares €11.00
- 17 December 2008 Purchase 986 shares €10.98
- 18 December 2008 Purchase 410 shares €10.95
- 19 December 2008 Purchase 410 shares €10.86
- 22 December 2008 Purchase 1,875 shares €10.78

23 December 2008	Purchase	801 shares	€10.79
24 December 2008	Purchase	108 shares	€10.80
29 December 2008	Purchase	200 shares	€10.80
31 December 2008	Purchase	8 shares	€11.00

Mr. Jean-Claude Malraison. Vice-Chairman of the Supervisory Board of Solucom

30 December 2008	Purchase	119 shares	€11.00
31 December 2008	Purchase	200 shares	€11.00
13 January 2009	Purchase	250 shares	€11.00
14 January 2009	Purchase	200 shares	€11.00
23 January 2009	Purchase	216 shares	€11.00
27 January 2009	Purchase	263 shares	€11.00

Mr. Jean-François Perret. Member of the Supervisory Board of Solucom

5 December 2008	Purchase	1,000 shares	€11.04

Mr. Marc Muller. Chairman of Dreamsoft

23 May 2008	Sale	191 shares	€17.25
28 May 2008	Sale	906 shares	€17.25
3 June 2008	Sale	369 shares	€17.50

Mr. Siegfried Günther. Chairman of Idesys

25 August 2008	Purchase of FCPE units	187 units	€15.86

Mr. Bassam Almoussa, Chairman of Arcome SAS

9 September 2008	Sale	500 shares	€17.61
23 September 2008	Exercise of stock options	5,868 shares	€2.06 (exercise price)

Mr. Eric Rabaux. Chairman & CEO of Cosmosbay~Vectis

20 June 2008	Purchase	500 shares	€17.00
23 June 2008	Purchase	500 shares	€16.94
24 June 2008	Purchase	1,000 shares	€17.00

25 June 2008	Purchase of FCPE units	77 units	€17.00
27 June 2008	Purchase	800 shares	€17.25
27 June 2008	Purchase	50 shares	€17.40

XII.6 Supervisory Board and Management Board directors' terms of office

Management Board:

Mr Pascal Imbert:

- Mr. Pascal Imbert was reappointed Chairman of the Management Board by the Supervisory Board on 26 September 2008 for a period of six years. His term of office will expire on 26 September 2014.

Mr Patrick Hirigoyen:

- Mr. Patrick Hirigoyen, was reappointed Member of the Management Board by the Supervisory Board on 26 September 2008 for a period of six years. His term of office will expire on 26 September 2014.

Supervisory Board:

- Mr. Michel Dancoisne:

Mr. Michel Dancoisne was reappointed Member of the Supervisory Board and Chairman of the Supervisory Board in General Meeting and by the Supervisory Board on 26 September 2008 for a period of six years. His term of office will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- Mr. Jean-Claude Malraison:

Mr. Jean-Claude Malraison was reappointed Member of the Supervisory Board and Vice-Chairman of the Supervisory Board in General Meeting and by the Supervisory Board on 26 September 2008 for a period of six years. His term of office will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- Mr. Jacques Pansard:

Mr. Jacques Pansard was reappointed Member of the Supervisory Board in General Meeting dated 26 September 2008 for a period of six years. His term of office will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- Mr. Pierre Laigle:

Mr. Pierre Laigle was appointed Member of the Supervisory Board and Vice-Chairman of the Supervisory Board in General Meeting and by the Supervisory Board on 26 September 2008 for a period of six years. His term of office will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- Mr. Jean-François Perret:

Mr. Jean-François Perret was appointed Member of the Supervisory Board in General Meeting dated 26 September 2008 for a period of six years. His term of office will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

XII.7 Statutory Auditors' terms of office

- SLG EXPERTISE:

The term of office of the firm SLG EXPERTISE, Principal auditors, will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- CONSTANTIN ET ASSOCIES:

The term of office of the firm CONSTANTIN ASSOCIES, principal auditors, will expire following the Ordinary General Meeting which will approve the financial statements for the year ended 31 March 2013.

- Ms. Valérie Dagannaud:

The term of office of Ms. Valérie Dagannaud, supplementary auditor, will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2014.

- Mr. Michel Bonhomme:

The term of office of Mr Michel Bonhomme, secondary auditor, will expire following the Ordinary General Meeting, which will approve the financial statements for the year ended 31 March 2013.

XIII. Employee and environmental information

Employment

At 31 March 2009, Solucom employed a total of 966 staff, broken down as follows:

	Total headcount	**Of which fixed Term contracts**	**Of which part time**
Solucom SA	278	1	3
Total Firm	**966**	**6**	**38**

In accordance with the collective workers agreement, students on a sabbatical year, unlike trainees, are included as employees.

Note that 50% of fixed term employees are under work-study contracts and 50% replaced employees on maternity leave.

Employees joining and leaving the firm during the year are analysed as follows.

	Starters	Leavers	Reasons for leaving
Solucom	90	79	M = 6; D = 39; L = 4; F = 30; R = 0
subsidiaries	180	96	M = 3; D = 53; L = 8; F = 29; R = 3
Total Firm	**270**	**175**	M = 9; D = 92; L = 12; F = 59; R = 3
Total Firm excl. transfers	**261**	**166**	D = 92; L = 12; F = 59; R = 3

Reasons for leaving:
Resigned (D)
Redundancy (L)
End of contract (fixed-term - trial period) (F)
Internal transfers (M)
Retired (R)

The redundancies mentioned in this table are all for individual reasons.

During the financial year, 9 temporary staff were employed in the firm, of whom 4 were replacements for absent employees (in particular assistants) and five were consultants from the IT Transformation practice most of whom were subsequently hired under unlimited employment contracts.

XIII.1 Organisation of working time

All Group companies have implemented the French national reduction in the working week via a branch agreement signed with the Syntec federation.

Procedures applicable to individual staff categories are as follows:

- Engineers and managers

  Method 2 (215 to 218 days per year and 38.5 hours per week)

  Method 3 (214 to 218 days per year)

- ETAM: method 1 (between 35 and 39 hours per week capped at 1617 hours per year)

In view of the above working time organisation and the fact that the firm's business is not of a seasonal nature, overtime occurs only exceptionally.

Solucom only has a limited amount of staff absence. As an example, the absence rate for chargeable staff in the year ended 31 March 2009 was 1.48% of time excluding holidays and leave. This absence largely relates to illness. Absence due to maternity, paternity and unpaid leave (including full-time parental leave) is excluded from the calculation of the absence rate.

XIII.2 Remuneration

Total gross salaries over the last two financial years were as follows.

	Total salaries 2008/09	Total salaries 2007/08	Change
Solucom SA	13,227,906	11,831,977	12%
Subsidiaries	34,059,456	20,075,499	70%
Total Firm	**47,287,362**	**31,907,476**	**48%**

Social security charges for 2008/09 amounted to €20,819,000 of which €5,769,000 for Solucom SA and €15,051,000 for the subsidiaries.

During the year, Solucom SA, Idesys, Arcome SAS, Dreamsoft, New'Arch and KLC staff received a profit share calculated based on general law principles, amounting to a total of €1,409,000. Note that there is currently no profit sharing agreement for Vistali. Cosmosbay~Vectis has a profit sharing agreement but in view of its earnings for the year, there is no charge.

Solucom adheres to a strict policy of equality between men and women both in terms of remuneration and promotion.

XIII.3 Employee relations

Solucom has staff representatives and a workers council.

Arcome SAS, Dreamsoft, Idesys, Cosmosbay~Vectis and Vistali all have staff representatives and a workers council, which has been established as the sole staff representative body.

New'Arch and KLC have staff representatives.

There is no union representation within the firm.

An amendment to a Group profit sharing agreement was signed between Arcome, Dreamsoft, Idesys, KLC, New'Arch and Solucom on 6 June 2008 (backdated to 1 April 2008) in order to permit KLC to belong to said agreement.

XIII.4 Health and Safety

Solucom SA, Arcome, Dreamsoft and Idesys, Vistali and Cosmosbay-Vectis each have a work Health and Safety Committee.

The firm recorded 4 work travel accidents during the year of which 2 resulted in sick leave.

XIII.5 Training

During the financial year, the firm's staff received 1,388 training days under external professional training and 2,455 internal training days provided by the Solucom Institute (excluding self training days). The cost of external professional training amounted to €706,000 (excluding the cost of Group staff time spent in training), of which FAFIEC paid for €373,000.

639 employees, or 66% of total headcount, received at least one training course during 2008/09 including both internal and external courses.

The number of available 'DIF' (French employee entitlement to training) hours at 31 March 2009 is 39,635 hours.

The firm maintains close relations with around twenty engineering and business colleges, from where it recruits a large number of students. The various conditions of these partnerships include the payment of *taxe d'apprentissage* (French training tax), participation in educational activities (in particular lessons given by senior consultants of the firm), employing apprentices and participation in students associations.

XIII.6 Social activities

Social activities are managed by the works councils of the firm's companies.

Social activities organised largely relate to sporting and cultural events.

XIII.7 Handicapped employees

At 31 March 2009 there was one handicapped employee with the firm. The firm's contribution in 2008/09 to employment of handicapped people amounted to €268,000.

XIII.8 Outsourcing

Given that Solucom provides high value-added and specialised services, it does not use external personnel in conjunction with outsourcing contracts.

XIII.9 Environmental information

Solucom's business only relates to intellectual services which have a negligible impact on the environment. In particular this applies to use of the firm's fixed assets. However, Solucom has decided to take the following measures to minimise its impact on the environment even though it is already minimal: printing paper and consumables recycling, use of recycled paper for certain documents published by the Company and application of video-conferencing to reduce travel.

XIV. Risks faced by Solucom SA and the firm

The firm's financial and operational risks are explained in the paragraphs below.

XIV.1 Financial risks

Liquidity risk

Net cash flow from operating activities enables the firm every year to fund organic growth, including changes in working capital and operational capital expenditure, excluding acquisitions.

As at 31 March 2009, the firm's gross cash and cash equivalents net of overdrafts amounted to €3,607,000. The firm's policy is to place excess cash exclusively in risk-free money market investments.

In addition, at the end of March 2008, the firm took out a €10,000,000 loan, repayable over 5 years, with no covenants. The outstanding balance as at 31 March 2009 amounted to €8,036,000.

Finally, after obtaining three new credit lines totalling €10,000,000 in the fourth quarter 2008/09, the firm had seven lines of credit amounting to €11,933,000 as at 31 March 2009. Of the seven credit lines, three amounting to €7,100,000 at 31 March 2009 are subject to covenants, with which the firm has always complied since the implementation of these lines, and the lines are currently undrawn.

Interest rate risk

Interest rate risk is managed by the finance department in liaison with the main banks. Where applicable the firm uses hedges against any rise in its future repayments by using derivative financial instruments contracted with top-ranking banks.

A hedge of this type was contracted for the loan taken out at the end of March 2008.

Exchange rate risk

Since virtually all Solucom's clients are located in France or elsewhere in the euro zone, the firm's exposure to exchange rate risk is not material.

Client bad debt risk

Since the vast majority Solucom's clients are major corporate accounts, there is little risk of default or client bad debts.

However, there is a risk of default or client bad debts when the client is a small or medium-sized business or a foreign company outside the European Union (under 10% of the firm's revenues). In such cases it is the responsibility of the management of the company concerned to take all steps necessary to provide reasonable assurance of payment for services rendered, in coordination with the finance department whenever necessary.

Equity risk

The only shares held by the firm are as follows:

- Solucom's treasury shares held in conjunction with its share buy-back programme (see paragraph XV in respect of the objectives of the share buy-back programme).
- Shares of a listed company held as an asset by one of the companies acquired by Solucom

At 31 March 2009, Solucom held a total of:

- 62,270 Solucom shares representing a market value of €676,000.
- 3,880 shares of the listed company, representing a market value of €97,000

Please note, in the firm's consolidated financial statements, treasury shares are accounted for as a deduction from shareholders' equity and any change in value has no impact on earnings.

With regard to the shares of the listed company, these shares are included under financial assets held for sale in Solucom's consolidated financial statements; the change in fair value of these shares, which was not material for the consolidated income statement, was posted to shareholders' equity in the consolidated financial statements.

XIV.2 Operational risks

The operational risks stated in the paragraphs below are those, which in the Company's opinion represent the greatest risk in terms of potential impact or probability.

Risks arising from the current economic environment

The current economic and financial environment is proving to be a major challenge and the general economic slowdown is giving rise to doubts about Solucom's business. Consequently, the business may be hit by budget cuts among its clients, project interruptions and generally by a reduction in demand concurrent with a rise in competitive pressures. We should however point out that in the past Solucom has demonstrated its capacity to hold up well during periods of deep economic recessions.

Legal risk

Solucom's activities are not subject to any specific regulations.

Functional managers such as human resource managers (regarding employment law), and the finance department (regarding commercial law), represent an additional support for operations when they are faced with specific cases that are not covered under internal policies. These functional managers are also supported by specialist external consultants.

As part of its client services, Solucom often has to make contractual commitments requiring specific monitoring. For example, this may include confidentiality agreements or exclusivity agreements etc...

These commitments are entered into under the responsibility of the senior management of each Group company, including, where applicable, the possibility to delegate to certain managers. The senior managers involved are charged with ensuring that all such commitments are transparent and visible, and that procedures are in place to ensure compliance therewith.

Business civil liability risk

The firm has taken out business professional liability insurance offering the following coverage:

- Operating civil liability
  - Material damage — €10.0m per claim
  - Consecutive or direct material / intangible damage — €10.0m per claim
- Business civil liability
  - Consecutive or direct material / intangible damage — €5.0m per claim and per year

There is a deductible of €75,000 in conjunction with the business professional liability policy.

Risk on fixed-price projects

Fixed-price projects represent some 30% to 40% of the firm's revenues (38% in 2008/09).

Solucom follows a strict project management approach backed by the firm's management systems. Each fixed-price project is divided into separate lots. There is always a project manager for every lot. The project manager is responsible for managing the services performed and supervising the people working on the lot.

Every month, he analyses expenses booked by each person to the lot and prepares an updated forecast of the outstanding work that results in a stage of completion, revenues recorded for the month and any days of expenses overrun budgeted on the lot.

This analysis, which is automatically reported to management on the first few days of the month, identifies any variances as soon as possible in order to trigger the necessary corrective action.

Over the last few years, the average level of overruns has never exceeded 2% of the total number of days of the productive staff's on-site presence excluding holidays and leave (0.9% in 2008/09).

Human resources risk

Solucom's success is a direct result of its ability to recruit and retain high potential employees. Solucom's approach to recruitment is based on hiring young graduates from the top colleges in the firm's business.

In the medium term, recruitment will certainly be a key challenge for Solucom, given the high competition to recruit the calibre of staff the firm seeks. In order to master this key success factor, every year Solucom devotes considerable investment to recruitment.

Apart from recruitment, controlling staff turnover also represents a challenge, given that managers gain highly sought-after experience with the firm. Controlling staff turnover is the joint responsibility of the Company's management and human resources. Staff turnover fell sharply during the year to 9% in 2008/09, down from 13% in 2007/08.

Note that given the economic environment, 2009/10 will most likely see a sharp fall in recruitment shortages and staff turnover.

Information systems risk

As the firm grows, information systems represent an increasingly important asset for Solucom. They enable commercial and operational activities, produce the financial statements, enable internal and external communication and allow the firm to consolidate and organise the knowledge management database distributed to all staff.

Steps have been taken to ensure that each of the key areas of the system can be recovered within the prescribed deadlines in the event of any incident, except in the case of a major disaster. In order to cope with such disasters, a daily back-up is made and, once a week, a complete back-up is sent to a location outside the premises.

Lastly, the system is protected against external penetration by state-of-the-art IT security technology.

Risks arising from acquisitions

Solucom's external growth strategy frequently involves acquiring new companies. For each acquisition, Solucom systematically seeks to ensure that the management of the acquired company follows the joint operational strategy. These discussions in advance foster seamless integration and limits the risk that key persons will leave. As part of the integration process for each company, Solucom ensures it:

- rapidly rolls out the firm's management systems within the new entity in order to be able to closely monitor the operational business,
- implements revenue synergies particularly by working to deploy the Company's know how based on experience with existing clients
- standardise operational procedures to boost efficiency and identify opportunities sharing resources in order to cut costs

The integration method developed by Solucom has generally been successful and led to rapid and large improvements in operational performance in the companies acquired. Risks arising from any acquisition nevertheless remain and Solucom cannot guarantee that its integration method will systematically control such risks in the future as it has done in the past.

Risks in performing engagements

To ensure top quality when performing engagements, the firm has a range of methods and engagement managers take specific training courses so that they can develop leading skills in their specialisations. Engagement managers ensure strict compliance with the client-approved specifications and the engagement instructions in direct coordination with the client's operational staff concerned.

However, it may turn out that the difficulty of execution is under-estimated and/or that certain items have not been clearly defined in the specifications. If these problems are not identified in time, they could cause major budget overruns on certain engagements, losses for which Solucom may be held liable, even if they would be covered by the firm's professional liability insurance, and could damage the firm's reputation.

XV. Share buy-back programme - Article L225-211 Para. 2 of the French Commercial Code

Pursuant to a resolution taken at the Ordinary General Meeting dated 26 September 2008, the Management Board was authorised to implement a new share buy-back programme in accordance with Articles L225-209 of the French Commercial Code and Articles 241-1 to 241-6 of the AMF's general regulations; this programme followed a previous programme authorised by the Ordinary and Extraordinary General Meeting dated 28 September 2007.

This represents the tenth share buy-back programme and was implemented immediately by the Management Board on 26 September 2008, the details of which are specified in the Reference Document submitted to the AMF on 30 June 2008 under number D 08-0520, and was announced in a press release on Solucom's website dated 26 September 2008.

We hereby declare that the details at 31 March 2009 pertaining to the two previous programmes, which continued without interruption during the year ended 31 March 2009, and implemented by the Management Board, are as follows:

- 29,769 treasury shares were purchased during the year for a total value of €399,413, at an average price of €13.42 per share.
- 25,018 treasury shares were sold during the year for a total value of €341,909 at an average price of €13.67.
- There were no trading expenses.
- 31,443 shares valued at €341,909 were issued free of charge to employees representing an average value per share on issue of €11.66.
- There were 62,270 treasury shares included in the balance sheet as of 31 March 2009 at a book value of €629,550, or an average value per share of €10.11. The nominal value of each share is €0.10.
- Treasury shares represent 1.25% of share capital.

Note that, in a press release dated 5 January 2007, we informed you that we signed a new liquidity contract in accordance with the AFEI Charter with Portzamparc SA, with effect from 8 January 2007, for a period of one year renewable by tacit agreement. An increase in the funds allocated to this contract took effect as from 16 April 2007. A press release announcing this increase was issued on 16 April 2007. There has been no change in funds allocated since then.

The table below summarises all details of the purposes, uses and any subsequent reallocations:

	Market liquidity	Holding in view of future acquisitions	Issued to employees	Issued when options are exercised
Balance at 31/3/2008	15,241	57,721	16,000	0
Purchases	25,453	4,316	-	0
Sales	(25,018)	-	-	0
Reallocations	-	(15,443)	15,443	0
Withdrawals	-	-	(31,443)	0
Balance at 31/3/2009	15,676	46,594	0	0
Value (€)	158,484	471,066	0	0
% of share capital at 31/3/2009	0.31%	0.94%	0.00%	0.00%

New authorisation

The Management Board recommends that you approve a new programme with the following key terms and conditions.

A summary of this new programme is as follows:

a) Objectives

- Ensure the liquidity of the secondary market or that of Solucom shares by the involvement of an independent investment services provider pursuant to a liquidity contract in accordance with the Ethics Charter recognised by the *Autorité des Marchés Financiers* (French financial markets regulator);
- Hold shares with a view to issuing them subsequently as consideration for mergers or acquisitions;
- Allot shares to employees and/or directors of the Company and/or its Group companies in accordance with legislation, notably in order to financially incentivise employees or directors in the Company's earnings, to implement any company or inter-company savings plan for employees, to introduce or cover any stock option plan or to issue bonus shares;
- Allot shares on the exercise of securities with entitlement to subscribe to the Company's share capital by any means.

b) Maximum limit

10% of the share capital after deducting existing treasury shares and reduced to 5% in respect of shares acquired to hold and issue in consideration for future mergers and acquisitions.

c) Financial terms for buying shares

Maximum purchase price per share: €35, in line with the average market price over the last few months.

d) Cancellation of shares

Not applicable, unless authorised thereto at a future extraordinary general meeting.

e) Duration of authorisation

With effect from the Extraordinary and Ordinary General Meeting dated 25 September 2009, until the next General Meeting convened to approve the financial statements for the year ended 31 March 2010, and, in all circumstances within 18 months, it being specified that the 25 September 2009 Extraordinary and Ordinary General Meeting will supersede the preceding authority, without interruption, until any new authority.

Naturally, the Management Board, with approval of the Supervisory Board, must prepare a new report of the share buy-back programme that is given in the Reference Document 2008/09.

XVI. Items that may have an impact during periods of public tender offers

Pursuant to Article L.225-100-3, we hereby specify the following points:

- The capital structure and the direct or indirect investments, of which Solucom SA is aware, and all information related thereto are described in this report and in the Reference Document submitted to the AMF on 30 June 2008 under number D 08-0520,
- To Solucom's knowledge, there are no agreements or any other commitments signed between shareholders,
- There are no securities granting special powers of control, with the exception of double voting rights as specified under Article 11-4 of the articles of association in accordance with regulations,
- There are no clauses in the articles of association restricting the exercise of voting rights or transfers of shares,
- Voting rights attached to Solucom shares, with regard to the employee savings plan described under paragraph II.C.2, are exercised by the "Solucom Actions" Company mutual fund ('FCPE'),
- Rules for the appointment and dismissal of members of the Management Board are based on general law,
- The Management Board's current powers are described in this report under paragraph XV (share buy-back programme) and in the table of approvals regarding capital increases attached to this report and detailed under paragraph XIX below,
- Changes to Solucom's articles of association are made in accordance with current legislation and regulations,
- There are no agreements involving severance compensation in the event of the departure of members of the Management Board.

XVII. Comments of the workers council

None.

XVIII. Report of the Chairman in accordance with the provisions of article L.225-68 of the French commercial code

Attached to the Ordinary General Meeting section of this report is the report of the Chairman of the Supervisory Board dated 2 June 2009.

This report, which is presented to you herewith, contains all disclosures specified under Article L.225-68 of the French Commercial Code; it was approved by the Supervisory Board on 2 June 2009, in accordance with current regulations.

Following the approval by the Supervisory Board as stated above, this report was given to the statutory auditors pursuant to legislation. The statutory auditors will present their comments on this report from the Supervisory Board Chairman under Article L.225-68 of the French Commercial Code in a report attached to their report on the financial statements.

XIX. Table of approvals regarding capital increases

Pursuant to the provisions of Article L.225-100 section 7 of the French Commercial Code, please find attached to this report a table summarising the currently valid powers related to capital increases as granted by the Extraordinary and Ordinary General Meeting dated 28 September 2007.

XX. Control of the statutory auditors

We will read the following reports:

- The general auditors report on the Company financial statements,
- The auditors report on the consolidated financial statements,
- The auditors report on regulated agreements and commitments,
- The auditors report on the report of the Chairman of the Supervisory Board under Article L.225-68 of the French Commercial Code.

Having heard the reading of the reports of the statutory auditors and of the Supervisory Board, the Management Board invites you to adopt the resolutions that it submits to your vote.

Extraordinary General Meeting:

Under the terms of this part of the Management Board's report, it is proposed to renew a number of' authorisations given to the Management Board by previous Extraordinary General Meetings with regard to capital increases and more generally financial transactions involving the Company's share capital either immediately or in the future, the last authorisations being given by the Ordinary and Extraordinary General Meeting of 28 September 2007, as summarised in a table annexed to this report in accordance with legislation.

We have shown them by type of authority and/or authorisation.

I. Powers granted to the Management Board to increase share capital (seventh to eleventh resolutions)

We submit resolutions to you that cover powers given to the Management Board for increasing share capital by immediate or future issue of ordinary shares or financial instruments giving entitlement to Solucom ordinary shares.

Preference shares are excluded from these powers granted hereto.

We remind you that:

- The Management Board already has powers to issue shares with or without preferential subscription rights, and also financial instruments giving access to share capital, that is to say shares with attached warrants, convertible bonds, or stock options,
- The Management Board has not made use of these powers, which expire during the financial year 2009/10,
- These powers are intended to give Solucom the capacity to pursue growth at the appropriate moment and according to the opportunities offered by the market,
- The new authorisations you grant will supersede with immediate effect the powers given by the Ordinary and Extraordinary General Meeting of 28 September 2007 in its tenth to fourteenth resolutions.
- Besides the global limit that is proposed in the eleventh resolution the resolutions described below apply lower limits in line with best market practices according to the type of transaction envisaged,

The Management Board therefore proposes, in accordance with the provisions of the French Commercial Code (Article L.225-129 *et seq.*), to renew these powers for increasing share capital with maintenance or suppression of preferential subscription rights, for a period of 26 months.

<u>By the seventh resolution</u> you are requested to authorise the Management Board to issue, either in France or abroad, ordinary shares or any other financial instruments that give access to share capital with maintenance of shareholders' preferential subscription rights, as for example convertible bonds or bonds repayable in shares or bonds with attached share warrants.

The maximum nominal value of capital increases with preferential subscription rights is limited i) to €248,344.10 or 50% of share capital for ordinary shares and ii) to €30,000,000 for debt instruments. These amounts are fixed subject to the rights of certain holders of equity shares in the event of the issue of new shares.

<u>By the eighth resolution</u> you are requested to authorise the Management Board to issue, either in France or abroad, ordinary shares or any other financial instruments with preferential subscription rights.

The maximum nominal value of capital increases with suppression of preferential subscription rights is limited i) to €124,172,05 euros, or 25% of the share capital for ordinary shares in the event of a public offer (reduced to 15% in the event of a private placement as defined by Article L.411-2 II of the French Monetary and Financial Code) and ii) to €15,000,000 for debt instruments. These amounts are fixed subject to the rights of certain holders of equity shares in the event of the issue of new shares.

The power to make issues without preferential subscription rights enables the Management Board to carry out transactions where rapidity is an essential condition of success, with the further advantage of canvassing either a new public offer by issuing on international or foreign markets, or a private limit aimed at qualified investors or a limited circle of investors having regard to the latest regulatory developments (23 January 2009 decree concerning APE, the French principal activity code).

However, in this type of transaction, the rights of all shareholders will be preserved by:

- the possibility given to the Management Board of allowing shareholders a subscription priority of five days, reducible or not.
- the fact that the French Commercial Code requires the issue price of the shares to be at least equal to the weighted average of the prices of the last three trading sessions preceding the day on which the price is fixed, with a maximum possible discount of 5%.

This power also makes it possible to give consideration for new shares or financial instruments contributed to the Company in a public tender offer.

By the ninth resolution you are requested to authorise the Management Board to increase the size of an issue that has been decided under the seventh and eighth resolutions in the event of over-subscription.

The additional increase in capital that could thus be introduced within 30 days of the closure of the initial subscription shall not exceed 15% of the initial issue and must be made at the same price.

By the tenth resolution you are requested to authorise the Management Board to issue ordinary shares or any other financial instruments that give access to share capital, in accordance with the provisions of the French Commercial Code, up to the limit of 10% of share capital, to give consideration for contributions in kind consisting of ordinary shares or financial instruments giving access to the share capital of third party companies.

Conclusion:

This body of financial authorisations will provide the Management Board with great flexibility in the choice of future issues and will enable it to adapt the kind of ordinary shares or other financial instruments to be issued according to its development objectives, and the demand from and state of French, foreign and international markets.

II. Powers to the Management Board to allow increases in share capital by capitalisation of reserves, retained earnings, share and merger premiums or other contributions

By the twelfth resolution you are requested to authorise capital increases which would result from the capitalisation of reserves, retained earnings, premiums or any other element that may be incorporated in share capital, to be capped at €400,000, strictly identical to the amount authorised by the Ordinary and Extraordinary General Meeting of 28 September 2007.

The existence of a distinct and independent limit of €400,000 is justified by the very different nature of the capitalisation of reserves and other capital increases, since they are operated either by the issue of bonus shares to shareholders, or by increasing the nominal value of existing shares, that is to say without dilution for shareholders and without changing the total shareholders' equity in Solucom.

III. Company and firm Employees' access to capital as part of a PEG (group Savings Plan)

We remind you that the Management Board has for a number of years been authorised to carry out capital increases reserved for employees participating in the firm Savings Plan and also to carry out capital increases reserved for entities in favour of Group employees, in application of the regulations currently in force. The Management Board has not made use of these authorisations.

The authorisations made to the Management Board referred to in paragraph I above in relation to an increase in share capital carry the obligation to submit a draft resolution to the General Meeting aimed at allowing a possible capital increase reserved for employees participating in company or group savings plans.

By the thirteenth resolution you are therefore requested to authorise the Management Board to decide to carry out one or more increases that would fall under the provisions of , articles L.225-129 to L.225-129-6 and L.225-138-1 of the French Commercial Code and L.3332-18 et seq. of the French Employment Code, up to a maximum limit of 5% of share capital,.

The limit for this authorisation is identical to that of previous authorisations and remains in line with market practice, which adjusts the limit according to the level of employee participation in company share capital; it being stipulated that this limit is independent of the limit fixed by the eleventh resolution with regard to limits to the authorisations to increase share capital, but is included in the limit of the fourteenth resolution concerning Solucom bonus share issues and included in a common limit for these two incentive and loyalty building instruments aimed at the employees and associates of Solucom.

This authorisation supersedes with immediate effect the authorisation of the Ordinary and Extraordinary General Meeting of 28 September 2007.

IV. Bonus issue of shares

The French 2005 Finance Act entitled companies to authorise management boards to issue bonus shares free of charge to their employees and directors and to those of their group companies, up to 10% of their share capital. The Board has already received two authorisations in this sense.

By virtue of these two authorisations, the Management Board has implemented five bonus issue plans (see special reports of the Management Board for years 2007/08 and 2008/09 and paragraph I – C of this report).

By the fourteenth resolution we recommend that you once again authorise the Management Board to issue existing or future bonus shares to the Company's and/or Group employees and directors in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code.

According to law, bonus share issues may not be made to employees or company officers who hold over 10% of the share capital. We hereby inform you that as regards such allocations to the executives and directors of Solucom SA and its subsidiaries, the Company will apply the AFEP / MEDEF and AMF recommendations and the new provisions set out in the Act of 3 December 2008 in favour of employment incomes.

The maximum amount of this authorisation shall be set at:

- 6% of the Company's share capital for bonus issues to employees of Solucom SA and its Group companies
- 1% of the Company's share capital for bonus issues to executives and directors of Solucom SA and its subsidiaries

This percentage will be assessed at the date of the issue, it being stipulated that this limit is independent from that fixed by the eleventh resolution with regard to the limits of authorisations to increase share capital, but is included in the limit fixed by the thirteenth resolution concerning Solucom bonus share issues and included in a limit common to the two instruments.

This authority shall be granted for a period of twenty-six months.

You should terminate the previous partially used authorisations with immediate effect, and grant the Management Board all powers to decide, introduce and execute such transactions, and generally take all necessary steps.

V. Cumulative limit in respect of the powers granted by the 13th and 14th resolutions

By the fifteenth resolution we propose to limit the Management Board's authorisation to make cumulative use of the provisions made by the 13th and 14th resolutions, to 6% of Solucom's share capital at the date of use, to limit shareholder dilution while conferring on your Management Board the complete range of incentives aimed at giving profit sharing and equity stakes in the development of the Company and the Group to the employees and/or directors.

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You will hear the opinions and comments of the Supervisory Board and the Auditors in the readings of their reports.

The Management Board invites you to adopt the resolutions submitted for your vote in the Extraordinary General Meeting.

The Management Board

26 May 2009

Completed 2 June 2009

Appendix to the Management Board report

Table of currently valid powers concerning capital increases conferred by the Ordinary and Extraordinary Annual General Meeting of 28 September 2007

Resolution number	Purpose	Duration of the authorisation	Maximum limit	Use
10th	Issue of shares and Issue of any equity securities and debt securities with prior subscription rights (except preference shares) with over-allotment facility up to 15% of the initial issue within the maximum limit. Articles L.225-129 et seq. and L.225-135-1 of the French Commercial Code	26 months	Equity securities: €400,000 Debt securities: €30,000,000	Not applicable
11th	Issue of shares and any equity securities and debt securities without prior subscription rights, (except preference shares) including for purposes of providing consideration for securities allocated under a public tender offer, with an over-allotment facility of up to 15% of the initial issue limit. Articles L.225-129 et seq., L.228-91, L.228-92, L.225-135-1 and L.225-148 of the French Commercial Code	26 months	Equity securities: €400,000 Debt securities: €30,000,000	Not applicable
12th	Capitalisation of reserves, retained earnings or share or merger premiums or other Articles L.225-177 et seq. and L.225-135-1 of the French Commercial Code	26 months	€400,000	Not applicable
13th	Consideration for non-cash asset transfers received by the issue of any equity securities, ordinary shares and/or equity securities giving access to share capital. Articles L.225-129 et seq. and L.225-147 of the French Commercial Code	26 months	10% of share capital within the limit specified under the 11th resolution.	Not applicable
14th	Overall limit of the authorisations and issues of the 10th to 13th resolutions.	26 months	Equity securities: €400,000 Debt securities: €30,000,000	
15th	PEE (personal equity plan)	26 months	5% of the share capital and within the limit	Not applicable

	Article L.225-129 -6 of the French Commercial Code		specified under the 14th resolution.	
16th	Stock option plan (subscription) Articles L.225-177 et seq. of the French Commercial Code	38 months	4% of the share capital as at the date of the preceding issue of stock options, excluding any stock options still valid under the previous authorisations and subject to the overall limit specified under the 14th resolution	Not applicable
17th	Stock option plan (purchase) Articles L.225-177 et seq. of the French Commercial Code	38 months	4% of the share capital as at the date of the preceding issue of stock options, excluding any stock options still valid under the previous authorisations overall limit specified under the 14th resolution	Not applicable
18th	Bonus issue of new or existing shares to employees or certain categories thereof and to directors of the Company and/or its subsidiaries. Articles L.225-177 et seq. of the French Commercial Code	38 months	6% of the share capital and subject to the overall limit specified under the 14th resolution	Not applicable
19th	Maximum overall limit for use by the Management Board of authorisations specified under the 15th, 16th, 17th and 18th resolutions	-	6% of the share capital.	Not applicable

Financial results and other details of the company during the past five years

€000

(Decree 67-236 dated 23/03/1967)

	31/3/05	31/3/06	31/3/07	31/3/08	31/3/09
Share capital at year end					
Share capital	455	459	466	495	497
Number of ordinary shares	1,193,970	1,203,134	4,889,480	4,950,662	4,966,882
Income statement details					
Net revenues	22,253	26,147	30,953	37,285	45,605
Profit bef. tax, profit share, depreciation and provisions	4,148	4,514	4,817	8,197	8,055
Corporation tax	1,248	1,092	1,155	1,601	1,437
Employee profit share	420	354	426	530	581
Profit after tax, profit share, depreciation and provisions	4,462	2,969	2,895	5,525	5,549
Dividends	401	475	677	929	932
Earnings per share					
Profit after tax and profit share, before depreciation and provisions	2.08	2.55	0.66	1.23	1.22
Profit after tax, profit share, depreciation and provisions	3.74	2.47	0.59	1.12	1.12
Dividends	0.34	0.40	0.14	0.19	0.19
Personnel					
Average number of employees	166	194	199	245	265
Total wages and salaries	9,179	10,252	10,590	12,101	13,497
Social security and other staff benefits	4,103	4,661	4,953	5,661	6,294

Treasury shares held under the share buy-back programme do not attract dividends; the difference between the amount allocated for dividend distribution as stated above and the amount actually paid is posted to retained earnings.

Supervisory Board report to the Ordinary and Extraordinary General Meeting dated 25 September 2009

Ladies and Gentlemen,

In accordance with our statutory responsibilities and engagement, we are honoured to submit to you our report on the supervision of the Management Board during the year ended 31 March 2009 in conjunction with the Annual Ordinary General Meeting dated 25 September 2009.

In accordance with legislation, our role is to comment on the management report of the Company's and the Group's activity as prepared by the Management Board, on the Company and consolidated financial statements for the year ended 31 March 2009 and on the other points stated on the agenda included in your meeting notice.

I. Comments on the Company and consolidated financial statements for the year ended 31 March 2009

You have just heard the presentation of the Management Board report and the Company's statutory auditors report.

The Management Board gave us the accounting documents covering the Company and consolidated financial statements for the year ended 31 March 2009, which you will be invited to approve, within the statutory time periods.

The Supervisory Board has no comment concerning the Company and consolidated financial statements for the year ended 31 March 2009, as prepared by the Management Board. Accordingly, it hereby approves them.

The Supervisory Board recommends that you approve the Company financial statements, approve the earnings appropriation, and decide on the distribution of dividends, as presented by the Management Board.

The Supervisory Board also recommends that you approve the consolidated financial statements including the net profit Group share appearing therein.

The Supervisory Board also has no comment concerning all the reports prepared by the Management Board.

II. Comments on the report of the Supervisory Board Chairman pursuant to the provisions of Article L.225-68 paragraph 7 of the French Commercial Code

We hereby state that during its meeting dated 2 June 2009, the Supervisory Board approved, without qualification or comment, the report of the Supervisory Board Chairman pursuant to the provisions of Article L.225-68 paragraph 7 of the French Commercial Code, as attached to the report of the Management Board (Ordinary General Meeting), and as published in accordance with the reporting requirements under the general regulations of the AMF (French financial markets regulator).

III . Comments on the other points stated on the agenda: Extraordinary General Meeting

The Supervisory Board has no comment on the decisions submitted for your approval and requests that you approve them and vote in favour of all resolutions granting powers to the Management Board with respect to financial transactions covering the share capital, in accordance with current legislation and regulations.

The Supervisory Board

2 June 2009

Risks

Solucom has carried out a review of its risks and considers that there are no material risks other than those presented below. The paragraphs which follow present in detail the risks to which the firm is exposed. In accordance with current regulations, the financial risks presented hereafter and the main operational risks are also summarised in the Management Board report to the General Meeting.

I. Market risks

Liquidity risk

Cash and treasury management

Free cash flow (€8.0 million in the year ended 31 March 2009) enables the firm to meet all its funding requirements excluding acquisitions (in particular changes in working capital and ongoing capital expenditure).

Furthermore, cash held and available amounting to €19.7 million at 31 March 2009 enables the firm to meet all its liabilities arising from acquisitions and provides significant financial flexibility.

Cash held and available at 31 March 2009 breaks down as follows:

• €3.6 million of cash and cash equivalents (cash after deducting overdrafts and accrued interest, and marketable securities),

• €11.9 million of additional available funds (authorised overdraft facilities, none of which is currently used): three of these seven lines of credit are subject to covenants representing total available funds of €7,100,000 at 31 March 2009, and the corresponding covenants have never been breached,

• €4.2 million of cash facilities.

Cash and cash equivalents are exclusively placed in liquid investments. Solucom does not discount or factor invoices.

Borrowings at 31 March 2009 break down as follows:

• €8.0 million of bank loans and sundry borrowings, the firm having taken out at the end of 2007/08 a €10.0 million loan repayable over 5 years and with no covenants,

• €0.7 million of finance lease liabilities.

Breakdown of the firm's debt

Number	Loan characteristics	Interest rate	Balance at 31 March 2009	Maturity date	Loan hedge
1	5 year loan of €4.0 million, repayable in 10 half-year instalments	Variable (based on EURIBOR 6 months)	€3.2 million.	27/03/13	-
2	7 year loan of €6.0 million, repayable in 10 half-year instalments with effect from the first availability date of the funds, with a two year holiday as from the effective date of the contract	Variable (based on EURIBOR 6 months)	€4.8 million.	27/03/15	-

Breakdown of available funds (new unused credit facilities)

Number	Loan characteristics	Interest rate	Balance at 31 March 2009	Maturity date	Loan hedge
1	New 6-year facility of €0.8m - repayable in quarterly instalments	Variable (based on EURIBOR)	€0.3 million.	25/01/11	-
2	New 5-year facility of €1.5m - repayable in half-year instalments	Variable (based on EURIBOR)	€0.6 million.	01/11/10	-
3	New 5-year facility of €1.5m - repayable in half-year instalments	Variable (based on EURIBOR)	€0.6 million.	01/11/10	-
4	New 6-year facility of €0.7m - repayable in annual instalments	Variable (based on EURIBOR)	€0.4 million.	08/08/12	-
5	New 5-year facility of €5m - repayable in annual instalments	Variable (based on EURIBOR)	€5.0 million.	02/03/14	-
6	New 5-year facility of €3.5m - repayable in annual instalments	Variable (based on EURIBOR)	€3.5 million.	02/03/14	-
7	New 5-year facility of €1.5m - repayable in half-year instalments	Variable (based on EURIBOR)	€1.5 million.	02/03/14	-

Loan covenants

The contractual terms of the two loans taken out at year end 2007/08 amounting to €10.0 million do not have any covenants.

On 28 October 2005, Solucom also took out two credit facilities for a total of €3.0 million in conjunction with the financing of the Dreamsoft acquisition. These credit facilities were granted for a term of 5 years by two banks, each for €1.5 million (facilities no. 2 and 3). Facility no. 3 includes certain conditions, which, if broken, could lead to its early repayment.

These conditions consist of the obligation to satisfy at least one criterion out of two, based on the ratio of gross debt divided by free cash flow, which must remain at less than 3, and shareholders' equity, which must remain at less than 1.

On 2 March 2009, Solucom took out three credit facilities for a total of €10.0 million in conjunction with the financing of the Cosmosbay~Vectis acquisition. These credit facilities were granted for a term of 5 years by three banks, for €5 million, €3.5 million and €1.5 million (facilities no. 5, 6 and 7). Facilities no. 5 and 7 include certain conditions, which, if broken, could lead to their early repayment.

The covenant on facility no. 5 requires that the ratio of net debt divided by free cash flow remains below 3. The covenant on facility no. 7 requires that the ratio of gross debt due in over one year divided by EBITDA remains below 2.5.

At 31 March 2009, all the criteria were satisfied.

Interest rate risk

Interest rate risk is managed by the firm's finance department in liaison with its main banks. The firm's policy is generally to hedge against any rise in its future repayments by using derivative financial instruments contracted with top-ranking banks. A hedge of this type was contracted for the loan taken out at the end of March 2008.

The following table shows the maturity of the firm's financial assets and borrowings.

At 31 March 2009 (€000)	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Borrowings	8,759	2,372	6,387	0
Financial assets [1]	3,607	3,607	0	0
Net cash position before a/l management	5,152	(1,235)	6,387	0
Management derivatives	0	0	0	0
Net cash position after a/l management	5,152	(1,235)	6,387	0

[1] Cash and cash equivalents, net of bank overdrafts.

The firm's exposure to a movement of 1% in short-term interest rates can be estimated at a P&L impact of €12,000. This figure is based on the net balance due in less than one year covering all financial assets and borrowings.

The firm's debt and cash and equivalents are supervised by Solucom's Management Accounting department and are reported on a monthly basis as part of the management summary report. For treasury purposes, Management Accounting use specialised treasury software that is directly linked to on-line banking systems of its banks.

Exchange rate risk

Since virtually all Solucom's clients are located in France or elsewhere in the euro zone, the firm's exposure to exchange rate risk is not material.

Equity risk

The only shares held by the firm are as follows:

• Treasury shares held in conjunction with the firm's share buy-back programme

• Listed company shares stated as from the acquisition date as an asset in the books of companies acquired by Solucom

As at 31 March 2009, Solucom held a total of:

• 62,270 Solucom shares representing a market value of €676,000

• 3,880 listed company shares representing a market value of €97,000

Please note, in the firm's consolidated financial statements, treasury shares are accounted for as a deduction from shareholders' equity and any change in value has no impact on consolidated earnings.

With regard to the listed company shares, these shares are included under financial assets held for sale in the firm's consolidated financial statements and any change in their fair value, which is shown under shareholders' equity, has no impact on consolidated earnings.

Apart from the above items, the firm's excess cash investment policy is based only on risk-free investments.

The average purchase price of all treasury shares was €13.93 per share compared to their market value at 31 March 2009 of €10.85. The average purchase price of the listed company shares was €76.60 per share compared to their market value at 31 March 2009 of €25.05.

II. Legal risks

Solucom's activities are not subject to any specific regulations.

Functional managers such as human resource managers (regarding employment law), and the Finance department (regarding commercial law), represent an additional support for operations when they are faced with specific cases that are not covered under internal policies. These functional managers also rely on specialist external consultants.

As part of its client services, Solucom often has to make contractual commitments requiring specific monitoring. For example, this may include confidentiality agreements or exclusivity agreements etc...

These commitments are entered into under the responsibility of the senior management of each Group company, including, where applicable, the possibility to delegate to certain managers. These senior managers are responsible for monitoring all such commitments, and for introducing procedures to ensure compliance.

III. Industrial and environmental risks

The firm's business only relates to intellectual services which have a negligible impact on the environment.

This is particularly the case for the firm's use of fixed assets which has no impact on the environment.

IV. Technological risks

Information systems risk

As the firm grows, information systems represent an increasingly important asset for Solucom. They enable commercial and operational activities, produce the financial statements, enable internal and external communication and allow the firm to consolidate and organise the knowledge management database distributed to all staff.

An IT continuance plan has been introduced to ensure that each of the key areas of the system can be recovered within the prescribed deadlines in the event of any incident, except in the case of a major disaster. Furthermore, in order to cope with such disasters, a daily back-up is made and, once a week, a complete back-up is sent to a location outside the premises.

Lastly, the system is protected against external penetration by state-of-the-art IT security technology.

V. Insurance and risk management

General risk management policy

Solucom is engaged purely in the provision of intellectual services, consulting and technical expertise services for large accounts. Solucom's insurance policy is adapted to the following type of business:

• Business interruption resulting from extremely limited risk.

• A high volume of travel by consultants in the course of their duties.

• Risk of Solucom's civil liability arising from the performance of its services.

Solucom has taken out the following insurance cover:

• Insurance of the premises and equipment.

• Transport and staff insurance.

• Civil and professional liability.

There is no major risk that is not covered by external or internal insurance.

Business interruption risk

In view of the nature of Solucom's service offering, the risk of business interruption due to an incident or claim, except in exceptional circumstances affecting the entire business, is limited.

Risk of public liability

Since the firm's services are based on consulting and advisory services, the risk of professional liability is significantly reduced compared to a business principally focused on engineering or integration.

In order to ensure high quality of the engagements carried out, the firm applies a range of procedures while engagement managers receive specific training enabling them to develop the most advanced skills in their individual fields. The engagement managers ensure strict compliance with the specifications approved by the client and supervision of the engagement in direct cooperation with the client's operating staff.

However, it may turn out that difficulties in performing the services have been under-estimated and/or that some items have not been clearly defined in the specifications. If such problems are not identified in time, they may cause major budget overruns on some engagements, losses for which the firm may be held liable but which are covered by a civil liability policy, and may damage the firm's reputation.

The firm's operating and business civil liability insurance provides the following coverage:

Operating civil liability

• Material damage: €10.0 million per claim,

- Consecutive or direct material / intangible damage: €10.0 million per claim

Business civil liability

- Consecutive or direct material / intangible damage: €5.0 million per claim and per year

There is a deductible of €75,000 in conjunction with the business professional liability policy.

Premiums and coverage

Premiums by category of risk paid by Solucom during 2008/09 are as follows.

Insurance category	Premiums (€000)
Public liability	105
Multi-risk insurance, premises and equipment	31
Transport insurance	39

The value of the cover provided by insurance policies signed by Solucom is as follows:

Operating and business professional liability

Please refer to the paragraph "Risk of public liability".

Premises and equipment multi-risks

Contents of the premises / IT equipment: €2.3 million.

6. Other operational risks

The following risks are relevant or material for Solucom's business.

Risks arising from the current economic environment

The current economic and financial environment is turning out to be extremely severe and the general economic slowdown is creating uncertainty for Solucom's business. As such, Solucom could be hit by budget cuts among its clients, projects halted and generally by a lower volume of demand at the same time as a rise in competitive pressures. We should point out, however, that Solucom in the past has demonstrated it holds up well during economic slumps.

Client bad debt risk

Since virtually all Solucom's clients are major corporate accounts, in practice there is little risk of default or client bad debts. However, the current economic recession could increase the risk of bad debts during 2009/10. As a result, Solucom has cleaned out its client database and placed a few accounts under supervision together with reasonable credit limits.

There may also be a risk of default or client bad debts when the firm performs services for a small or medium-sized business or a foreign company outside the European Union (under 10% of the firm's revenues). In such cases it is the responsibility of the management of the company concerned to take all steps necessary to provide reasonable assurance of payment for services rendered, in liaison with the firm's finance department where necessary.

Risks relating to the firm's business

The only impact of seasonality arises from the concentration of holiday taken during certain months of the year, specifically July, August and May. The months when holiday is concentrated therefore come in the first half of the Company's financial year (April - September).

This phenomenon does not represent a risk since it is relatively predictable and the impact is similar from one year to the next.

Risk on fixed price projects

Fixed-price projects represent some 30% to 40% of consolidated revenues every year (38% in 2008/09).

Solucom follows a strict project management approach backed by the firm's management systems.

Each fixed-price project is divided into separate lots. There is always a project manager for every lot. The project manager is responsible for managing the services performed and supervising the people working on the lot. Every month, he analyses expenses booked by each person to the lot and prepares an updated forecast of the outstanding work that results in a stage of completion, revenues recorded for the month and any days of expenses overrun budgeted on the lot.

This analysis, which is automatically reported to management on the first few days of the month, identifies any variances as soon as possible in order to trigger the necessary corrective action. Over the last few years, the average level of overruns has never exceeded 2% of the total number of days of the productive staff's on-site presence excluding holidays (0.9% in 2008/09).

Risk of sub-contracting

Solucom only rarely provides services as a sub-contractor. The vast majority of the firm's projects are conducted directly for large account clients; this locks in clients for the future.

From time to time, Solucom teams up with external firms which offer supplementary services to its own, in order to provide a more complete solution. Whenever Solucom is the lead contractor vis-à-vis the end client, a sub-contracting contract is always signed with the partner firm.

Risk from competition

Based on its market positioning (i.e. high value-added services and leading-edge technology), Solucom has developed real barriers to entry:

- Acquiring skills simultaneously in Consulting and Technical Expertise is extremely difficult, particularly in relation to the time required to organise operational staff (balance in terms of experience and technical expertise).

- Implementation of systems to build know-how adapted to the business requires considerable investment and is a long-term undertaking.
- In consulting, it takes a long time to establish credibility with major clients.
- In terms of recruitment, in order to acquire a good reputation with the leading universities where most of Solucom's staff were educated, the firm must build close links with these institutions (including teaching within these universities).

Human resources risk

Solucom's success is a direct result of its ability to recruit and retain high potential employees.

Solucom's approach to recruitment is based on hiring young graduates from the top colleges in the firm's business. Recruitment is a key challenge for Solucom over the medium term given the tough competition to hire the kind of staff that the firm seeks. In order to master this key success factor, every year Solucom dedicates considerable investment to recruitment.

Apart from recruitment, controlling staff turnover also represents a challenge, given that supervisors with practical consulting experience are highly sought after. Controlling staff turnover is the joint responsibility of the firm's management and human resources. Staff turnover fell sharply over the year from 13% in 2007/08 to 9% in 2008/09.

We should point out that there will certainly be a sharp reduction in recruitment demand and staff turnover during 2009/10 in view of the economic recession.

Risks from acquisitions

The firm's M&A strategy regularly results in the takeover of new companies. For each acquisition, Solucom systematically seeks to ensure that the management of the acquired company follows the joint operational strategy. This pre-transaction review results in optimising the subsequent operational integration process and in limiting the risk of key staff leaving.

During the integration process of a new company, Solucom ensures it:

- rapidly deploys the firm's management systems within the new entity in order to have a detailed view of the operational business as quickly as possible,
- implements revenue synergies, notably by working to deploy the acquired company's know-how with the firm's existing clients
- standardises operational procedures to improve efficiency, and seeks to eliminate duplication to cut costs

Generally, Solucom's integration approach has been successful in the past leading to significant improvements in operating performance in the companies acquired. However, there are always risks underlying any M&A transactions and Solucom cannot guarantee that its integration approach will always in the future lead to controlling these risks as effectively as in the past.

Monitoring goodwill

No loss of value has been identified in respect of Cosmosbay~Vectis, Vistali, KLC, New'Arch, Dreamsoft or Idesys, either in terms of the strategic interest of each company in relation to the firm's business (i.e. client portfolio and expertise), or in terms of future outlook.

Impairment tests are also carried out on goodwill in accordance with IFRS accounting policies. These impairment tests did not lead to any impairment charges on goodwill in the financial statements for the year ended 31 March 2009.

Dependence on third party software or product licences

Solucom SA and companies within the firm have no material activity in research and development and no material dependence on patents or licences.

Information in trends

Please refer to the “Report of the Management Board” for details of the company’s recent developments and future outlook.

Financial information

Fiscal 2008/2009

3

Financial information

Consolidated Financial Statements at 31.03.2009

Company Financial Statements at 31.03.09

Consolidated financial statements for the year ended 31 March 2009

Consolidated Income Statement

€000

	Note	31/3/2009	31/3/2008
REVENUES	16	**101,937**	**72,970**
Other operating income			
Purchases consumed	17	2,795	2,050
Personnel costs (including profit share)	18 & 19	71,291	49,591
External costs		12,455	9,706
Taxes other than corporation tax		2,900	1,814
Net depreciation and provision charges		1,359	605
Other income and expenses on ordinary activities		(279)	(253)
OPERATING PROFIT ON ORDINARY ACTIVITIES		**11,416**	**9,455**
Other income and expenses from operations		(321)	(231)
OPERATING PROFIT		**11,095**	**9,223**
Financial income	20	86	124
Gross borrowing costs	20	533	49
NET BORROWING COSTS	20	**447**	**(75)**
Other financial income and expenses	20	(53)	(65)
PROFIT BEFORE TAX		**10,595**	**9,233**
Corporation tax	21	3,580	3,066
NET PROFIT FOR THE YEAR		**7,015**	**6,168**
Minority interests		0	0
NET PROFIT (GROUP SHARE)		**7,015**	**6,168**
Basic earnings (Group share) per share (€) (1) (2)	22	1.43	1.26
Diluted earnings (Group share) per share (€) (1) (2)	22	1.43	1.26

(1) Weighted average number of shares during the year excluding treasury shares

(2) In accordance with IAS 33, earnings per share for the years ended 31 March 2009 and 31 March 2008 were recalculated based on the number of shares as at 31 March 2009.

Consolidated Balance Sheet

€000

	Notes	31/3/2009	31/3/2008
NON-CURRENT ASSETS		**34,519**	**21,123**
Goodwill	1	28,593	16,997
Intangible fixed assets	2	265	162
Tangible fixed assets	3 & 4	2,670	2,378
Financial assets	5	521	454
Other non-current assets	7	2,470	1,132
CURRENT ASSETS		**42,624**	**43,439**
Trade receivables	8	34,526	23,922
Other receivables	8	4,373	3,347
Financial assets	5	97	0
Cash and cash equivalents	8 & 9 & 14	3,628	16,170
TOTAL ASSETS		**77,143**	**64,562**
SHAREHOLDERS' EQUITY (GROUP SHARE)		**32,058**	**25,797**
Share capital	10	497	495
Issue, merger and contribution premiums	10	11,219	11,187
Reserves and consolidated retained earnings		20,342	14,115
Minority interests		0	0
TOTAL SHAREHOLDERS' EQUITY		**32,058**	**25,797**
NON-CURRENT LIABILITIES		**8,674**	**9,659**
Long-term provisions	11 & 12	1,092	524
Borrowings (due in more than 1 year)	12 &13 & 14	6,387	8,339
Other non-current liabilities	12	1,195	796
CURRENT LIABILITIES		**36,411**	**29,106**
Short-term provisions	11 & 15	437	241
Borrowings (due in less than 1 year)	13	2,392	2,390
Trade payables	15	3,083	3,726
Tax and social security liabilities	15	26,613	19,397
Other current liabilities	15	3,886	3,352
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**77,143**	**64,562**

Consolidated Cash Flow Statement

€000

	Note	31/3/2009	31/3/2008
Total consolidated net profit		**7,015**	**6,168**
Elimination of non-cash items:			
Depreciation and provision charges		1,356	948
Expense / (income) from stock options and similar items			
Post-tax capital losses / (gains) on sales of assets		135	10
Other non-cash income and expenditure		(511)	(184)
Free cash flow after net borrowing costs and tax		**7,995**	**6,942**
Exchange differences on free cash flow			
Change in working capital		(3,484)	(1,562)
Net cash flow from operating activities		**4,511**	**5,380**
Purchase of intangible and tangible fixed assets		(1,227)	(1,054)
Sale of fixed assets			10
Change in financial assets		367	(726)
Change in consolidation scope		(13,216)	(4,371)
Other cash flow from investing activities			
Net cash flow from investing activities		**(14,076)**	**(6,142)**
Capital increase - Proceeds from exercise of stock options		33	264
Purchase and sale of treasury shares			
Dividends paid to shareholders of the parent company		(929)	(674)
Dividends paid to minority interests of subsidiaries			
Other cash flows from financing activities		(2,040)	10,302
Net cash flows from financing activities		**(2,936)**	**9,892**
Net change in cash and cash equivalents	14	**(12,501)**	**9,130**

Undrawn lines of credit amounted to €11,933,000.

Tax paid amounted to €3,945,000 in 2008/09 and €3,338,000 in 2007/08.

Interest paid amounted to €525,000 in 2008/09 and €37,000 in 2007/08.

Changes in shareholders' equity

€000

	Share capital	Share premium	Consolidated reserves	Net profit for the year	Currency differences	Total shareholders' equity
Consolidated shareholders' equity at 31/3/2007	**466**	**10,929**	**4,216**	**4,632**	**-**	**20,242**
Earnings appropriation			4,632	(4,632)		-
Change in parent company share capital	29	258	(23)			264
Parent company dividends			(674)			(674)
Consolidated net profit for the year				6,168		6,168
Stock options						
Treasury shares			(610)			(610)
Change in currency differences						
PAGA provision adjustment			419			419
Actuarial differences per IAS 19			(13)			(13)
Consolidated shareholders' equity at 31/3/2008	**495**	**11,187**	**7,947**	**6,168**	**-**	**25,797**
Earnings appropriation			6,168	(6,168)		0
Change in parent company share capital	2	32				34
Parent company dividends			(929)			(929)
Consolidated net profit for the year				7,015		7,015
Stock options						
Treasury shares			303			303
Change in currency differences						
Fair value adjustment on assets held for resale			(86)			(86)
Adjust to the provision for bonus shares issued			(109)			(109)
Actuarial differences per IAS 19			33			33
Consolidated shareholders' equity at 31/3/2009	**497**	**11,219**	**13,327**	**7,015**	**-**	**32,058**

The interim dividend paid during the year was €0.19 per share, amounting to a total of €924,000.

The final recommended dividend is €0.19 per share, amounting to an estimated total of €932,000.

There are no items within shareholders' equity that could generate a tax liability. Total accumulated deferred tax assets in respect of items included under shareholders' equity amounted to €58,000 and arise from actuarial differences in accordance with IAS 19.

Notes to the consolidated financial statements

Solucom is a *société anonyme* (public limited company) under French law subject to regulations governing commercial companies in France, and in particular the provisions of the French Commercial Code. The Company's registered office is located at 100/101 terrasse Boieldieu - 92042 Paris La Défense Cedex. The Company is listed on Euronext Paris, compartment C.

The consolidated financial statements comprising Solucom SA and its subsidiaries were approved by the Management Board on 26 May 2009. They will not become final until approval at the Shareholders' General Meeting to be held on 25 September 2009.

I. Key events for the year

On 2 April 2008, Solucom acquired substantially all the share capital of Cosmosbay~Vectis, which is therefore consolidated for the first time over the full year ended 31 March 2009. The terms of this acquisition and its impact on the consolidated financial statements are stated below under a specific note (see note III.2).

II. Accounting policies and methods

All amounts given in the notes are stated in thousand euros.

II.1 Consolidation policies

As from 1 April 2005, the consolidated financial statements of Solucom have been established under IFRS international accounting standards as adopted in the European Union and European regulation 1606/2002 of 19 July 2002. These standards consist of IFRS, IAS and their interpretations, which were adopted by the European Union as at 31 March 2009.

The accounting policies applied for these financial statements are identical to those applied by the firm for its consolidated financial statements for the year ended 31 March 2008.

In particular, the firm has applied all IFRS issued by the IASB and all IFRIC interpretations as adopted by the European Union, which can be viewed on the website of the European Union http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission, for financial periods beginning with effect from 1 April 2008; this did not cause a material change in the accounting or presentation policies.

Amendments to IAS 39 and IFRS 7, as adopted by the European Union on 15 October 2008 concerning reclassification of financial assets, are not applicable.

Those standards and interpretations adopted by the IASB and the IFRIC but not yet approved by the European Union have not been applied. In accordance with the option offered, standards that Solucom has not applied are as follows:

- **Amendment to IAS 1 "Presentation of the financial statements"**

This amendment, mandatory as from 1 January 2009 but early application is permissible, is designed to standardise disclosures in the consolidated financial statements. This amendment was adopted by the European Union on 17 December 2008.

- **Amendment to IAS 23 “Borrowing costs”**

This amendment was only mandatory as from 1 January 2009 but early application is permissible. While it was adopted by the European Union on 10 December 2008, it will have no impact on the consolidated financial statements.

- **Revision of IAS 27 “Consolidated and Separate Financial Statements”**

This amendment will become mandatory for periods beginning with effect from 1 July 2009 but early application is permissible. This amendment was adopted by the European Union on 23 January 2009.

- **Amendments IAS 32 "Puttable Instruments and Obligations Arising on Liquidation”**

This amendment will become mandatory for periods beginning with effect from 1 January 2009 but early application is permissible. While this amendment was adopted by the European Union on 21 January 2009, it will have no impact on the consolidated financial statements.

- **Amendment IFRS 2 “Vesting Conditions and Cancellations”**

This standard only became mandatory for periods beginning with effect from 1 January 2009 but early application is permissible. While this interpretation was adopted by the European Union on 16 December 2008, it will have no impact on the consolidated financial statements.

- **Revision of IFRS 3 “Business Combinations“**

This revised standard must be applied for all periods beginning with effect from 1 July 2009 but early application is permissible. It makes changes to accounting policies for business combinations and to the consolidation scope for subsidiaries following a transfer of control. This revision has not yet been adopted by the European Union.

- **Amendments to IFRS 7 “Improvements in disclosures of financial instruments”**

These amendments only became mandatory for periods beginning with effect from 1 January 2009. These amendments have not yet been adopted by the European Union.

- **IFRS 8 "Operating Segments”**

This standard must be applied for all periods beginning with effect from 1 January 2009 but early application is permissible. It was adopted by the European Union on 21 November 2007.

- **Interpretation IFRIC 12 "Service Concession Arrangements”**

This interpretation must be applied for all periods beginning with effect from 1 January 2008 but early application is permissible. While this interpretation was adopted by the European Union on 25 March 2009, it will have no impact on the consolidated financial statements.

- **IFRIC 13 "Customer Loyalty Programmes”.**

This interpretation only became mandatory for periods beginning with effect from 1 July 2008 and early application is permissible. While this interpretation was adopted by the European Union on 16 December 2008, it will have no impact on the consolidated financial statements.

- **IFRIC 14 "Limit on a Defined Benefit Asset Minimum Funding Requirements”**

This interpretation only became mandatory for periods beginning with effect from 1 January 2008 and early application is permissible. While this interpretation was adopted by the European Union on 16 December 2008, it will have no impact on the consolidated financial statements.

- **IFRIC 15 “Agreements for the Construction of Real Estate”**

This interpretation only became mandatory for periods beginning with effect from 1 January 2009 but early application is permissible. This interpretation has not yet been adopted by the European Union.

- **IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”**

This standard only became mandatory for periods beginning with effect from 1 October 2008 but early application is permissible. This interpretation has not yet been adopted by the European Union.

- **IFRIC 17 “Distributions of non-cash assets to owners” and IFRIC 18 “Transfers of Assets from Customers”**

Both these standards will only become mandatory for periods beginning with effect from 1 July 2009 but early application is permissible. This interpretation has not yet been adopted by the European Union.

Stock option schemes granted after 7 November 2002 have not been adjusted given that the rights were vested as of 1 April 2004. Since this date, no new stock options have been granted.

II.2 Consolidation principles

Solucom is the Group’s parent company for purposes of the consolidated financial statements.

The financial statements of companies under the exclusive control of Solucom are consolidated under the full consolidation method.

Solucom does not exercise any major influence or joint control over any company. The firm does not control any special purpose entity either directly or indirectly.

The financial statements of consolidated companies are adjusted where necessary in order to ensure standard accounting and valuation policies.

The financial statements of consolidated companies are all established as at 31 March 2009.

The consolidated financial statements for the year ended 31 March 2008 included Vistali with effect from 1 April 2007 representing a full financial year, and did not include Cosmosbay~Vectis, which was consolidated as from 1 April 2008.

Arcome Consulting, which has been dormant since 31 March 2002, was liquidated during the year.

II.3 Foreign currency conversion

As no company with foreign currency financial statements has been consolidated since the year ended 31 March 2005, this principle is no longer applied.

II.4 Goodwill

The internal organisation of the firm shows that each company included in the consolidation corresponds to a Cash flow Generating Unit (CGU).

Every year end or whenever there is an indication of loss in value, an impairment test is carried out on each of the equity investments that include goodwill. These tests are based on the discounted cash flow method. Cash flows are determined on the basis of forecasts established over a period of 5 years. Infinite growth of 3% is assumed after the sixth year, this rate appearing reasonable in the light of past performance in the IT services sector. Cash flows arising from these forecasts are then discounted at 10-year risk-free rates, a market risk premium, the observed beta coefficient for comparable quoted companies including Solucom, and finally a specific risk premium for the subsidiary being tested.

In addition, an analysis of the sensitivity of the value to changes in the key assumptions used (in particular rates of growth to infinity and discount rates) provides a check on the impact of reasonably foreseeable changes in these assumptions.

As at 31 March 2009, there was no indication of loss in value on any of the firm's equity investments that include goodwill.

II.5 Use of estimates

Preparing financial statements under IFRS requires the use of estimates and assumptions underlying the valuation of certain accounts in the financial statements, in particular under the following chapters:

- Estimated useful life for fixed asset depreciation
- Valuation of provisions and pension liabilities
- Valuations used for impairment tests
- Valuation of financial instruments at fair value
- Estimate of accrued income and expenses

The firm regularly revises its assessments in the light of historic data and the financial and economic context in which it is operating. Consequently, this could impact the data disclosed in the firm's future financial statements.

II.6 Intangible and tangible fixed assets

All fixed assets belong to Solucom, with the exception of leased assets.

Software and tangible fixed assets are stated at cost less accumulated amortisation, depreciation and impairment. Interest costs are not capitalised and therefore are booked as expenses for the year.

Every identified component of a fixed asset is accounted for and depreciated separately.

Depreciation and amortisation are applied on a straight line basis with no deduction for residual value, based on the estimated useful lives of the assets, which are reviewed in respect of material assets. The initial estimated useful life is prolonged or shortened if conditions of use change.

Material tangible fixed assets that are held under a leasing contract are capitalised and depreciated according to the asset's estimated useful life.

Depreciation periods generally employed are as follows:

- Software: 3 years
- Fixtures and fittings: 6 or 9 years
- Cars: 4 years
- IT equipment: 3 years
- Office furniture: 9 years

II.7 Impairment and recoverable value of non-current assets

Intangible and tangible fixed assets are subject to impairment tests under certain circumstances.

Fixed assets with an indefinite useful life (e.g. goodwill - see note II.4),) are tested at least once a year, and each time there is an indication of loss in value.

For other fixed assets, tests are carried out only when there is an indication of loss in value. The firm writes down the value of intangible and tangible fixed assets (including goodwill) of a cash flow generating unit whenever the net book value of assets exceeds the recoverable value.

Each company within the consolidation constitutes a cash flow generating unit, being the smallest entities having independent and definable cash flows.

II.8 Finance lease contracts

When the firm finances the acquisition of a material tangible fixed asset through leasing, its value is recorded under fixed assets and depreciated in the manner and for the periods described above. The corresponding debt is entered under liabilities.

II.9 Deposits and sureties

Deposits and sureties falling due in over 1 year that do not carry interest are discounted to present value in accordance with IAS 39 "Financial instruments".

The effect of the discounting at the outset together with the progressive write-back each year is posted to financial items. The subsequent annual reversal of the discounting is posted to financial items.

The discounting rate is 3.644% per year.

II.10 Non-current financial assets

Non-current financial assets comprise loans and receivables due in more than 1 year valued at cost less impairment and repayments. Purchases and sales of financial assets are accounted for at the date of settlement.

II.11 Receivables

Receivables are stated at face value. A bad debt provision is set aside if the realisable value is lower than book value.

II.12 Cash and cash equivalents

Cash and cash equivalents stated in the balance sheet comprise cash, demand deposits and cash equivalents.

Cash equivalents consist of marketable securities meeting the criteria specified under IAS 7: short-term investments that are easily converted into a known amount of cash and are exposed to negligible risk of loss.

They are initially recorded at cost, and subsequently restated at fair value corresponding to market price at the balance sheet date (in the case of listed investments). Changes in fair value are taken to net borrowing costs. Net capital gains or losses on sale are also recorded under net borrowing costs.

II.13 Treasury shares

Solucom holds treasury shares as part of its share buy-back programme that was authorised at the shareholders general meeting.

The accounting policy for treasury shares under IAS 32-39 specifies that all treasury shares must be deducted from consolidated shareholders' equity, regardless of the reason for buying or holding them and their accounting treatment in the individual companies concerned. Furthermore, any gains on sale of treasury shares and any impairment provisions on them must also be posted to shareholders' equity.

II.14 Employee benefits

Pursuant to IAS 19 "Employee benefits", liabilities and expenses arising from defined benefit schemes are valued by independent actuaries based on the projected unit of credit method. The firm only has a liability in respect of one-off compensation paid on retirement.

The assumptions underlying the calculation are as follows:

- Application of the collective agreement for research office staff
- High staff turnover
- Mortality table THTF 2000-2002
- Social security rate: 45%
- Salary inflation: 2.00%
- Discount rate: 5.69%
- Retirement age: 65 years
- Leavers on the initiative of the employer

The increase in the liability caused by the change in the retirement indemnity calculation tables (pursuant to amendment no. 28 dated 28 April 2004 to the collective staff agreement) was spread over the forecast average remaining period of employment as at 31 March 2009 of 4.47 years for Solucom, 5.14 years for Idesys and 5.00 years for Arcome. The charge reflected in the income statement for the year is €26,000 and the outstanding balance to be charged over future years is €30,000.

A €50,000 actuarial gain arose for the year ended 31 March 2009 due to demographic changes, a change in staff turnover, a change in the discount rate, and the company's 50% contribution to employees' retirement compensation.

Pursuant to the option available under the amendment to IAS 19 - "Employee benefits" applicable to periods beginning with effect from 1 January 2006, Solucom recorded all cumulative backdated actuarial differences within shareholders' equity as at 31 March 2009. The impact on shareholders' equity amounted to a €13,000 reduction net of deferred tax for the year ended 31 March 2008 and a €33,000 increase net of deferred tax for the year ended 31 March 2009.

The P&L expense of €210,000 breaks down as follows:

- Cost of services rendered: €124,000
- Interest expense for the year: €60,000
- Cost of past services: €26,000
- Pensions paid: none

Certain other defined employee benefits are provided. Contributions for such schemes are expensed when incurred.

The firm has no other long-term staff commitments or one-time retirement compensation.

II.15 Loans and borrowings

Loans and borrowings include liabilities arising from the capitalisation of finance leases, loans from financial institutions and bank overdrafts. Amounts due in less than 1 year are disclosed under current borrowings. Borrowings are stated at the outstanding principal amount owing based on the actual interest rate method.

II.16 Contingent assets and liabilities

None.

II.17 Recognition of revenues

IAS 18 "Revenue Recognition" and IAS 11 "Construction contracts" (in respect of revenue recognition for fixed price projects) are applied for all revenues of Solucom companies. They do not have a material impact on the existing method for accounting for revenues.

Services charged on time spent

Revenues from services charged on time spent are booked as and when the services are rendered. The amounts booked are valued based on the contractual sales price and the billable time spent. Accrued or deferred income is recorded when there is a timing difference between the invoices issued and the stage of completion of the project.

Fixed price services

Revenues are recorded in line with the stage of completion of the projects based on costs incurred and future costs of the project. A provision for loss on completion is set aside on individual contracts when a loss is forecast. Accrued or deferred income is recorded when there is a timing difference between the invoices issued and the stage of completion of the project.

Fixed subscription revenues

These revenues are booked on an accruals basis over the period of the contract. Accrued or deferred income is recorded when there is a timing difference between the invoices issued and the time of the subscription

II.18 Deferred tax

Deferred tax is calculated for each company separately in respect of timing differences between the book value of the assets and liabilities and their tax value.

Pursuant to IAS 12, deferred tax assets are reviewed for each company separately and are only recorded to the extent that future income is estimated to be sufficient to cover the assets and if they are expected to reverse within ten years.

Adjustments arising from lease contracts give rise to deferred tax.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply in the year when the assets will be realised or the liabilities will be settled.

Deferred tax in respect of items booked directly to shareholders' equity is also posted to shareholders' equity.

II.19 Research and development costs

No development costs were capitalised or expensed during the year.

II.20 Segment reporting

Since Solucom only markets one type of service (management consulting and IT services), and all such services are subject to the same risks and generate similar operational margins, no distinct business segments have been defined. Furthermore, virtually all revenues are generated in France.

III. Scope of consolidation

III.1 Companies included in the consolidation

Solucom purchased nearly the entire equity of Cosmosbay~Vectis at the beginning of the year. Apart from the liquidation of Arcome Consulting, which has been dormant since 31 March 2002, this was the only change in the scope of consolidation in the year.

The consolidated financial statements include the accounts of the following companies:

Company	% interest	Nationality	Number of months consolidated
Solucom	Parent company	France	12
Idesys	100%	France	12
Arcome	100%	France	12
Dreamsoft	100%	France	12
New'Arch	100%	France	12
KLC	100%	France	12
Vistali	100%	France	12
Cosmosbay~Vectis	95%	France	12

All the above companies were consolidated under the full consolidation method.

III.2 Acquisition of Cosmosbay~Vectis

At the beginning of the year, Solucom purchased substantially all the equity of Cosmosbay~Vectis except for 5% held by employee bonus share holders, which will be acquired on 15 December 2011 pursuant to the terms of a bilateral agreement at an agreed price in accordance with the terms of the initial contract dated April 2008. 20% of the total purchase price included a potential addition to the purchase price of up to €3.0 million, of which €1.5 million will not be paid in view of Cosmosbay~Vectis's results for the year ended 31 March 2009. The price was paid entirely in cash.

Founded in 1988, Cosmosbay~Vectis has over 200 employees and posted 2007 revenues of €21.7 million with an operating margin of 7%. The company provides IT and consulting services in three business lines, which are very complementary with Solucom's specialisations: management consulting, IT consulting, and website consulting. Cosmosbay~Vectis's clients include key accounts from the banking, industry and services sectors as well as some large public authorities.

The takeover was performed based on Solucom's past approach to acquisitions. Cosmosbay~Vectis will continue to be headed by its current management team who will lead its development within the firm.

Since Cosmosbay~Vectis was acquired at the beginning of April 2008, its income statement has been consolidated for the full year 2008/09.

Goodwill amounting to €11,906,000 was posted as at the acquisition date, including the potential addition to the purchase price. The recording of this goodwill is justified by Cosmosbay~Vectis's prospects for growth and earnings.

Cosmosbay~Vectis posted revenues of €20.1 million over the full year 2008/09 and the effect of the acquisition on Solucom's consolidated net earnings was a loss of €402,000. The effect of consolidating Cosmosbay~Vectis for the first time on Solucom's consolidated financial statements is fully detailed under notes 1 to 15. The value of the cash and cash equivalents of Cosmosbay~Vectis as of the date of first consolidation was €1,407,000.

IV. Notes on certain balance sheet and income statement accounts

Note 1 - Capitalised goodwill

(€000)	Book value at 31/3/2008	Change in consol.	Adjustment for the year	Book value at 31/3/2009
Idesys	5,111			5,111
Dreamsoft	2,469			2,469
New'Arch	3,311			3,311
KLC	2,097		310	1,787
Vistali	4,009			4,009
Cosmosbay~Vectis		11,906		11,906
Total	**16,997**	**11,906**	**310**	**28,593**

The €310,000 reduction in KLC's goodwill corresponds to a portion of the additional purchase price included in the total price, which was not paid as at 31 March 2009 in view of KLC's results.

Note 2 - Intangible fixed assets

Gross	31/3/2008	Change in consol.	Increases	Reductions	31/3/2009
Software	559	513	192	20	1,244
Total	**559**	**513**	**192**	**20**	**1,244**
Amortisation	**31/3/2008**	**Change in consol.**	**Increases**	**Reductions**	**31/3/2009**
Software	397	492	107	17	979
Total	**397**	**492**	**107**	**17**	**979**
Total net book value	**162**	**21**	**85**	**3**	**265**

No intangible fixed assets are subject to restrictions on ownership.

Note 3 - Tangible fixed assets

No tangible fixed assets are subject to restrictions on ownership with the exception of assets held under finance leases.

The change in the account "fixed asset payables" amounted to an increase of €31,000 in the year ended 31 March 2009 compared to an increase of €163,000 in the year ended 31 March 2008.

Gross	31/3/2008	Change in consol.	Increases	Reductions	31/3/2009
Other tangible fixed assets	2,085	1,486	893	581	3,883
Other leased fixed assets	1,573		429	74	1,928
Fixed assets in progress	412		429	841	
Total	**4,070**	**1,486**	**1,751**	**1,496**	**5,811**

Depreciation	31/3/2008	Change in consol.	Increases	Reductions	31/3/2009
Other tangible fixed assets	783	1,151	485	480	1,939
Other leased fixed assets	909		336	43	1,202
Total	**1,692**	**1,151**	**821**	**523**	**3,141**
Total net book value	**2,378**	**335**	**930**	**974**	**2,670**

Note 4 - Leases

Book value by asset category:

Asset category	31/3/2009	31/3/2008
IT and office equipment	726	664
Total	**726**	**664**

Impact on the income statement:

Income statement	31/3/2009	31/3/2008
Depreciation charge per income statement	335	275
Impairment charges recorded		
Interest expense	30	19
Gains in value posted to income		
Lease instalments for the year adjusted	361	292
Total	**(4)**	**(2)**

Lease instalments:

Lease instalments	31/3/2009	31/3/2008
Initial value of assets	**1,928**	**1,573**
Instalments paid:		
- in prior years	743	652
- during the year	361	292
Total	**1,104**	**944**
Outstanding instalments payable:		
- due in less than 1 year	360	325
- due in more than 1 year and less than 5 years	360	369
- due in more than 5 years	0	0
Total instalments	**720**	**694**
Of which future interest expense	*38*	*37*
Residual value at the end of the contract	19	18

Note 5 - Financial assets

(€000)	31/3/2008	Change in consol.	Increases	Reductions	31/3/2009
Deposits and sureties	466	122	74	33	629
Hedges			76	76	0
Securities held for sale		183		86	97
Total	**466**	**285**	**150**	**175**	**726**

No deposits and sureties have been written down in the past three financial years.

Solucom acquired a cap to hedge against any future increase in variable interest rates on a €10,000,000 loan taken out at the end of March 2008 and repayable over five years. The premium paid with respect to this cap amounted to €76,000. Its fair value was written off during the year.

At 31 March 2009, the change in market value of all securities held for sale was posted to shareholders' equity.

Maturity:

Deposits and sureties	31/3/2009	31/3/2008
Due in less than 1 year (1)	108	12
Due in more than 1 year and less than 5 years	181	-
Due in more than 5 years	340	454
Total	629	466

(1) Reclassified under "Other receivables"

Impact on the income statement:

Impact of discounting deposits	31/3/2009	31/3/2008
Initial value	764	621
Accumulated discounting brought forward	158	97
Discounting expense	8	69
Discounting income	31	11
Net book value (1)	629	466

(1) The amount due in less than 1 year has been reclassified under "Other receivables"

A 1% increase in the discount rate for the deposits would result in a €30,000 charge to earnings for the year ended 31 March 2009 compared to a €34,000 increase to earnings in the event of a 1% reduction in the discount rate.

A 10% increase in the value of portfolio securities would increase shareholders' equity by €10,000, while a 10% reduction would reduce shareholders' equity by €10,000.

In terms of sensitivity, the fair value of the cap held as an interest rate hedge depends on the market's forecast of how the value will move in the future.

Note 6 - Operating leases

Maturity at 31 March 2009:

(€000)	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Lease payments for the year	**10,053**	2,755	7,008	290
Total	**10,053**	**2,755**	**7,008**	**290**

Maturity at 31 March 2008:

(€000)	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Lease payments for the year	**9,589**	2,345	6,360	884
Total	**9,589**	**2,345**	**6,360**	**884**

For real estate leases, the maturity period stated above is based on the earliest opportunity to cancel the various leases.

Note 7 - Non-current assets

Gross	31/3/2008	Change in consol.	Variation	31/3/2009
Deferred tax assets	1,132	1,082	256	2,470
Total	**1,132**	**1,082**	**256**	**2,470**

Note 8 - Current assets

Gross	31/3/2008	Change in consol.	Variation	31/3/2009
Trade receivables	23,925	6,119	4,599	34,643
Sub-total "Trade receivables"	***23,925***	***6,119***	***4,599***	***34,643***
Advances and payments on account	131		(11)	121
Employee receivables	54	7	15	76
Tax receivables	1,871	121	818	2,810
Deposits and sureties	12		96	108
Other debtors	177	1,002	(1,164)	15
Prepaid expenses	1,107	180	(43)	1,244
Sub-total "Other receivables"	***3,352***	***1,310***	***(289)***	***4,373***
Financial instruments				
Assets held for sale		184	(87)	97
Sub-total "Financial assets"		***184***	***(87)***	***97***
Money market SICAV - cash equivalents	5,079	298	(3,241)	2,136
Cash	11,091	929	(10,529)	1,491
Sub-total "Cash and cash equivalents"	***16,170***	***1,227***	***(13,770)***	***3,628***
Total	**43,447**	**8,840,**	**(9,547)**	**42,741**

Impairment	31/3/2008	Change in consol.	Variation	31/3/2009
Trade receivables	3		114	117
Sub-total "Trade receivables"	***3***		***114***	***117***
Other debtors	5		(5)	
Sub-total "Other receivables"	***5***		***(5)***	
Total	**8**		**109**	**117**

Net	31/3/2008	Change in consol.	Variation	31/3/2009
Sub-total "Trade receivables"	***23,922***	***6,119***	***4,485***	***34,526***
Sub-total "Other receivables"	***3,347***	***1,310***	***(284)***	***4,373***
Sub-total "Financial assets"		***184***	***(87)***	***97***
Sub-total "Cash and cash equivalents"	***16,170***	***1,227***	***(13,770)***	***3,628***
Total net	**43,439**	**8,839**	**(9,655)**	**42,624**

The firm reviews each trade receivable separately and if necessary, records a specific bad debt provision taking account of the client's situation and any overdue payments. There is no general bad debt provision in the accounts.

Note 9 - Marketable securities

Type of marketable securities	31/3/2009		
	Value at cost	Gain/loss	Consolidated book value
Money market SICAV (French unit trusts) - cash equivalents	2,134	2	2,136
Total	**2,134**	**2**	**2,136**
Type of marketable securities	**31/3/2008**		
	Value at cost	**Gain/loss**	**Consolidated book value**
Money market SICAV - cash equivalents	5,076	3	5,079
Total	**5,076**	**3**	**5,079**

Note 10 - Share capital

As at 31 March 2009, the share capital of Solucom SA, the parent company, is made up of 4,966,882 fully paid-up shares, each with a nominal value of €0.10.

During the year, following the exercise of stock options, Solucom increased share capital by €2,000 comprising the issue of 16,220 new shares resulting in share premium of €32,000. The weighted average issue price of the new shares was €2.06 per share.

The Company held 62,270 treasury shares at 31 March 2009.

Furthermore, following approval from the extraordinary and ordinary general meeting dated 30 September 2005, Solucom's Management Board, at its meetings of 15 March 2006, 15 September 2006 and 14 September 2007, decided to issue existing or future bonus shares to senior executives of the firm. Under the relevant schemes, bonus shares will be issued following a period subject to the senior executives being present and investing personally in Solucom shares; the number of shares issued will also depend on performance criteria based on meeting a pre-defined level of consolidated operating profit on ordinary activities. Furthermore, following approval from the extraordinary and ordinary general meeting dated 30 September 2005, Solucom's Management Board, at its meetings of 15 March 2007, 14 September 2007 and 15 September 2008, decided to issue existing or future bonus shares to Solucom employees or certain staff categories, in conjunction with the employee savings plan introduced by the firm. The shares under the bonus share schemes of 15 March 2008 (senior executives' scheme) and 15 March 2009 (employee scheme) were issued during financial year 2008/09 since the vesting period for these schemes had expired and the related conditions and criteria were duly satisfied.

The expense of the employee benefit arising on each of the plans has been accrued under expenses as a specific provision and under shareholders equity in the financial statements for the year ended 31 March 2009.

Income and expenses posted directly to shareholders' equity were as follows:

Income and expenses	31/3/2009	31/3/2008
Net profit for the year	**7,015**	**6,167**
Actuarial gains and losses on provisions for 'IFC'	50	(19)
Deferred tax posted to shareholders' equity	(16)	6
Fair value adjustment on assets held for sale	(86)	-
Income and expenses posted to shareholders' equity	**(52)**	**(13)**
Total income and expenses	**6,963**	**6,154**

Note 11 - Provisions

Provisions mainly relate to one-time compensation paid on retirement and calculated by an actuary, and industrial tribunal litigation, which is valued based on the amount claimed and the status of the legal proceedings.

(€000)	31/3/08	Change in consol.	Change in deferred tax	Increases	Reductions		31/3/09
					Paid	Written-back	
Short-term provisions							
Provisions for risks	241	262		356	309	113	437
Provisions for penalties							
Provisions for charges							
Total	**241**	**262**		**356**	**309**	**113**	**437**
Non-current liabilities							
Provisions for IFC	524	408		251	53	38	1,092
Provisions for risks	-						
Total	**524**	**408**		**251**	**53**	**38**	**1,092**
Total	**765**	**669**		**607**	**362**	**151**	**1,529**

Impact of provisions on earnings for the year ended 31 March 2009:

(€000)	Change in deferred tax	Increases	Reductions	
			Paid	Written-back
Operating profit on ordinary activities		566	309	113
Operating profit				
Total		**566**	**309**	**113**

Note 12 - Non-current liabilities

Gross	31/3/2008	Change in consol.	Variation	31/3/2009
Long-term provisions	524	408	160	1,092
Borrowings (Leases due in over 1 yr)	339		21	360
Borrowings (Loans due in over 1 yr)	8,000		(1,973)	6,027
Other liabilities	684		416	1,100
Tax payables	34	13	5	52
Deferred tax liabilities	78	27	(62)	43
Total	**9,659**	**448**	**(1,433)**	**8,674**

Note 13 - Borrowings

(€000)	Balance at 31/3/2008	Change in consol.	Variation	Balance at 31/3/2009
Due in more than 1 year	**8,339**		**(1,952)**	**6,387**
Borrowings (Leases due in over 1 yr)	339		21	360
Loans from financial institutions (due in over 1 yr)	8,000		(1,973)	6,027
Due in less than 1 year	**2,390**	**68**	**(66)**	**2,392**
Loans from financial institutions	2,000	44	(35)	2,009
Miscellaneous loans and borrowings	20	22	(39)	3
Borrowings (Leases)	298		62	360
Current account bank overdrafts	59	2	(43)	18
Accrued interest	13		(11)	2
Total	**10,729**	**68**	**(2,018)**	**8,779**

By interest rate category:

(€000)	At 31 March 2009 Fixed rate	At 31 March 2009 Variable rate	At 31 March 2008 Fixed rate	At 31 March 2008 Variable rate
Non-current liabilities	360	6,027	339	8,000
Current liabilities	383	2,009	390	2,000
Total	**743**	**8,036**	**729**	**10,000**

Given the low level of the firm's debt and the fixed rate applied, a 1% increase in EURIBOR 6 months would result in a €75,000 reduction in earnings for the year ended 31 March 2009 compared to a €75,000 increase to earnings in the event of a 1% reduction in EURIBOR 6 months.

Maturity at 31 March 2009:

(€000)	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Non-current liabilities	6,387		6,387	
Current liabilities	2,392	2,392		
Total	**8,779**	**2,392**	**6,387**	

Maturity at 31 March 2008:

(€000)	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Non-current liabilities	8,339		8,339	
Current liabilities	2,390	2,390		
Total	**10,729**	**2,390**	**8,339**	

Sureties granted as security for these loans are described below under Note 24.

There was no default on any of the loans during the year.
All loans are denominated in euros and the contractual terms and conditions are as follows:

<u>Solucom SA loan contracted with Société Générale:</u>

- Value at the outset: €6,000
- Beginning date: 27 March 2008
- Term: 5 years
- Repayment instalments: every half year
- Interest rate: variable (EURIBOR 6 months)

Solucom SA loan contracted with BNP Paribas:

- Value at the outset: €4,000
- Beginning date: 28 March 2008
- Term: 5 years
- Repayment instalments: every half year
- Interest rate: variable (EURIBOR 6 months)
- Other: commitment to hedge the interest rate risk on 50% of the loan, over a three year period, against the impact of an increase of more than 150bp in the EURIBOR six months index as of 26 March 2008.

Note 14 - Net debt

At 31 March 2009:

At 31/3/09	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Loans from financial institutions	**8,036**	2,009	6,027	
Finance lease liabilities	**720**	360	360	
Loans and borrowings	**5**	5		
Loans and borrowings	**8,761**	**2,374**	**6,387**	
Current account bank overdrafts	**18**	18		
Cash equivalents stated at cost	**2,134**	2,134		
Cash	**1,491**	1,491		
Cash net of bank overdrafts (1)	**3,607**	**3,607**		
Fair value adjustment on cash equivalents	**2**	2		
Consolidated net cash and cash equivalents	**3,609**	**3,609**		
Net debt	**5,152**	**(1,236)**	**6,387**	

(1) See cash flow statement

At 31 March 2008:

At 31/3/08	Total	Due in less than 1 year	Due in more than 1 year and less than 5 years	Due in more than 5 years
Loans from financial institutions	**10,000**	2,000	8,000	
Finance lease liabilities	**637**	298	339	
Loans and borrowings	**33**	33		
Loans and borrowings	**10,670**	**2,331**	**8,339**	
Current account bank overdrafts	**59**	59		
Cash equivalents stated at cost	**5,076**	5,076		
Cash	**11,091**	11,091		
Cash net of bank overdrafts (1)	**16,108**	**16,108**	**-**	
Fair value adjustment on cash equivalents	**3**	**3**		
Consolidated net cash and cash equivalents	**16,111**	**16,111**	**-**	
Net debt	**(5,441)**	**(13,780)**	**8,339**	

(1) See cash flow statement

Note 15 - Current liabilities

All liabilities are denominated in euros.

(€000)	31/3/2008	Change in consol.	Variation	31/3/2009
Short-term provisions	241	261	(65)	437
Borrowings (due in less than 1 year)	2,390	68	(66)	2,392
Trade payables	3,726	692	(1,335)	3,083
Advances and payments on account	369	-	(84)	285
Social security liabilities	11,788	2,971	718	15,477
Tax payables	6,663	1,762	2,082	10,507,,,
Fixed asset payables	176	-	32	208
Tax payables (corporation tax)	946	-	(317)	629
Other liabilities	1,732	8	(46)	1,694
Deferred income	1,075	704	(80)	1,699
Total	**29,106**	**6,466**	**839**	**36,411**

Note 16 - Revenues

Virtually all (over 90%) consolidated revenues of the firm are earned in France.

Note 17 - Purchases consumed

(€000)	31/3/2009	31/3/2008
Sub-contracting costs	2,794	2,019
Other purchases consumed	1	31
Total	**2,795**	**2,050**

Note 18 - Personnel costs

(€000)	31/3/2009	31/3/2008
Wages and salaries	48,808	34,245
Social security charges	22,483	15,346
Total	**71,291**	**49,591**

Average number of employees (full time equivalents)	31/3/2009	31/3/2008
Engineers and managers	853	593
Employees	35	20
Total	**888**	**613**

Note 19 - Directors remuneration

(€000 or number)	31/3/2009	31/3/2008
Remuneration for members of the management board	384	349
Remuneration for members of the supervisory board	64	63
Other remuneration		
Post retirement benefits	-	-
Other long-term benefits	-	-
One-time retirement compensation	-	-
Share-based remuneration	-	-
Number of stock options held by directors	-	-

Note 20 - Financial items

(€000)	31/3/2009	31/3/2008
Net gains on sale of cash equivalents	88	144
Loan interest	(533)	(49)
Fair value adjustments on cash equivalents	(2)	(20)
Net borrowing costs	(447)	(75)
Fair value adjustments on other financial assets	(53)	(65)
NET FINANCIAL ITEMS	**(500)**	**10**

Note 21 - Corporation tax

Net corporation tax charge:

(€000)	31/3/2009	31/3/2008
Current tax charge	3,671	3,340
Deferred tax	(91)	(274)
Total	**3,580**	**3,066**

All potential deferred tax has been recognised. No Solucom company has tax losses carried forward as at 31 March 2009 with the exception of Cosmosbay~Vectis, for which tax losses amounting to €1,053,000 including €901,000 in the opening balance sheet have been capitalised.

At 31 March 2009, the value of deferred tax maturing in more than one year amounts to €1,201,000.

Sources of deferred tax:

(€000)	Consolidated balance sheet		Income statement	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
Timing differences on provisions	2,100	714	(473)	(153)
Discounting on deposits	46	53	8	(22)
Consolidation entries and other	323	365	434	(215)
Total deferred tax assets	**2,469**	**1,132**	**(31)**	**(390)**
Consolidation entries and other	43	77	(59)	123
Fair value adjustments on marketable securities	1	1	(1)	(7)
Total deferred tax liabilities	**44**	**78**	**(60)**	**116**
Deferred tax charge/(income)	**-**	**-**	**(91)**	**(274)**

Tax reconciliation:

The difference between the theoretical corporation tax charge and the actual net corporation tax charge is analysed as follows:

€000	31/3/2009	31/3/2008
Consolidated net profit	7,015	6,168
Tax charge (income)	3,580	3,066
Profit before tax	10,595	9,233
Statutory tax rate	33.33%	33.33%
Theoretical tax charge	**3,531**	**3,077**
Reconciliation:		
Permanent differences	84	176
Income taxed at a different rate	22	52
Tax credits	(57)	(240)
Actual tax charge	**3,580**	**3,066**

Note 22 - Diluted earnings per share

Earnings per share	31/3/2009	31/3/2008
Net profit for the year (Group share)	7,015	6,168
Return on revenues	6.9%	8.5%
Weighted average number of shares in issue (1)	4,904,612	4,904,612
Basic earnings per share, Group share	1.43	1.26
Number of shares in issue at 31 March (1)	4,904,612	4,904,612
Number of potential shares - Stock options	0	0
Total number of potential and issued shares	4,966,882	4,966,882
Diluted earnings per share, Group share	1.43	1.26

(1) Excluding treasury shares

Dilutive financial instruments are specified under Note 10 - Share capital.

In accordance with IAS 33, earnings per share for the years ended 31 March 2009 and 31 March 2008 were recalculated based on the number of shares as at 31 March 2009.

Note 23 - Financial instruments

Solucom holds the following financial instruments:
• Investments in risk-free money market SICAV (French unit trusts), exclusively indexed on EONIA,
• Treasury shares,
• Securities held for sale amounting to €97,000,
• An interest rate cap amounting to €76,000, the fair value of which was written off during the year.

Note 24 - Off-balance sheet commitments

By category:

Off-balance sheet commitments	31/3/2009	31/3/2008
Pledges, mortgages and actual sureties	27,465	8,983
- of which pledged shares in subsidiaries	*27,465*	*8,983*
Endorsements and guarantees given	0	0
- of which guarantees given as security for loans	*0*	*0*
Other commitments given	10,053	9,589
- of which operating leases	*10,053*	*9,589*
Endorsements and guarantees received	18,778	2,296
- of which endorsements and bank guarantees received for liabilities	*2,845*	*1,996*

By maturity:

The pledge of shares in subsidiaries relates to shares of Dreamsoft, New'Arch, Vistali and Cosmosbay~Vectis.
See Note 6 - Operating leases for the periods of commitments given for operating leases.
The endorsements and bank guarantees received of €18,778,000 represent security for:

- €2,845,000 of liability guarantees included in the purchase agreements for the shares of New'Arch, KLC, Vistali and Cosmosbay~Vectis,
- €4,000,000 of hedges in respect of the loan capped at 5%,
- Credit facilities amounting to €11,200,000 granted in conjunction with the Dreamsoft and Cosmosbay~Vectis acquisitions and €733,000 to finance the refurbishment of the premises.

Note 25 - Related parties

Solucom companies did not conduct any material transactions with companies that could be considered "Related parties" as defined by IAS 24.9.

Note 26 - Post balance sheet events

A total dividend of €932,000 (€0.19 per share) will be recommended to the general meeting convened to approve Solucom's financial statements for the year ended 31 March 2009.

Note 27 - Statutory auditors' fees

	SLG Expertise				Constantin Associés			
Audit	Amount 08/09	Amount 07/08	% 08/09	%07/08	Amount 08/09	Amount 07/08	% 08/09	%07/08
Statutory audit, opinion, review of separate and consolidated financial statements								
> Issuer	44,504	41,231	57%	56%	46,563	41,611	39%	42%
> Fully consolidated subsidiaries	33,305	31,855	43%	44%	31,747	35,330	27%	35%
Other engagements and services directly linked to the statutory audit engagement								
> Issuer					40,112	23,000	34%	23%
> Fully consolidated subsidiaries								
Sub-total	**77,809**	**73,086**	**100%**	**100%**	**118,422**	**99,941**	**100%**	**100%**
Other services rendered by branches of the statutory auditors to fully consolidated subsidiaries								
> Legal, tax and HR								
> Other								
Sub-total								
TOTAL	**77,809**	**73,086**	**100%**	**100%**	**118,422**	**99,941**	**100%**	**100%**

Note 28 - List of consolidated companies

Company	Registered office	SIRET no.	Legal form	Country
Solucom	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	377550249 00041	SA	France
Idesys	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	381150879 00058	SAS	France
Arcome SAS	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	349429514 00038	SAS	France
Dreamsoft	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	423049162 00062	SAS	France
New'Arch	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	480157585 00021	SAS	France
KLC	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	378669642 00035	SAS	France
Vistali	Tour Franklin 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex	439112301 00031	SAS	France
Cosmosbay~Vectis	Le Parc de Villeurbanne 107 Bd Stalingrad 69628 Villeurbanne Cedex	349062430 00062	SA	France

General auditors report on the consolidated financial statements year ended 31/03/09

To the shareholders:

In accordance with the assignment entrusted to us by the General Meeting, we have audited the attached consolidated financial statements of Solucom for the year ended 31/03/09, concerning :

- The audit of the attached financial statements of Solucom,
- Justification of our opinion,
- Specific audit testing and information required by the law.

The Management Board is responsible for the preparation of the consolidated financial statements. It is our responsibility to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with auditing standards applicable in France. These standards require that we perform such tests and procedures so as to obtain reasonable assurance that the consolidated financials statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made in preparing the financial statements, and an evaluation of the overall adequacy of the presentation of these statements. We believe that our audit provides a reasonable basis for the opinion expressed below.

In our opinion the consolidated financial statements give a true and fair view of the results, assets, liabilities and financial position of the companies and persons included in the consolidation and comply with IFRS accounting policies as adopted by the European Union.

2. Justification for our opinion

The financial crisis that is being increasingly accompanied by an economic crisis bears many consequences for companies, especially in terms of business activity and financing. Extreme volatility in those financial markets that are still active, the rarity of deals in the financial markets that have gone inactive, as well as a lack of visibility for the future are this year creating special conditions when preparing financial statements, especially in respect of the accounting estimates that are required when applying accounting principles. It is against this background that we have made our own assessments that we are bringing to your attention, in accordance with the provisions of Article L.823-9 of the Commercial Code.

Goodwill has been recognized and assessed in accordance with the method referred to in Note 11.4 in the Appendix. Our work consisted of assessing on the one hand the data and assumptions on which the assessments are based, and on the other hand a calculation of the goodwill of the Cosmosbay~Vectis shares.

Impairments of equity interests are appraised in accordance with the method described in the note on accounting rules and standards contained in the appendix to the annual financial statements. Securities are assessed on the basis of various criteria described in that note. We reviewed the methods for implementing that impairment test and the assumptions used and we verified that the note to the appendix provides appropriate information.

The assessments thus given are part of our audit of the annual financial statements, as a whole, and have therefore contributed to the construction of our opinion expressed in the first part of this report.

3. Specific audit procedures

We have also performed testing on the information relating to the Group given in the Management Report.

We have no comment on the truth and fairness of said information and its consistency with the consolidated financial statements.

Paris and Levallois-Perret, 12/06/09

General auditors

SGL Expertise	Constantin Associés
Arnaud Bernard	Laurent Levesque
164, boulevard Haussmann	114, rue Marius Aufan
75008 Paris	92300 Levallois-Perret

Company financial statements for the year ended 31 March 2009

Solucom SA Income Statement

€000

	31/3/09	31/3/08
Revenues	45,605	37,285
Own work transferred to inventories	0	0
Write-backs to provisions, impairment and expense transfers	330	25
Other operating income	5,457	3,434
Total operating income	**51,392**	**40,744**
Purchases consumed	15,158	9,838
Personnel costs	19,792	17,762
Other operating expenses	8,696	7,227
Taxes other than corporation tax	954	759
Depreciation, impairment and provision charges	596	550
Total operating expenses	**45,197**	**36,135**
Operating profit	**6,195**	**4,609**
Financial income	2,698	3,243
Financial expense	883	195
Net financial items	**1,815**	**3,048**
Net profit on ordinary activities	**8,011**	**7,657**
Exceptional items	(443)	(1)
Net profit before tax and employee profit share	**7,568**	**7,656**
Employee profit share	581	530
Corporation tax	1,437	1,601
Net profit for the year	**5,549**	**5,525**

Solucom SA Balance Sheet

Assets

€000

	31/3/09			31/3/08
	GROSS	AMORT./ DEPRECIATION	NET	NET
Fixed assets	**41,391**	**1,484**	**39,908**	**25,938**
Intangible fixed assets	634	385	249	157
Tangible fixed assets	2,608	860	1,748	1,471
Financial assets	38,149	238	37,911	24,310
Current assets	**22,643**		**22,643**	**30,997**
Inventories and WIP	0		0	0
Trade receivables	17,663		17,663	13,068
Other receivables and prepaid expenses	2,753		2,753	2,779
Marketable securities	2,134		2,134	5,076
Cash	92		92	10,074
Deferred expenditure				
Total assets	**64,034**	**1,484**	**62,550**	**56,935**

Liabilities and shareholders' equity

€000

	31/3/09	31/3/08
Shareholders' equity	**30,823**	**26,169**
Share capital	497	495
Issue, merger and contribution premiums	11,218	11,187
Reserves	13,558	8,963
Retained earnings	5,549	5,525
Provisions	**319**	**421**
Liabilities	**31,408**	**30,344**
Loans and borrowings with financial institutions	12,641	13,948
Trade payables	6,838	5,018
Other liabilities, accruals and deferred income	11,929	11,378
Total liabilities and shareholders' equity	**62,550**	**56,935**

Solucom SA Cash Flow Statement

€000

	31/3/09	31/3/08
Net profit for the year	**5,549**	**5,525**
Elimination of non-cash and non-operating items:		
- Depreciation and provision charges	834	571
- Write-back to depreciation and provisions	(341)	(6)
- Capital gains net of tax	431	542
Free cash flow from operating activities	**6,473**	**6,632**
- Change in financial expenses	*(11)*	*13*
- Net change in operating items	*(2,685)*	*(1,267)*
- Change in inventories		
- Change in operating liabilities	(4,962)	(2,570)
- Change in operating liabilities	2,286	2,127
- Prepaid expenses and accrued income	(9)	(824)
- Net change in non-operating items	*458*	*1,169*
- Change in non-operating receivables	443	961
- Change in non-operating liabilities	15	208
Change in working capital	**(2,238)**	**(84)**
Net cash flow from operating activities	**4,235**	**6,547**
Cash flow from investing activities		
Purchase of intangible fixed assets	(125)	(4)
Purchase of tangible fixed assets	(1,025)	(832)
Purchase of financial assets	(594)	(1,422)
Sale of financial assets	947	551
Net cash flow from purchases and sales of subsidiaries	(14,171)	(5,400)
Net cash flow from investing activities	**(14,967)**	**(7,107)**
Net cash flow from financing activities		
Share issues or capital contributions	33	264
Dividends paid to shareholders	(929)	(674)
Loans received	0	10,000
Loan repayments	(1,964)	0
Net cash flow from financing activities	**(2,860)**	**9,590**
Change in cash and cash equivalents	**(13,592)**	**9,031**
Cash and cash equivalents brought forward	11,215	2,184
Cash and cash equivalents carried forward	(2,377)	11,215

Notes to the Balance sheet and income statement

Accounting policies and principles

(Decree number 83-1020 of 29 November 1983 - Articles 7,21,24 beginning, 24-1, 24-2 and 24-3)

The financial statements cover the 12 month period from 1 April 2008 to 31 March 2009.

The financial statements for the financial year 2008/09 have been prepared pursuant to French generally accepted accounting principles.

The notes and schedules below form an integral part of the annual financial statements, which were approved by the Management Board on 26 May 2009.

I. Highlights of the year

Acquisition of Cosmosbay~Vectis:

At the beginning of the year, Solucom purchased substantially all the equity of Cosmosbay~Vectis except for 5% held by employee bonus share holders, which will be acquired on 15 December 2011 pursuant to the terms of a bilateral agreement, at an agreed price in accordance with the terms of the initial contract dated April 2008. 20% of the total purchase price included a potential addition to the purchase price of up to €3.0 million, of which €1.5 million will not be paid in view of Cosmosbay~Vectis's results for the year ended 31 March 2009.

II. Material Post Balance Sheets events

Distribution of dividends:

A total dividend of €932,000 (€0.19 per share) will be recommended to the general meeting convened to approve Solucom's financial statements for the year ended 31 March 2009.

III. Accounting policies

The Company has applied generally accepted accounting principles pursuant to the principle of prudence and the following underlying assumptions:

- going concern,
- consistency of accounting principles between financial years,
- accruals concept,
- and in accordance with generally accepted principles for preparation and presentation of annual financial statements.

The accounts have been prepared under the historical cost principle.

IV - TANGIBLE AND INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at cost including purchase price for the assets and related items excluding purchasing expenses.

Tangible fixed assets are stated at cost including purchase price for the assets and related items excluding purchasing expenses, or at production cost.
Interest on loans specifically taken out for the production of fixed assets is not included in the capitalised cost of said fixed assets.

Depreciation is calculated under either the straight line or the reducing balance method, based on the following estimated useful lives:

- Software: 3 years
- Building improvements: 9 years
- IT equipment: 3 years
- Office furniture: 9 years

The Company has decided to depreciate the telephone system installed in May 2008 over a period of 6 years.
Depreciation is based on the straight line method.

V. Equity investments, other long-term investments, marketable securities

The gross value reflects the purchase cost excluding related expenses. If the fair value is lower than the gross value, an impairment provision is set aside for the difference.

Equity investments:

An impairment provision is recorded in respect of any excess of cost over value in use. Value in use is established by reference to earnings, medium term outlook and stock market prices of comparable companies and recent transactions.

Treasury shares:

Treasury shares are recorded under long-term investments and are divided into three different categories:

- €678,865.92 of the total are held in order to issue them on the stock exchange or as consideration for merger or acquisition transactions.

- €188,847.37 of the total are held in order to ensure the liquidity contract functions correctly. A €30,363.01 impairment provision was recorded at the balance sheet date.

- €0.00 is held in order to issue them to employees and/or directors of the Company or other group companies, in accordance with statutory conditions and procedures.

VI. Receivables

Receivables are stated at face value. A bad debt provision is recorded if their realisable value is lower than their book value.

VII. Bond redemption premium

None.

VIII. Foreign currency transactions

None.

IX. Regulated Provisions

None.

X. Recognition of revenue and unfinished contracts at the balance sheet date

Revenues and related earnings are accounted for based on the state of completion method.
Unfinished contracts at the balance sheet date are billed to the client under two different methods as follows:

- invoicing by batch or stage,
- invoicing based on state of completion.

An additional provision may be recorded in respect of any risk of losses on completion of the contract.

XI. Changes in accounting policies

There were no changes in accounting policies during the year.

XII. Additional information

The following data is provided to enable the reader to make a more informed judgement:
5,868 and 10,352 stock options were exercised during the year by employees of Arcome and Idesys respectively at a ratio of 1 option per share.

Fixed assets

€000

TABLE A		GROSS 1/4/08	INCREASES	
			Reclassifications	Additions
Intangible fixed assets				
Start-up costs, research and development expenses	Total I			
Other intangible fixed assets	Total II	**460**		**187**
Tangible fixed assets				
Plant and machinery				
General equipment, fixtures and fittings		1,098		519
Vehicles				
Office and IT equipment, furniture		717		298
Tangible fixed assets in progress		256		429
	Total III	**2,070**		**1,246**
Financial assets				
Other equity investments (1)		22,480		15,981
Other long-term securities		1,252		562
Loans and other financial assets		599		32
Grand total (I + II + III + IV)		**26,861**		**18,008**

TABLE B		DISPOSALS (SCRAP/ TRANSFER)	DISPOSALS (SALE)	GROSS CARRIED FORWARD	REVALUATIONS
Intangible fixed assets					
Start-up costs, research and development expenses	Total I				
Other intangible fixed assets	Total II		**13**	**634**	
Tangible fixed assets					
Plant and machinery					
General equipment, fixtures and fittings				1,617	
Vehicles					
Office and IT equipment, furniture			24	991	
Tangible fixed assets in progress			685		
	Total III		**709**	**2,608**	
Financial assets					
Other equity investments (1)			1,810	36,651	
Other long-term securities			946	868	
Loans and other financial assets			1	630	
	Total IV		**2,757**	**38,149**	
Grand total (I + II + III + IV)			**3,478**	**41,391**	

(1) of which €27,465,000 given as security for credit facilities and loans

Depreciation and amortisation

€000

TABLE A		BALANCES AND CHANGES DURING THE YEAR			
DEPRECIATED FIXED ASSETS		Gross brought forward	Charges for the year	Disposals/write-backs	Gross carried forward
Intangible fixed assets					
Start-up costs, research and development expenses	Total I				
Other intangible fixed assets	Total II	**303**	**93**	**11**	**385**
Tangible fixed assets					
Plant and machinery					
General equipment, fixtures and fittings		301	181		482
Vehicles					
Office and IT equipment, furniture		298	103	24	378
	Total III	**599**	**285**	**24**	**860**
Grand total (I + II + III)		**902**	**378**	**35**	**1,245**

Balance Sheet Impairment and Provisions

€000

		BALANCE BROUGHT FORWARD	INCREASES CHARGE FOR THE YEAR	REDUCTIONS WRITE-BACKS FOR THE YEAR	BALANCE CARRED FORWARD
Regulated provisions					
	Total I				
Provisions (1)					
Provisions for disputes					
Provisions for fines and penalties					
Other provisions for risks and charges (2)		421	218	320	319
	Total II	**421**	**218**	**320**	**319**
Impairment					
On other financial assets		21	238	21	238
On trade receivables					
Other provisions for impairment		5		5	
	Total III	**26**	**238**	**26**	**238**
Grand total (I + II + III)		**447**	**456**	**346**	**557**
Of which charges and write-backs:	- operating items		218	325	
	- financial items		238	21	
	- exceptional items		-	-	

(1) €320,000 of the reduction in the provision for risks and charges was used during the year.

(2) This relates virtually exclusively to a provision against bonus shares.

Maturity of Receivables and Payables

€000

TABLE A	MATURITY OF RECEIVABLES	GROSS	UP TO 1 YEAR	MORE THAN 1 YEAR
Fixed assets				
Other financial assets		630	3	627
Current assets				
Trade receivables		17,663	17,663	
Personnel receivables and related amounts				
Social security		13	13	
Corporation tax		226	226	
Value added tax		1,127	1,127	
Group and shareholders				
Other debtors		107	107	
Prepaid expenses		1,280	1,280	
Total		**21,046**	**20,419**	**627**

TABLE B MATURITY OF PAYABLES	GROSS	UP TO 1 YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Loans and borrowings with financial institutions due in less than 1 year (1)	4,603	4,603		
Loans and borrowings with financial institutions due in more than 1 year (1)	8,038	2,011	6,027	
Miscellaneous loans and borrowings (1) (2)				
Trade payables	6,838	6,838		
Personnel receivables and related amounts	3,151	3,151		
Social security	2,224	2,224		
Corporation tax	29	29		
Value added tax	3,372	3,372		
Other taxation and related amounts	400	363	36	
Fixed asset payables and related amounts	208	208		
Group and shareholders (2)				
Other payables	1,887	788	1,100	
Deferred income	659	659		
Total	**31,408**	**24,245**	**7,163**	

(1) Of which loans taken out during the year €0

(1) Of which loans repaid during the year €1,964

(2) Value of loans and liabilities owing to shareholders €0

Accrued Income

€000

(Decree 83-1020 dated 29/11/1983 - Article 23)

ACCRUED INCOME INCLUDED IN THE FOLLOWING BALANCE SHEET ACCOUNTS	31/3/09	31/3/08
Trade receivables	9,543	6,182
Other receivables	46	63
Cash		1
Total	**9,589**	**6,247**

Accrued Expenses

€000

(Decree 83-1020 dated 29/11/1983 - Article 23)

ACCRUED EXPENSES INCLUDED IN THE FOLLOWING BALANCE SHEET ACCOUNTS	31/3/09	31/3/08
Loans and borrowings owing to financial institutions	18	52
Fixed asset payables and related amounts	4,595	2,246
Tax and social security liabilities	4,691	4,204
Other payables	1,887	2,544
Total	**11,192**	**9,046**

Deferred Income and Prepaid Expense

€000

(Decree 83-1020 dated 29/11/1983 - Article 23)

DEFERRED INCOME	31/3/09	31/3/08
Operating income	659	617
Financial income		
Exceptional income		
Total	**659**	**617**
Prepaid expenses	**31/3/09**	**31/3/08**
Operating expenses	1,280	1,230
Financial expenses		
Exceptional expenses		
Total	**1,280**	**1,230**

Exceptional Income and Expense

€000

EXPENSE DESCRIPTION	AMOUNT
Loss on purchase of treasury shares	450
Other exceptional expenses	431
TOTAL	**882**
INCOME DESCRIPTION	**AMOUNT**
Gain on purchase of treasury shares	9
Other exceptional income	430
TOTAL	**439**

Leasing

€000

(Decree 83-1020 dated 29/11/1983 - Article 53)

BALANCE SHEET ACCOUNTS	HISTORICAL COST	ACCOUNTING DEPRECIATION AND AMORTISATION 2008/09	ACCOUNTING DEPRECIATION AND AMORTISATION Cumulative	NET BOOK VALUE	LEASE PAYMENTS 2008/09	LEASE PAYMENTS Cumulative
Land						
Buildings						
Plant and machinery						
Other tangible fixed assets	1,496	325	758	738	361	812
Fixed assets in progress						
Total	**1,496**	**325**	**758**	**738**	**361**	**812**

BALANCE SHEET ACCOUNTS	OUTSTANDING LEASE PAYMENTS UP TO 1 YEAR	OUTSTANDING LEASE PAYMENTS BETWEEN 1 AND 5 YEARS	OUTSTANDING LEASE PAYMENTS MORE THAN 5 YEARS	OUTSTANDING LEASE PAYMENTS TOTAL	RESIDUAL PURCHASE PRICE	EXPENSE RECORDED DURING THE YEAR
Land						
Buildings						
Plant and machinery						
Other tangible fixed assets	388	383		771	12	361
Fixed assets in progress						

Analysis of Share Capital

(Decree 83-1020 dated 29/11/1983 - Article 24-12)

CATEGORIES OF SHARES	NOMINAL VALUE (€)	NUMBER OF SHARES			
		Brought forward	Issued during the year	Purchased during the year	Carried forward
Share capital brought forward	0.10	4,950,662			4,950,662
Exercise of 16,220 stock options	0.10		16,220		16,220
Share capital carried forward	0.10	4,950,662	16,220		4,966,882

The Company increased share capital by a total of €1,622. This increase comprises 16,220 new shares following the exercise of stock options. As at 31 March 2009, all stock option schemes have expired.

At 31 March 2009, share capital amounted to €496,688.20 divided into 4,966,882 fully paid-up shares of the same class.

Change in treasury shares

(€000)

CATEGORIES OF TREASURY SHARES	NUMBER OF SHARES					TOTAL VALUE CARRIED FORWARD
	Brought forward	Purchased during the year	Sold during the year	Transferred during the year	Share capital carried forward	
Capitalised treasury shares	88,962	29,769	25,018	31,443	62,270	630
Total	**88,962**	**29,769**	**25,018**	**31,443**	**62,270**	**630**

Analysis of corporation tax

€000

	BEFORE TAX	CORRESPONDING TAX CHARGE	AFTER TAX
Net profit on ordinary activities (after profit share)	7,429	1,587	5,842
Exceptional items	(443)	(150)	(293)
Net profit for the year	**6,986**	**1,437**	**5,549**
The income statement corporation tax charge is broken down as follows:			
- Corporation tax for the year		1,663	
- Family tax credit		(22)	
- Sponsorship tax credit:		(23)	
- Company foundation tax credit:		(180)	
Total		**1,437**	

(Decree 83-1020 dated 29/11/1983 - Article 24-20)

	BEFORE TAX	CORRESPONDING TAX CHARGE	AFTER TAX
Net profit on ordinary activities (after profit share)	7,429	1,587	5,842
Exceptional items	(443)	(150)	(293)
Net profit for the year	6,986	1,437	5,549
The income statement corporation tax charge is broken down as follows:			
- Corporation tax for the year		1,663	
- Family tax credit		(22)	
- Sponsorship tax credit:		(23)	
- Company foundation tax credit		(180)	
Total		1,437	

Financial commitments

€000

(Decree 83-1020 dated 29/11/1983 - Articles 24-9 and 24-16)

COMMITMENTS GRANTED	BALANCE
Non-real estate leasing commitments	783
Retirement bonuses (1)	189
Pledge of equity shares (2)	27,465
Total	**28,437**
COMMITMENTS RECEIVED	
Deposits and guarantees (guarantees in conjunction with M&A transactions)	2,845
Interest rate hedges	4,000
Total	**6,845**
RECIPROCAL COMMITMENTS	

(1) Liabilities from defined benefit schemes are valued by independent actuaries based on the projected unit of credit method.

(2) Of which related companies: €27,465,000

The assumptions underlying the calculation are as follows:

- Application of the collective staff agreement for research office staff
- High staff turnover
- Mortality table THTF 2000-2002
- Salary inflation: 2.00%
- Discount rate: 5.69%
- Retirement age: 65 years
- Leavers on the initiative of the employer

List of liabilities and commitments

€000

CONTRACTUAL LIABILITIES	TOTAL	LESS THAN 1 YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Long term liabilities (including finance leases) (1)	8,820	2,399	6,420	
Operating lease liabilities (2)	8,580	2,354	6,227	
Other liabilities				
Other commercial commitments				
Credit facilities	11,933	2,850	9,083	
Pledge of shares	27,465		27,465	

(1) Long term liabilities include loans amounting to €8,036,000.
(2) The maturity stated above in respect of operating lease liabilities corresponds to the earliest possible cancellation date of the various leases.

Increases and reductions in future tax liabilities

€000

(Decree 83-1020 dated 29/11/1983 - Article 24-24)

INCREASES IN FUTURE TAX LIABILITIES	AMOUNT
Regulated provisions	
Total	
REDUCTIONS IN FUTURE TAX LIABILITIES	**AMOUNT**
Provisions not deductible in same year as accounts	
- Provisions for paid holiday	
- Employee profit share	579
- Organic tax (tax on sales)	22
- Employer's contribution to construction effort	52
Other	
- Acquisition costs on subsidiaries	439
- Provision for loss on completion	9
- Unrealised gains on marketable securities	2
Total	**1,103**
Deferred capital allowances	
Losses carried forward	
Long-term capital losses	

Breakdown of revenues

This does not apply since Solucom only markets one type of service, namely management consulting and information systems consulting, and since all such services are subject to the same risks and earn similar margins, separate business segments have not been defined.
Over 90% of the Company's revenues are generated in France.

Average number of employees

(Decree 83-1020 dated 29/11/1983 - Article 24-22)

	COMPANY EMPLOYEES	OUTSIDE CONTRACTORS
Managers	253	
Supervisors and technicians		
Employees	12	
Workers		
Total	**265**	

The average number of employees is calculated based on full time equivalents. In accordance with the collective workers agreement, as from financial year 2007/08, students on a sabbatical year, unlike trainees, are included as employees.
The volume of hours available as at 31 March 2009 in respect of 'DIF' (French employee entitlement to training) is 9,363 hours.
The volume of hours consumed as at 31 March 2009 in respect of DIF is 1,258 hours.

Directors Remuneration

€000

	HEADING	
(€000)	MANAGEMENT BOARD	SUPERVISORY BOARD
Remuneration allocated	384	64
Total	**384**	**64**

There were no retirement or pension commitments for any members of the above Boards in respect of their positions as directors.
No advance or loan was granted by any Group company to the members of the Management and Supervisory Boards.

Valuation differences on fungible items

€000

(Decree 83-1020 dated 29/11/1983 - Articles 10 and 24-10)

TYPE OF FUNGIBLE ITEM	BOOK VALUE	MARKET VALUE
FCP (mutual fund) “Atlantique Trésorerie”	145	147
SG technical investment account	1,989	1,989
Total	**2,134**	**2,136**

Fungible items are included under ‘Marketable Securities’ as balance sheet assets. The unrealised capital gain of €2,300 represents the difference between the market value and value at cost.

Changes in shareholders’ equity

€000

	Share capital	Share premium	Other equity	Net profit for the year	Total shareholders’ equity
Balance at 31/3/08	**495**	**11,187**	**8,963**	**5,525**	**26,169**
Movements during the first six months					
Earnings appropriation			4,601	(4,601)	
Dividends				(924)	(924)
Movements during the second six months					
Earnings distribution in respect of treasury shares			(6)		(6)
Capital increase by exercise of 16,220 stock options	2	31			33
Net profit for the year				5,549	5,549
Balance at 31/3/09	**497**	**11,218**	**13,558**	**5,549**	**30,823**

List of subsidiaries and equity investments

€000

Decree 83-1020 dated 29-11-1983-Article 24-11)

A - DETAILS OF SUBSIDIARIES AND EQUITY INVESTMENTS	Share capital	Shareholders' equity other than share capital	% equity interest	Net profit/(loss) for the last financial year
1 - Subsidiaries (over 50% equity interest)				
Idesys Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	206	2,085	100%	1,365
Arcome Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	160	1,029	100%	600
Dreamsoft Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	305	1,239	100%	919
New'Arch Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	472	1,362	100%	543
KLC Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	178	387	100%	28
Vistali Tour Franklin 100/101 terrasse Boieldieu 92042 Paris La Défense Cedex	104	865	100%	457
Cosmosbay~Vectis Le Parc de Villeurbanne 107 Bd Stalingrad 69628 Villeurbanne Cedex	5,566	1,244	95%	(640)

2 - Equity investments (from 10% to 50% equity interest)				
B - CUMULATIVE DATA CONCERNING OTHER SUBSIDIARIES AND EQUITY INVESTMENTS	**Subsidiaries**		**Equity investments**	
	French	*Foreign*	*French*	*Foreign*
Book value of shares held				
- Gross:	36,651			
- Net:	36,651			
Loans and advances granted (2)	6,000			
Guarantees and sureties granted				
Dividends received	2,577			

(2) Centralised cash management: these accounts are disclosed as liabilities in Solucom SA's financial statements.

Information concerning related parties and equity investments

€000

(Decree 83-1020 dated 29/11/1983 - Articles 10 and 24-15)

	Amounts concerning:		Receivables or payables in bills of exchange
	Related companies	*Companies with an equity connection*	
Details covering several balance sheet accounts			
Financial assets			
Equity investments	36,651		
Impairment provision on equity investments			
Total fixed assets	**36,651**		
Receivables			
Trade receivables	4,094		
Other receivables	32		
Bad debt provision on other receivables			
Total receivables	**4,126**		
Liabilities			
Fixed asset payables and related amounts	5,299		
Other payables	10		
Total liabilities	**5,309**		
Income			
Income from equity investments	2,577		
Other financial income	6		
Total income	**2,583**		
Expenses			
Financial expense	122		
Total expenses	**122**		

Financial results and other details of the company during the past five years

€000

(Decree 67-236 dated 23/03/1967)

	31/3/05	31/3/06	31/3/07	31/3/08	31/3/09
Share capital at year end					
Share capital	455	459	466	495	497
Number of ordinary shares	1,193,970	1,203,134	4,889,480	4,950,662	4,966,882
Income statement details					
Net revenues	22,253	26,147	30,953	37,285	45,605
Profit bef. tax, profit share, depreciation and provisions	4,148	4,514	4,817	8,197	8,055
Corporation tax	1,248	1,092	1,155	1,601	1,437
Employee profit share	420	354	426	530	581
Profit after tax, profit share, depreciation and provisions	4,462	2,969	2,895	5,525	5,549
Dividends	401	475	677	929	932
Earnings per share					
Profit after tax and profit share, before depreciation and provisions	2.08	2.55	0.66	1.23	1.22
Profit after tax, profit share, depreciation and provisions	3.74	2.47	0.59	1.12	1.12
Dividends	0.34	0.40	0.14	0.19	0.19
Personnel					
Average number of employees	166	194	199	245	265
Total wages and salaries	9,179	10,252	10,590	12,101	13,497
Social security and other staff benefits	4,103	4,661	4,953	5,661	6,294

Treasury shares held under the share buy-back programme do not attract dividends; the difference between the amount allocated for dividend distribution as stated above and the amount actually paid is posted to retained earnings.

General auditors report on the consolidated financial statements year ended 31/03/09

To the shareholders,

In accordance with the assignment entrusted to us by the General Meeting, we have audited the attached consolidated financial statements of Solucom for the year ended 31/03/09, concerning :

- The audit of the attached financial statements of Solucom,
- Justification of our opinion,
- Specific audit testing and information required by the law.

The Management Board is responsible for the preparation of the consolidated financial statements. It is our responsibility to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with auditing standards applicable in France. These standards require that we perform such tests and procedures so as to obtain reasonable assurance that the consolidated financials statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made in preparing the financial statements, and an evaluation of the overall adequacy of the presentation of these statements. We believe that our audit provides a reasonable basis for the opinion expressed below.

In our opinion the consolidated financial statements give a true and fair view of the results, assets, liabilities and financial position of the companies and persons included in the consolidation and comply with IFRS accounting policies as adopted by the European Union.

2. Justification for our opinion

The financial crisis that is being increasingly accompanied by an economic crisis bears many consequences for companies, especially in terms of business activity and financing. Extreme volatility in those financial markets that are still active, the rarity of deals in the financial markets that have gone inactive, as well as a lack of visibility for the future are this year creating special conditions when preparing financial statements, especially in respect of the accounting estimates that are required when applying accounting principles. It is against this background that we have made our own assessments that we are bringing to your attention, in accordance with the provisions of Article L.823-9 of the Commercial Code.

Impairments of equity interests are appraised in accordance with the method described in the note on accounting rules and standards contained in the appendix to the annual financial statements. Securities are assessed on the basis of various criteria described in that note. We reviewed the methods for implementing that impairment test and the assumptions used and we verified that the note to the appendix provides appropriate information.

The assessments thus given are part of our audit of the annual financial statements, as a whole, and have therefore contributed to the construction of our opinion expressed in the first part of this report.

3. Specific audit procedures

We have also performed testing on the information relating to the Group given in the Management Report.
We have no comment on the truth and fairness of said information and its consistency with the consolidated financial statements.

Paris and Levallois-Perret, 12/06/09

General auditors

SGL Expertise	Constantin Associés
Arnaud Bernard	Laurent Levesque
164, boulevard Haussmann	114, rue Marius Aufan
75008 Paris	92300 Levallois-Perret

Special Auditors' report on regulated agreements year ended 31/03/09

To the shareholders,

In our capacity as statutory auditors of Solucom, we submit to you our report concerning regulated agreements.

Pursuant to Articles L.225-88 of the French Commercial Code, we have been notified of agreements, which have been approved in advance by the Supervisory Board.

It is not our responsibility to search for the existence of any agreements of which we may not have been informed, but rather to communicate to you, based on information given to us, the principal terms and conditions of agreements of which we were notified; we do not comment on their commercial value or appropriateness.
It is your responsibility, in accordance with Article R. 225-58 of the French Commercial Code, to evaluate the commercial reason for signing these agreements, in order to approve them.

We have carried out our work in accordance with professional standards applicable in France; these standards require that we plan and perform our examination so as to verify that the information provided to us is consistent with the underlying records from which they are taken.

I. Commitments and agreements authorised during the period

We must inform you that we have not been advised of any agreement or commitment entered into during the period as stipulated in Article L.225-86 of the Commercial Code.

II. Commitments and agreements approved during previous periods whose execution continued during the period

Besides, as per the Commercial Code, we have been informed that the execution of the following agreements and commitments, approved during previous periods, continued during the last period.

A/ Agreement for the provision of services with Arcome, Idesys, Dreamsoft, KLC, New'Arch and Vistali

Solucom has entered into a support contract with Arcome, Idesys, Dreamsoft, KLC and New'Arch, and as of 1 April 2008 with Vistali, to carry out surveys or services for strategic, marketing and monitoring purposes on behalf of the Group, for which any costs incurred shall be Solucom's responsibility, being the number of man/days and the average daily charge-out rate. Billing shall be quarterly in arrears, as the project progresses. This agreement shall be automatically renewed.

Under this agreement, the cost recognized in Solucom's financial statements came to € 10,000 for the financial year ended 31 March 2009. The billing was issued by Arcome SAS.

B / "ActiveSys 6" agreement with Arcome, Idesys, Dreamsoft, KLC, New'Arch and Vistali

Under the terms of an agreement it has been agreed that the cost of maintenance work for the ActiveSys software shall be shared between Solucom, Arcome, Idesys, Dreamsoft, KLC and New'Arch, and as of 1 April 2008 with Vistali, pro-rata to the number of users of the software within each company. This agreement shall be automatically renewed.

For the financial year ended 31 March 2009, Idesys billed an amount of € 158,000 exclusive of VAT to Solucom.

C / Service contract with Mr. Jacques Pansard, a member of the Supervisory Board

Solucom has signed with Mr. Jacques Pansard a service contract for training at the Solucom Institute. Mr. Jacques Pansard's rate has been set at € 1,300 exclusive of VAT per day. This agreement is annual and may be automatically renewed for a period of one year.

Under this agreement, Mr. Jacques Pansard has billed Solucom for € 46,930 exclusive of VAT during the financial year ended 31 March 2009.

D/ Contract with Mr. Michel Dancoisne, Chairman of the Supervisory Board

On 1 October 2002 Solucom signed with Mr. Michel Dancoisne an open-ended contract covering "skills in financial policy, development and external growth", for 10 hours per week.

In return for such services Mr. Michel Dancoisne is paid € 1,900 per month for 13 months plus repayment of expenses against receipts.

During the financial year ended 31 March 2009, Mr. Michel Dancoisne was paid € 24,700.

In respect of this task we have put in place the controls we have deemed necessary in respect of the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (National Auditors Association). These controls have consisted of crosschecking the information provided to us with the original documents from which they came.

Paris, 12/06/09

The Statutory Auditors

SGL Expertise	Constantin Associés
Arnaud Bernard	Laurent Levesque
164, boulevard Haussmann	114, rue Marius Aufan
75008 Paris	92300 Levallois-Perret

Corporate governance

Fiscal 2008/2009

4

Corporate governance

Report of the chairman of the supervisory board regarding terms and conditions for the preparation and organisation of the board's duties and regarding internal controls and risks management

Ladies and Gentlemen,

In accordance with the provisions of Article L 225-68 of the French Commercial Code, as Chairman of the Supervisory Board, I am honoured to present to you a report on the terms and conditions for the preparation and organisation of the Board's operations and on internal control and risks management procedures adopted by the Company.

1. Conditions for preparation and organisation of the Supervisory Board's duties

1.1 General organisation and formation of management and supervisory bodies

I would first like to remind you that the Extraordinary and Ordinary General Meeting held on 30 September 2002 passed a resolution to adopt the corporate governance status of a company "with Management and Supervisory Boards".

The Board of Directors, which proposed this amendment to the General Meeting, considered that the most appropriate structure for the Company, based on previous experience, is to separate the functions of general management and control, by establishing a Management Board and a Supervisory Board.

This functional separation of management and control, together with the appointment of independent members to the Supervisory Board, also reflects best Corporate Governance practices.

Members of the Supervisory Board

The Supervisory Board comprises the following members:

(2) Michel Dancoisne: Chairman,

(3) Jean-Claude Malraison: Vice Chairman,

(4) Pierre Laigle: Member,

(5) Jacques Pansard: Member.

(5) Jean-François Perret: Member

The members of the Supervisory Board were chosen for their competence and multi-disciplinary expertise as illustrated by the biographies below.

Michel Dancoisne

Born 13 March 1947, a graduate of the Institut Supérieur d'Electronique du Nord and backed by an Executive MBA (HEC Group), in 1971 Michel Dancoisne joined Télésystèmes, a subsidiary of France Télécom, as a technical-commercial engineer. In 1974 he joined CII-Honeywell Bull as a commercial engineer.
In 1979, he helped to set up the QUESTEL business (database server) within Télésystèmes as Commercial Director of this business and became its General Manager. Thereafter he became Director of the Networks Division and member of the Executive Committee of Télésystèmes in 1985.
In 1990 he co-founded Solucom where he was Joint Chairman until his appointment as Chairman of the Supervisory Board.

Jean-Claude Malraison

Born 13 August 1946 and a graduate of the Institut Supérieur d'Electronique du Nord, Jean Claude Malraison joined IBM as commercial engineer in 1971, managing major financial institutions and later managing the branch dedicated to this sector.
In 1987 he was appointed consultant to the Corporate Marketing Department of IBM Armonk (USA), and in 1989 he was made Head of the PC Division in France, then Spain and Switzerland.
In 1993 he was made General Manager heading the creation of the UNIX Division of IBM EMEA (Europe, Middle East, Africa), then in 1996 he was appointed Vice Chairman Distribution and General Business of IBM EMEA.
During this period he was also member of the Supervisory Board of IBM France and member of the executive committee of IBM EMEA.
From 1999 to 2003 he was Managing Director of Plantronics EMEA.
Jean-Claude Malraison is currently Chairman of the Board of Critical Eye Ltd, Vice-Chairman of Solucom's Supervisory Board, and Managing Director of Kervillen SARL.

Pierre Laigle

Pierre Laigle was born on 10/5/44 and graduated from the École Centrale de Paris. He started work as a technical manager for IT service companies (CFRO and Cigeca).
In 1972 he joined SG2, an IT engineering subsidiary of Société Générale, where he created the "processing service business", which he ran for 10 years (SG2 Exploitation). He notably started the first emergency centre in the banking world (Sitex). He also supervised various specialist subsidiaries of SG2 (premises engineering, maintenance of networks and microcomputers, System Help), as well as subsidiaries abroad (in Iran, Greece and the Netherlands). In 1984 he set up and ran the Facilities Management business at GFI (BP group).
In 1990, together with Henri Kloetzer, he founded KLC, a consulting company for IT sourcing and governance, of which he was Managing Director.
Pierre Laigle is a specialist in the various aspects of sourcing and has written the Dictionnaire de l'Infogérance (Dictionary of Facilities Management), published by Hermès Sciences.
KLC joined the Solucom in November 2006.

Jacques Pansard

Born 27 February 1950 and graduate of the Ecole Polytechnique Fédérale in Lausanne and of the Institut d'Administration des Entreprises, Jacques Pansard joined SG2 group in 1974, IT services subsidiary of Société Générale.
Following his spell with SG2, he joined the firm COOPERS & LYBRAND in 1981 where he became a partner of the French practice in 1988.
In 1990, he was appointed General Manager of the Paris-based agency of the consulting firm CESIA.
In 1993, he became Chairman-CEO of CESYS, an organisation and information systems consulting firm of EURISYS Group (a COGEMA subsidiary).
In 1997 he joined ORGABOARD as Director Partner within the Industry and Services division.
Since 2000, he has been active as an independent consultant and an expert in new information technologies (OSEO Anvar, APM).
He has been an associate professor at ESCP-EAP since 2003 including Scientific Director of the Executive Master of Business Consulting (ongoing training programme for managers experienced in change management projects).
He has also been responsible for classes at the Université de Paris Dauphine since 2001.

Jean-François Perret

Jean-François Perret was born on 05/06/42 and is a graduate of both the Ecole Nationale Supérieure d'Electronique, Electrotechnique, Informatique, Hydraulique et Télécommunication de Toulouse (ENSEEIHT) and IAE in Paris. He joined Société Anonyme de Télécommunication (SAT) in 1967 as a design engineer. In 1969 he became a sales engineer at Elecma (the Electronics Division of Snecma). In 1970 he became a special assistance at the Prime Minister's Information Technology Task Force and took part in surveys about the emerging software industry and at the strategic level the creation of a European IT industry (Unidata).

In 1974 he became head of the Economic and Financial Department of the Electronic and Computing Industries Directorate (DIELI) at the Ministry of Industry.
In 1977 he joined Pierre Audoin Consultants (PAC), where he would spend the rest of his career, first as Deputy Managing Director, then as Managing Director and Chairman of the Board.
In this capacity he contributed to making PAC a recognized leader in consulting and strategic and marketing surveys in the software and IT services markets. He also played a key role in the international growth of PAC.
Jean-François Perret is currently Deputy Chairman of the Supervisory Board of Pierre Audoin Consultants, a director of CVMP Consulting and Chairman of the Association of ENSEEIHT Engineers.

Members of the Management Board

The Management Board comprises the following members:

Pascal Imbert: Chairman,

Patrick Hirigoyen: Member.

A biography of the members of the Board is stated below; their terms of office and duties performed are given in the Management Board Report to the General Meeting.

Pascal Imbert

Born 12 August 1958, Pascal Imbert is a qualified engineer from the Ecole Polytechnique and the Ecole Nationale Supérieure des Télécommunications.
He joined the IT services company Télésystèmes in 1980, where he contributed to several projects linked to the launch of the Télétel service in France.
In 1986, he took charge of the Networks Research and Projects department, responsible for the design of telecoms products and networks for Télésystèmes.
In 1988, he joined Cirel Systèmes, manufacturer of telecoms products for PCs, as Technical Director, later appointed Deputy Managing Director.
During his spell at Cirel Systèmes, he managed the development of a new generation of telecoms products, marketed to large, French and international systems producers.
He founded Solucom together with Michel Dancoisne in 1990, and for the next twelve years both men oversaw the company's growth and development. In September 2002, he became Chairman of the Management Board of Solucom, while Michel Dancoisne became Chairman of the Supervisory Board.

Patrick Hirigoyen

Born 6 August 1963, Patrick Hirigoyen graduated as an engineer from the Ecole Nationale Supérieure des Télécoms de Bretagne, and has 15 years of experience in IT services and networks.
He began his career as business engineer for the firm INFI, an IT services company specialising in new technologies.
He joined Solucom in 1993 as Sales Director. He developed the sales department before being appointed Deputy CEO responsible for operations and member of the Management Board in September 2002.

1.2 Preparation and organisation of duties

The Board's operations and work

The Supervisory Board exercises ongoing supervision of the management of the Company by the Management Board.

At any time during the year, the Supervisory Board carries out verifications and controls that it considers appropriate and may receive any documents that it considers useful in the execution of its duties.

The Supervisory Board met on four occasions during the year ended 31 March 2008, with an attendance rate of 100.00%.

The planning of Supervisory Board meetings is established at each meeting for the following two meetings.

Board meetings are called and confirmed by email and letter approximately one week prior to the meeting.

The agenda is always attached to the notice of the meeting.

Furthermore, the financial statements, which must be reviewed at meetings approving the half-year or annual financial statements, are sent to the members of the Board approximately one week prior to the meeting.

The representatives of the Workers Council on the Supervisory Board are invited to all Board meetings.

The statutory auditors are invited to all Management Board and Supervisory Board meetings covering the half-year and annual financial statements.

During the year ended 31 March 2009, the Supervisory Board covered, inter alia, the following points:

• Review and audit of the Company and consolidated annual financial statements and review of the Management Board Report.

• Review and audit of the Company and consolidated half-year financial statements and review of the Management Board Report.

• Presentation by the Management Board of forecasts.

• Presentation by the Management Board of the action plan and the 2008/09 budget, including the Group's development strategy by acquisition and approval of this policy.

• Monitoring of outstanding progress regarding the development strategy by acquisition.

• Review of quarterly reports of the Management Board.

• Review and approval of regulated agreements, notably with subsidiaries.

• Renewal of the term of office of one principal statutory auditor and of one secondary statutory auditor.

• Directors' remuneration.

• Review of the independence of members of the Supervisory Board.

• Presentation and analysis of the Company's internal control procedures in force.

Draft minutes of the Board meetings are sent to all members for approval, prior to them signing, which they generally do at the Board meeting following that of the minutes.

Assessment of the Board's operations and work performed

The Supervisory Board meeting of 12 December 2006 performed such a review including an assessment of the Board's operational procedures and a review of the members of the Board and their contributions to the work performed while ensuring that major issues are appropriately prepared and debated.

Committees

No specific committee has been set up within the Supervisory Board, since the Board as a whole performs the duties generally delegated to such committees.

It can be noted in respect of the tasks incumbent on an audit committee that Messrs. Jean-Claude Malraison and Jean-François Perret meet the criteria of independence and of accounting and financial skills garnered from their professional experience.

The formal appointment of the Supervisory Board as an audit committee was made at the board meeting held on 02/06/09, and the audit committee in its present configuration will carry out its duties during the budgetary year April 2009 – March 2010.

Internal regulations

Following the reappointment or appointment of all its members by the Ordinary General Meeting on 26/09/08, the Supervisory Board that day took note of the regulatory provisions in respect of directors' transactions in the Company's shares and the obligatory declarations of the directors to be communicated to the AMF and the Company.

The Company has drawn up a list of senior managers who have a duty of declaration of their transactions in Solucom shares, and has informed them that they appear on this list, together with their obligations.

At the Board meeting on 26/09/08 a specific internal regulation of the Board was also noted, being the duty of each of its members to hold 500 Solucom shares, these 500 shares to be in the possession of each Board member in the year following having taken up their position, namely prior to 26 September 2009.

Principles governing directors' remuneration

The principles for determining directors' remuneration are largely based on the rules and measures, as defined by *AFEP* (French private companies association) and *MEDEF* (French business association).

The principles for setting remuneration therefore meet the criteria of completeness, balance, benchmark, consistency, legibility and measure.

The allocation of directors' fees is covered once a year at the first meeting following the annual general meeting.

The remuneration of the Chairman of the Supervisory Board and that of the Management Board are also reviewed once a year by the Supervisory Board, during the budget review meeting.

The members of the Supervisory Board, except for the Chairman, receive directors' fees, the total of which is decided by a vote taken in a shareholders general meeting.

The Board decided to allocate this total in three equal parts as follows:

The Chairman of the Supervisory Board receives fixed remuneration in respect of his office and also received fixed remuneration in respect of his employment for his expertise in financial, development and M&A policies.

The remuneration in respect of his office is decided by the Board, which is also informed of the value of his remuneration for his employment.

The Chairman of the Management Board receives both fixed and variable remuneration in respect of his office; the variable remuneration is based exclusively on quantified criteria depending on the achievement of certain budget objectives.

This remuneration is determined by the Board during the budget meeting when the budget objectives for the variable part are determined.

The other member of the Management Board receives fixed remuneration in respect of his office, and he also receives remuneration for his employment as deputy CEO in charge of Operations.

This latter remuneration includes both a fixed and variable part, based exclusively on quantified criteria depending on the achievement of certain budget objectives.

On 15 September 2006, he was granted a bonus share issue plan, subject to conditions of working for the Company and personal investment in Solucom shares as well as performance criteria.

The remuneration in respect of his office is decided by the Board, during the budget meeting when the Board is also informed of all other sources of remuneration.

The directors do not receive any benefits in kind and there is no procedure to pay redundancy or arrival payments when directors join or leave the Company; nor do they have any specific pension plan.

2. Internal control and risk management

2.1 General framework

Under the requirements of the French Commercial Code applying to publicly listed companies, in 2007 the AMF (French financial markets regulator) published general guidelines on internal controls for all financial periods beginning with effect from 1 January 2007. Under these guidelines, each company is responsible for its own organisation and internal control procedures and the guidelines are not intended to be mandatory but to assist companies in supervising and, if applicable, improving their internal controls, without representing directives to design their organisation.

In January 2008, the AMF considered that the specific features of small and medium-sized enterprises (SMEs) needed to be taken more into account in the implementation of these guidelines and established a guide specifically focusing on SMEs.

This report has been prepared based on this implementation guide and its application to Solucom.

This report was also based on discussions with the Chairman of the Management Board and the Finance Director, a review of internal Company documents and meetings with the statutory auditors.

This report was also submitted to the Supervisory Board at its meeting held on 2 June 2009.

2.2 Principles

Internal controls are procedures applied under their responsibility by Solucom Group companies designed to ensure:
- Compliance with laws and regulations.
- Application of instructions and strategies established by general management or the Management Board.
- The proper operation of internal procedures of these companies, notably those covering the safeguarding of assets.
- Reliability of financial information.

Generally, internal controls are designed to support management with the business, operational efficiency improvements and the effective use of resources.
By helping to prevent and control the risk of not achieving the Group's objectives, internal control plays a key role in performance and the management of its various activities. However, internal control cannot provide an absolute guarantee that these objectives have been achieved.

2.3 Scope of internal control

Note that for operational purposes, the firm Solucom consists of Solucom SA, parent company of the Group, and seven wholly-owned and controlled 'active' subsidiaries: Arcome, Dreamsoft, Idesys, KLC, New'Arch, Vistali and Comosbay~Vectis.

Solucom has implemented internal controls adapted to its situation accordingly.

- Controls for the preparation and processing of accounting and financial information are identical for all seven operating companies of the Group.
- Controls governing operations, on the other hand, are only applied to a limited extent within Solucom.

However, Solucom, the parent company, ensures that operational control is properly performed within its subsidiaries and, if applicable, ensures application of certain controls by established control procedures that affect the Group.

2.4 Internal control details

Solucom's Management Board sets the broad objectives of internal control procedures. The Group Executive Committee, which includes representatives from each Group company, then approves the relevant policies and determines the scope of these policies (i.e. the entire Group or just the parent company).

These approved policies are then issued to all relevant parties with a view to implementation by the staff concerned.
The internal controls, adapted accordingly to the features of each company, stipulate the following:
• An organisation including a clear definition of responsibilities, based on appropriate information systems, tools and procedures.
• Distribution within the Group of relevant and reliable information.
• Identification of the principal risks in relation to Group objectives.
However, it should be noted that, given the limited size of Solucom, the fact that it only has one activity and the simplicity of its organisation, the current internal control procedures only partially cover an ongoing duty to perform supervisory and control activities and deployment of Solucom policies to all Group companies relating to "operational risks". The parties involved in internal controls focus primarily on performing regular reviews on the effective application of Group policies.

2.5 Parties involved

Supervisory Board

Each year, the Management Board reports to the Supervisory Board on the key features of the internal controls.
When needed, the Supervisory Board may use its general powers to arrange for audits and reviews or take other actions that it considers appropriate in the circumstances.

Management Board and Group Executive Committee

The Management Board is charged with defining, driving and overseeing the most appropriate internal controls in the circumstances and based on Solucom Group's activities. The Management Board is regularly informed of any weaknesses in controls and, if applicable, refers them to the Supervisory Board.

The Group Executive Committee comprises the Chairman of the Management Board of Solucom and the general managers of the seven Group companies, the Finance Director and the Group Sales Director. The Group Executive Committee sets the Group strategy, fixes the business objectives and monitors performance in relation to these objectives. This work is formalised in the form of monthly reports including the status of outstanding projects.

Finance department

The Finance department supervises the production of accounting and financial data of each entity and for the Group.
The Finance department oversees the preparation of data and management indicators provided to operational management and to the Group Executive Committee.
The accounting function is performed by a single Group accounting department supported by an external accounting firm. This firm is in charge of the Group consolidation.
Solucom Group does not have an internal audit department in its true sense. Currently, the finance department is preparing and/or consolidating all current internal policies for Solucom Group.

Company personnel

Every employee concerned is aware of the information required to ensure correct operation of internal controls at his/her level in relation to the assigned objectives.
Employees are not, however, responsible for supervising the effective performance of the internal controls.

2.6 Controls for the preparation and processing of accounting and financial information

Internal controls relating to accounting and financial aspects affect the Group and therefore all Group companies.

The written policies are consolidated within a Group policies manual.

Preparation of budgets

An annual budget, broken down by month, is established at the beginning of the year by each Group company and on a consolidated basis.

An updated budget is established in December, once the half-year accounts have been closed.

After preparation, the budget is presented to the Supervisory Board.

Monitoring of operations

In Solucom's business, the key point for monitoring activities is project management.

Internally developed project management software (ActiveSys), has been installed and is used for all Group companies.

This software includes the following functionalities:

• Project management and order entry.

• Monthly input of time spent.

• Monthly recalculation of projects (expenses incurred and forecasts estimated by the project manager).

• Invoicing.

This software has various access levels depending on responsibility of the users and can be accessed via Intranet and Extranet by all company employees.

Project management is performed with this software, which at any time gives a consolidated view of all information relating to each project, specifically:

• Sales and contractual data,

• Days spent on the project, forecast expenditure, forecast planning, and project overruns,

• Invoicing, outstanding amounts to invoice and deferred income.

Monthly monitoring of budget/ actual and reporting

Data produced by the ActiveSys system enables Management Accounting to perform a monthly control of actual vs. budget and to update the forecast budget in the light of the most recent information available and a forecast of projects.

This data is summarised in a monthly results table for each company and the Group providing management indicators including budget/ actual comparison, for the following headings:

• Revenues,
• Operating profit.
• Consultants utilisation rate.
• Employees,
• Order entry,
• Sales price,
• Order backlog,
• Cash,
• Trade receivables (overdue invoices and invoices to be issued).

The results tables are reviewed every month by management at each company, and by the Group Executive Committee, leading to corrective action where necessary.

Furthermore, the Management Board prepares and presents a quarterly report of Solucom's and the Group's operations to the Supervisory Board.

Reporting and accounting periods

Unaudited quarterly accounts are prepared for internal purposes for the first and third quarters enabling reconciliation between accounting and management data.

Furthermore, the half-year and annual accounts are audited by the statutory auditors, approved by the Supervisory Board and published in accordance with legislation and regulations.

Solucom's statutory auditors attend the Supervisory Board meeting, in which the Company and consolidated financial statements for the year as approved by the Management Board, are reviewed.

Board members can question the statutory auditors directly in relation to:

• The accounting policies applied.

• Verification that they have had access to all information they required to fulfil their duties, notably with respect to the consolidated subsidiaries.

• The progress of their work, even if experience shows that at the date when the Board reviews the financial statements, the statutory auditors have completed their work.

The financial statements are prepared based on standard accounting policies and procedures throughout the Group (e.g. revenue recognition, provisioning policies, calculation of production costs, segregation of duties, cut-off policies, profit share calculation, tax calculation etc).

During Supervisory Board meetings relating to the half-year and annual financial statements, the Management Board presents and comments on the following points:

• The income statement.

• A 'management' analysis table of this detailed income statement per company.

• Operating indicators underlying this income statement.
• The balance sheet.

• The cash flow statement.

Calculation of provisions for risks and disputes

Management Accounting performs a review at each half year and annual close of all outstanding projects to establish the need for any provisions in the event of budget overruns:

These provisions are based on the most recent monthly update of the total budget for the project performed by the project manager.

Management Accounting is also informed of any events liable to give rise to a provision, as soon as they occur, for example:

• Bad debt risk by a customer (very rare in view of the Group's large company clients).

• Unusual difficulty in recovering an amount owed,

• Dispute with a third party.

Accounts consolidation

The established organisation and existing procedures, as described above, enables the parent company to exercise control over the accounts of its subsidiaries.

The following are examples of controls:

• The Finance department, which oversees the production of accounting and financial data of each Group entity.

• The Group Executive Committee which monitors the achievement of objectives for the Group and each Group company, based largely on a review of the monthly results table prepared by Group Management Accounting.

• A reconciliation between accounting and management data for each Group company at the end of every quarter, under the responsibility of Group Management Accounting.

The accounts consolidation is performed by an external accounting firm in liaison with the Finance department and includes the following controls and checks:

• A check that inter company balances reconcile for their elimination on consolidation.

• A consistency check of each of the consolidated company accounts.

• Each company submits a consolidation package in the standard Group format.

• Calculation of retirement provisions.

• Justification and analysis of all consolidation adjustments in accordance with current accounting policies.

Cash and treasury management

A system for centralising the cash of the Group has been implemented in conjunction with a bank. This centralised system:

• Optimises use of excess funds of the Group.

• Gives a real-time centralised view of the cash position of each Group company.
The Supervisory Board is informed each quarter of the Group's cash positions via the quarterly report issued by the Management Board.

Monitoring off-balance sheet commitments

At each monthly cut-off, Management Accounting lists all off-balance sheet commitments for each Group company.

Quality control of accounting and financial information published

All financial communication and press releases are prepared under the direct control of Solucom's Management Board.

The Finance department is also responsible for identifying developments in relation to financial communications that may impact the Group financial statements.

Periodical obligations for reporting accounting and financial data to the markets are detailed in the Group policies manual.

2.7 Controls relating to operations

Existing internal controls relating to operations focus on key processes in relation to Solucom's business activities and include the following:

• Performance and monitoring of projects, and the quality of services performed.

• Human resources management.

• Monitoring of commercial activities.

• Security of information systems.

It should be noted that the Management Board keeps an up-to-date list of identified risks and the way in which they are handled.

Each risk is analysed for probability and potential impact.

This analysis is given to the Supervisory Board every year at the meeting covering internal control.

The following are examples of policies, some of which relating to all staff are mentioned in the Quality System, which is distributed to all employees:

- **Controls related to project performance and monitoring and the quality of the service:**

Monthly meeting of Solucom's management team to ensure operational supervision of:

- projects (overruns).
- inter-contracts,
- invoicing problems or difficulties in obtaining documents required for invoicing (e.g. orders or order acknowledgements).
- sales price per project.

This monthly meeting leads to corrective action if problems arise concerning specific aspects.

- **Controls over fixed-price projects**

The objective of this policy is to define the principles underpinning fixed-price projects, specifically the operating policies for each major stage in the life cycle of such a project, and the responsibilities in the performance of the project.

- **Quality Charter**

The Quality Charter defines:

- The quality of services delivered to the client.
- Measurements to assess the client's level of satisfaction.
- The principles and systems underlying Solucom's quality policy.

Furthermore, there is a procedure for reporting quality problems and opinions of on-site clients to the Quality Manager.
Based on this information and a regular analysis of the overall quality of relations with Solucom clients, a range of indicators is presented to company staff to increase awareness.

- **Human Resources controls:**

- Induction
The purpose of this control is to describe all procedures applied within Solucom to support the induction of any new consultant.
It also defines the various actions and tasks to ensure proper induction and identifies the people responsible for the new consultant's induction.

- Annual interview and performance review of consultants

This procedure defines the process of evaluating every consultant by technical department managers via a standard file and a checklist for individual interviews.

- Recruitment and retention of staff

These controls describe all steps taken to enable the Company to achieve its objectives in terms of recruitment and retention of staff.

They also define the monthly results summaries to monitor recruitment and staff turnover.

- **Controls for monitoring commercial activities:**

- Quotes

These controls are designed to ensure correct commitments are made in conjunction with customer quotes, which are based on a standard format covering general terms and conditions including confidentiality, terms of payment and invoicing, no approaches to company staff, travel expenses and liability/insurance,

- Contracts

All contracts are approved by the Sales Director or by general management.

- **Controls over information systems security:**

- Security Charter

This charter, which is binding for all company employees, lays down the principles and rules designed to ensure effective, standard and tailored data security in respect of confidential information contained in all Solucom's information systems.

- Security of the information system

The controls applied relate principally to data confidentiality, protection against viruses, systems crashes and data back-up.

Solucom keeps abreast of all developments in best practices for corporate governance and internal control.

As shown above, the Supervisory Board and the Management Board are both moving towards increased formality, while retaining flexibility and clear responsibilities for each company in the Group, which underpin Solucom's strength and success.

The statutory auditors have commented on the internal control procedures relating to the preparation and processing of accounting and financial information in a report attached to their report on the financial statements.

Chairman of the Supervisory Board
2 June 2008

Auditors Report in accordance with article L. 225-235 of the French Commercial Code, on the Report of the Chairman of the Supervisory Board of Solucom

with respect to internal control procedures regarding the preparation and processing of accounting and financial information

To the shareholders,

As statutory auditors of Solucom and in accordance with the provisions of Article L.225-235 of the French Commercial Code, we hereby present our report on the report of the Chairman of the Supervisory Board of the company, prepared pursuant to the provisions of Article L.225-68 of the French Commercial Code with respect to the year ended 31 March 2009.

It is the responsibility of the Chairman of the Supervisory Board to report on the conditions for planning and organising the duties of the Supervisory Board and the internal control procedures implemented in the company.

It is our responsibility to report to you any comments we may have 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 engagement in accordance with professional standards applicable in France. These standards require that we perform such tests and procedures so as to assess the accuracy of the information given in the Chairman's report relating to the preparation and processing of accounting and financial information. Our procedures included the following:

- Ascertain the objectives and overall organisation of internal controls and control procedures relating to the preparation and processing of accounting and financial information, as detailed in the Chairman's report;
- Ascertain the procedures and tasks underlying the information given in said report.
- Determine whether or not the major deficiencies in internal controls relating to the preparation and treatment of accounting and financial information that we raised as part of out mission have been mentioned appropriately in the Chairman's report.

Based on our testing and procedures, we have no comments on the information relating to the preparation and processing of accounting and financial information given in the Chairman's report, prepared pursuant to the provisions of Article L.225-68 of the French Commercial Code.

Paris and Levallois Perret, 12 June 2009

The Statutory Auditors

Laurent Levesque
Constantin Associés
114, rue Marius Aufan
92300 Levallois Perret

Arnaud Bernard
SLG Expertise
164, bd Hausssmann
75008 - PARIS

Management bodies

Executive Committee

The Executive Committee consists of 11 members as follows:

Pascal Imbert: Chairman of the Solucom Management Board.

Patrick Hirigoyen: Member of the Solucom Management Board and Solucom Deputy Managing Director in charge of operations.

Siegfried Günther: Chairman of Idesys, in charge of operations.

Bassam Almoussa: Chairman of Arcome, in charge of operations.

Marc Muller: Chairman of Dreamsoft.

René Dumoucel: Chairman of New'Arch.

Catherine Le Louarn: Managing Director of KLC.

Pierre Bougeret: Chairman of Vistali.

Éric Rabaux: Chairman and CEO of Cosmosbay~Vectis.

Reza Maghsoudnia: Sales Director.

Pascale Besse: Finance Director.

Interests of members of the management and supervisory bodies

Interests of members of the management and supervisory bodies

Gross remuneration and all benefits in kind paid directly or indirectly to each director

The Management Board report to the General Meeting details such remuneration and benefits.

Directors' fees

The Management Board report to the General Meeting details such directors' fees.

Stock options

No stock options were granted to members of Solucom's management and supervisory bodies.

Agreements concluded with members of the management and supervisory bodies

The special report of the statutory auditors specifies such agreements.

Other interests of members of the management and supervisory bodies

The members of Solucom's management and supervisory bodies are also shareholders of the Company. They do not hold any interest in a company which controls Solucom, or in a subsidiary or in a significant client or supplier of the Company.

Loans and guarantees

None.

Assets belonging directly or indirectly to members of the management and supervisory bodies or their families

None.

Staff earnings-based incentives ("Intéressement")

The firm's sole staff incentives arrangement relates to a 3-year incentives ("*Intéressement*") contract signed by Vistali on 1 December 2006. A statutory profit sharing scheme is in force at Arcome SAS, Dreamsoft, Idesys, New'Arch, KLC, Cosmosbay~Vectis and Solucom.

No stock options were granted to the issuer's directors during the year.

During the year, no other company director of the issuer was granted equity securities, options etc. that could entitle the holder to receive or subscribe for Solucom shares immediately or in the future.

The schedule below presents a summary of past stock options granted.

	Idesys + Arcome Stock options 3
General Meeting date	28/09/01
Date of the Board of Directors meeting	30/12/02
Date of the Management Board meeting	30/12/02
Total number of shares that may be subscribed or purchased	100,776 (1)
Number of directors concerned (2)	0
Of which number of shares that may be subscribed or purchased by directors	-
Expiry date	31/12/08
Subscription price (€)	2.06 (1)(3)
Number of shares subscribed at 11/05/09	77,150 (1)

(1) After the 4-for-1 bonus issue of Solucom shares dated 25 October 2006 and the corresponding calculated adjustment to the number of shares.

(2) Directors and executives of Solucom SA.

(3) Average closing price of Solucom shares on the last 20 stock market sessions prior to the date of the Board meeting.

Stock options granted to and exercised by the largest beneficiaries of stock options among employees and directors

The schedule below presents a summary of stock options granted and exercised during the year.

	Total number of options
Options granted during the year by the issuer and by any company included in the issuer's scope of consolidation to the ten largest beneficiaries of stock options among employees of the issuer and of any company included in the issuer's scope of consolidation	0
Options held on the issuer and aforementioned companies exercised during the year by the ten largest employee subscribers or buyers of shares.	16 220

No stock options were granted to Company directors during the year.

Legal information

Fiscal 2008/2009

5

Legal book

General information concerning Solucom and its share capital

Description of the share buy-back programme

Resolutions

Exceptional events and litigation

General information concerning Solucom and its share capital

1. General information concerning the Company

1.1 Key milestones in the growth of the firm's business

• 1990
Michel Dancoisne and Pascal Imbert found Solucom; the Company specialises in networks and telecoms consulting.

• 1994
Internet and telecoms deregulation boost Solucom's business.

• 2000
Floats on the *Marché Libre*.

• 2001
Relists on the *Nouveau Marché* and fund raising.
Takeover of Arcome and Idesys.

• 2005
Takeover of Dreamsoft.

• 2006
Takeover of KLC and New'Arch.

• 2007
Solucom completes its 2004-2007 business plan.
Takeover of Vistali in April 2007.

• 2008
Takeover of Cosmosbay~Vectis in April 2008.

• 2009
Solucom becomes one of the top 5 IT consulting firms in France[1].

1.2 Name and registered office

Solucom
Tour Franklin
100-101 terrasse Boieldieu
La Défense 8,
92042 Paris la Défense cedex

1.3 Legal form

Société Anonyme (French public limited company) with a Management Board and Supervisory Board governed by its articles of association and current legal and regulatory provisions in force, notably the French Commercial Code.

1.4 Date of formation and the Company's term

Solucom SA was formed in February 1990 and registered on 2 April 1990.
The Company has a term of 99 years (Article 5 of the articles of association) expiring on 2 April 2089, except in the case of an extension or early liquidation.

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[1] Source: PAC (May 2009) – Top 10 IT consulting firms in France

1.5 Company object

In accordance with Article 2 of the articles of association, Solucom SA's object, directly or indirectly, in France or abroad, is as follows:

• performance of computer services for third parties by the use of specifically developed programs or standards,

• analysis, consulting, technical assistance, training, development, documentation, installation, maintenance of computer or telecommunication systems, for information in any form and on all supports, and all related services of any kind and by any means,

• creation, implementation, and management of all networks and/or groups with a view to the development of concepts belonging to the Company and communication of the know-how,

• development, ownership, administration, leasing, and sale of any patents and/or trademarks and the granting of any licences,

• acquisition of equity interests by any means in any existing or future companies and businesses that could relate directly or indirectly to the Company object,

• and generally, any financial, fixed or moveable property operations that could relate directly or indirectly to the Company object or likely to promote its development or achievement.

1.6 Trade and companies register

R.C.S. NANTERRE B 377 550 249.

1.7 Financial year

The financial year runs from 1 April each year to 31 March the following year (Article 34 of the articles of association).

1.8 Specific clauses in the articles of association

Appropriation of earnings (Article 36 of the Articles of Association)

If the financial statements for the year, as approved by the General Meeting, have legally defined distributable earnings, the General Meeting decides to transfer said distributable earnings to one or more reserve accounts, the use and appropriation of which it controls, to carry it forward to future years or to distribute it.

The income statement, which lists income and expenditure for the year, states the net profit for the year after deduction of depreciation and provisions. At least five percent shall be deducted from the net profit for the year reduced for any prior year losses and transferred to the legal reserve. This transfer ceases to be mandatory once total reserves reach one tenth of the share capital. Distributable earnings consist of the net profit of the year, reduced for any prior year losses and reserve transfers in accordance with legislation and the articles of association, and increased for retained earnings brought forward. These earnings are allocated to all shareholders in proportion to the number of shares each one holds. The General Meeting may decide to distribute the amounts transferred to reserves, which it controls, by stating explicitly the reserve accounts from which the distribution should be made.

Except in the case of a share capital reduction, a distribution to shareholders is prohibited if the amount of shareholders' equity is, or following such distribution would be, lower than the value of share capital plus reserves that are non distributable under the law or the articles of association.
The revaluation reserve is not distributable and may be partially or entirely transferred to share capital. However, after deduction of statutory transfers to reserves, the General Meeting may transfer any residual undistributed earnings that it deems fit to ordinary or extraordinary voluntary reserves, or to carry them forward as retained earnings.

After approval of the financial statements by the General Meeting, any losses are carried forward as retained losses for offset against future retained earnings until they are fully compensated.

General Meetings
General meetings are convened pursuant to current legislation.
Meetings are held at the Company's registered office or at any other location specified in the notice of the general meeting.

Access to General Meetings - Powers (Article 27 of the Articles of Association) (1)

1. All holders of ordinary shares may vote in general meetings in person or by postal vote, regardless of the number of shares held, provided the shares are fully paid up. The right to attend or be represented at general meetings is subject to the following:

• Registered or named administered shareholders must be registered as such by midnight (Paris time) of the fourth working day prior to the date of the meeting.

• Holders of bearer shares must be registered as such by midnight (Paris time) of the fourth working day prior to the date of the meeting. Registration or the accounting entry in the bearer shareholder registry of an intermediary will be established by a certificate from the financial intermediary approved attached to the form for remote or proxy voting or by an application for an admission card established in the name of the shareholder. A certificate may also be issued to shareholders seeking to physically attend the Meeting who have not received their admission card by midnight (Paris time) of the fourth working day prior to the date of the meeting.

If it deems fit, the Board of Directors may give shareholders personal named admission cards, which will be required to attend the meeting.

2. All shareholders may vote by post in accordance with current regulations on submission of a form that they can apply to receive by following the procedures stated on the general meeting notice advice.

3. Shareholders may only be represented by their spouse or another shareholder; in which case the representative must provide proof of his power of attorney.

4. If the Management Board so decides in the Meeting notice, shareholders may also participate via videoconference or other means of telecommunication enabling their identity to be established in accordance with procedures allowed under current regulations.

Information rights (Article 33 of the Articles of Association)

All shareholders are entitled to receive documents required to enable them, in full awareness of the facts, to assess the management and control of the Company pursuant to statutory conditions and deadlines.
The details of these documents and conditions for sending them or making them available to shareholders are laid down by legislation and regulations.

Quorum-Vote (Article 29 of the articles of association)

1. The quorum is calculated on all shares comprising the share capital, except in the case of special general meetings for which it is calculated on all shares of the relevant class, after deduction of shares without voting rights pursuant to legislation.
For purposes of calculating the quorum, only postal votes submitted on properly completed forms and received by the Company at least three days prior to the date of the Meeting shall be accepted.
For purposes of calculating the quorum and majority votes, all shareholders who attend the meeting by video conference or means of telecommunication enabling their identification and in accordance with current regulations, will be included if the Management Board decides to use such means when issuing the notice for the general meeting.

2. Voting rights linked to the share capital or other shareholders' rights are proportional to the number of shares they represent. Each share entitles the holder to one vote, subject to the provisions of Article 11 paragraph 4 concerning application of the provisions of Articles L 225-123 et seq. of the French Commercial Code.

3. Votes are counted by the raising of hands, or by names called, or by secret vote, based on a decision of the Meeting committee or that of the Shareholders. Shareholders may also submit postal votes.

Ordinary General Meetings (Article 30 of the articles of association)

Ordinary general meetings take all decisions except for amendment to the articles of association.

Ordinary general meetings must be held at least once every year, within six months following the financial year-end of the Company, to approve the financial statements of that year, subject to postponement under a court decision.

Resolutions passed in ordinary general meetings are only valid if the shareholders present, represented or voting by post at the first convened Meeting, hold at least one fifth of shares with voting rights.

Resolutions are passed on the majority of votes cast of shareholders present or represented including shareholders voting by post.

Extraordinary General Meetings (Article 31 of the articles of association)

Extraordinary general meetings may amend any clauses of the articles of association, and in particular, may decide on the Company's transformation into another civil or commercial legal form.

However, extraordinary general meetings may not increase the shareholders' commitments, subject to transactions resulting from a legally valid consolidation of shares.
Subject to legal exceptions, resolutions passed in extraordinary general meeting are only valid if the shareholders present, represented or voting by post, at the first convened Meeting, hold at least one quarter, and at the second convened Meeting, one fifth of shares with voting rights. In the event of a continued absence of a quorum, the second convened Meeting may be postponed to a future date not later than two months following the date for which it was convened.

Resolutions are passed on a two-thirds majority of votes cast of shareholders present or represented including shareholders voting by post.
In extraordinary general meetings called to approve capital contributions in kind or the granting of specific benefits, neither the transferor nor the beneficiary may vote either on his own account or on behalf of another shareholder.

Rights and obligations linked to shares (Article 11 of the articles of association)

1. Each share entitles the holder to a share in the profits, Company assets and liquidation bonus in proportion to the number and nominal value of the existing shares held, subject to rights granted to the shares of different classes, if any.
A share also gives the holder a right to vote or be represented at general meetings, be informed on the progress of the Company and receive certain Company documents at times and under conditions specified by legislation and the articles of association.

2. Shareholders are only liable for the Company's liabilities up to the value of their capital contributions.
On change of ownership of shares, rights and obligations are transferred to the new holders of the shares.
Ownership of shares automatically binds shareholders to the Company's articles of association and resolutions passed in general meetings.

3. Each time that it is necessary to hold a given number of shares to exercise any right, shareholders who do not hold the required number of shares must make their own arrangements to form a grouping or to purchase or sell the required number of shares.

4. Holders of registered shares for more than two years in their own name are granted double voting rights.
Double voting rights are also granted to registered holders of bonus shares that were issued free of charge to them on account of shares in respect of which they already enjoyed double voting rights.
Double voting rights automatically cease for any shares for which ownership has been transferred, subject to the statutory exceptions. This double voting right was introduced following a decision of the Extraordinary General Meeting held on 6 December 1999.

The effect of having double voting rights in the Company's articles of association could be to delay, postpone or prevent a change in control over the Company.

5. Any individual or entity who holds, alone or in concert, a proportion of the Company's existing share capital or voting rights as specified under Article L233-7 of the French Commercial Code, must disclose to the Company the total number of the shares that he holds, within five stock market trading days following acquisition of the shares that took his holding above any of the limits.
Such person shall also inform the *Autorité des Marchés Financiers* (French stock market regulator) within five stock market trading days following acquisition of the shares that took his holding above any of the said limits.

Notification must also be made within the same deadline if said person's holding drops below any of the limits stated in the first paragraph above.

Parties bound to disclose the information stated in the first paragraph must state the number of shares they hold giving future access to the share capital as well as the related voting rights.
Parties bound to disclose the information, when they cross the threshold of one tenth or one fifth of the share capital or voting rights, must also state the objectives they plan to follow during the coming twelve months.

This declaration must state if the acquirer is acting alone or in concert, if he plans to cease acquisitions or to continue them, if he plans to obtain control of the Company or not, and his name or that of one or more persons who are members of the Management Board or the Supervisory Board. It must be addressed to the Company.

6. New preference shares may be issued based on any legal procedures, terms, conditions and limits. They shall be governed, converted and/or redeemed in accordance with statutory conditions.

Identifiable bearer securities (Article 9 final paragraph of the articles of association)

Pursuant to the provisions of Article L.228-2 of the French Commercial Code, the Company may, at any time, take all steps in accordance with statutory and regulatory provisions, including by a request to the organisation responsible for third party payments, to identify the holders of securities giving immediate or future voting rights at its own general meetings of shareholders, and to establish the number of securities held by each of them and, if applicable, any restrictions to said securities. The Company is also entitled, in accordance with the law, to request the identity of shareholders if it considers that certain shareholders, whose identity it has received, hold the shares on behalf of third parties.

Members of the Company's management and supervisory bodies

Powers of the Management Board (Article 17 paragraph 1 of the articles of association)

The Management Board is vested with extensive powers to act in any circumstances in the name of the Company, within the Company Object and subject to specific statutory limits and the articles of association approved in shareholder general meetings and subject to the Supervisory Board.

No restriction on its powers may be relied upon for dealings with third parties, who may take legal action against the Company based on commitments made in its name by the chairman of the Management Board or its managing director provided their appointments were published in accordance with regulations.

Given that members of the Management Board have allocated duties between them with the approval of the Supervisory Board, on no account may such allocation exempt the Management Board from the requirement to meet and pass resolutions on the most important management issues facing the Company, nor to be cited as an objection to the principle of joint and several liability of the Management Board and each of its members.
The Management Board may charge one or more of its members or any other person with special, ongoing or temporary assignments of its choosing, and, for purposes of one or more objectives with or without entitlement to sub-delegate, may grant powers that it deems necessary.

Powers of the Supervisory Board (Article 20 of the articles of association)

The Supervisory Board controls the management of the Company as performed by the Management Board on an ongoing basis.

At any time of the year, it may conduct testing and controls that it deems appropriate, any may demand any documents that it considers necessary to accomplish its duties from the Management Board.

At least once a quarter, the Management Board presents to the Supervisory Board a report specifying the principal management actions or facts of the Company, backed by all necessary information to enable the Supervisory Board to be fully informed on the Company's business and on the half-year, and if applicable the quarterly, financial statements.
Following the year-end and within the regulatory deadlines, the Management Board presents to the

Supervisory Board the Company financial statements, the consolidated financial statements and its report to the general meeting, for purposes of verification and control.

The Supervisory Board presents to the annual general meeting its comments on the report of the Management Board and on the annual consolidated and Company financial statements. During the annual general meeting, the chairman reports on the conditions for preparing and organising its duties and on the internal controls adopted by the Company.

This duty of supervision may not under any circumstances give rise to the Supervisory Board or any of its members directly or indirectly conducting management actions.

Pursuant to Article L. 225-68 of the French Commercial Code, the following transactions are subject to the prior approval of the Supervisory Board:
• Sale/transfer of real estate
• Total or partial sale/transfer of equity investments
• Creation of sureties, endorsements and guarantees.

The Supervisory Board may authorise the Management Board in advance to conduct one or more transactions stated above, subject to the maximum amounts that it may establish.

The Supervisory Board may decide to establish committees made up of members of the Supervisory Board, charged with reviewing issues for which the Supervisory Board or its chairman request an opinion. The Supervisory Board establishes the members and the powers of such committees, who conduct their duties under the Supervisory Board's responsibility.

1.9 Purchase by the Company of its own shares

Please refer to the Report of the Management Board to the ordinary general meeting of shareholders of 26 September 2008 for details of the share buy-back programme in force during the year ended 31 March 2009 and to the share buy-back programme proposed to the extraordinary and ordinary general meeting dated 25 September 2009 as specified below.

2. General information concerning share capital

2.1 Share capital

At 31 March 2009, the share capital amounted to €495,066.20 divided into 4,950,662 fully paid-up shares of the same class (Article 6 of the articles of association).
The shares comprising the share capital have a nominal value of €0.10 each.

2.2 Potential share capital

The Company has granted stock options as described under the Corporate Governance chapter of this report.
The Company undertakes not to issue stock options at prices that significantly differ from its stock market share price.

Information relating to potential dilution of the Company's share capital (as at 11 May 2009)

All stock option plans have now expired.

2.3 Authorised share capital not issued

The Company currently still has authorisations granted by the Extraordinary and Ordinary General Meeting dated 28 September 2007. Please refer to the appendix of the Management Board Report for details of these authorisations.

2.4 Pledges, guarantees and sureties

Registered pledges of issuing company shares

Name of registered shareholder	Beneficiary	Effective date of the pledge	Expiry date of the pledge	Condition for cancellation of the pledge	Number of shares pledged	% of issuing company share capital pledged
None	None	None	None	None	None	None
TOTAL						

Pledges of issuing company assets (intangible, tangible and financial fixed assets)

Type of pledge / charge	Effective date of the pledge	Expiry date of the pledge	Value of pledged asset (a) (€m)	Total balance sheet heading (b) [1] (€m)	% (a) / (b)	Condition For termination
On intangible fixed assets	None	None	None	None	None	None
On tangible fixed assets	None	None	None	None	None	None
On financial assets (Dreamsoft shares)	28/10/05	01/11/10	3.0 [2]	37.9	8	See comment
On financial assets (Vistali shares)	25/03/08	27/03/13	6.0 [3]	37.9	16	See comment
On financial assets (New'Arch shares)	25/03/08	27/03/13	4.0 [3]	37.9	11	See comment
On financial assets (Cosmosbay~Vectis shares)	02/03/09	02/03/14	14.5 [4]	37.9	38	See comment
TOTAL			**27.4**	**37.9**	**72**	

(1) The amount stated under "Total balance sheet heading" above corresponds to the total account balance of "Financial assets" in the Company financial statements of Solucom SA for the year ended 31 March 2009 and relates largely to Idesys shares, Arcome SAS shares, Dreamsoft shares, New'Arch shares, KLC shares, Vistali shares and Cosmosbay~Vectis shares.
(2) This pledge covers Dreamsoft shares and corresponds to a mutual guarantee on behalf of the banks HSBC and Société Générale. This pledge will be terminated once Solucom repays the full amount of the loans granted by the two banks or the loans arrive at maturity, which is scheduled for 1 November 2010 (being the maturity date of the loans concerned).
(3) This pledge covers Vistali and New'Arch shares and corresponds to a charge on financial instruments granted by Solucom to Société Générale and BNP-Paribas as security for the loan contracted at the end of March 2009. This pledge will expire once the loan granted to Solucom by Société Générale has been fully repaid, which will occur by 27 March 2013 (being the maturity date of the loan).
(4) This pledge covers Cosmosbay~Vectis shares and corresponds to a mutual guarantee on behalf of the banks LCL, Bred-Banques Populaires and Société Générale. This pledge will be terminated once Solucom repays the full amount of the loans granted by the three banks or the loans arrive at maturity, which is scheduled for 2 March 2014 (being the maturity date of the loans).

If the fair value of the shares exceeds the value of the debt for which they act as security, the book value of the secured assets is based on the fair value.

2.5 Shareholders pact and agreements

Measures relating to the shareholders
None.

Measures relating to issuing company
None.
The Company is not aware of the existence of any clause that may have an impact on the Company's assets, business, financial situation, earnings and outlook.

3. Breakdown of share capital and voting rights

3.1 Shareholders of Solucom SA

The following table lists the shareholders of Solucom SA as at 11 May 2009:

Shareholders	Shares	% interest	Voting rights	% voting rights (1)
Founders and executives	2,895,870	58.30	5,779,818	70.79
P. Imbert	1,447,632	29.15	2,887,792	35.37
M. Dancoisne	1,395,420	28.09	2,790,840	34.18
P. Hirigoyen	47,996	0.97	95,972	1.18
Other executives	4,822	0.10	5,214	0.06
Treasury shares	59,995	1.21	59,995	0.73
Public	2,011,017	40.49	2,324,352	28.47
TOTAL	**4,966,882**	**100.00**	**8,164,165**	**100.00**

(1) Based on Article 11 of the articles of association of Solucom SA, double voting rights are granted to holders of fully paid-up registered shares if these shares have been registered for at least two years in the name of the same shareholder. Furthermore, pursuant to the new Article 223-11 of the general regulations of the AMF, the total number of voting rights is calculated based on all shares including those without voting rights.

Total voting rights for registered shares: 6,592,424 (1) and 3,395,141 shares.
Total shares with voting rights: 4,966,882.
Total shares with single voting rights: 4,966,882 - 3,395,141 = 1,571,741 (2).
Total voting rights (1) + (2) = 8,164,165.

As at 11 May 2009, the shares held by the public comprise 50% institutional funds and 50% private shareholders based on a TPI analysis dated 11 May 2009.

29% of Solucom SA's shares are held by Pascal Imbert, Chairman of the Management Board, and 28% by Michel Dancoisne, Chairman of the Supervisory Board. These two shareholders, who act in concert, together therefore own 57% of Solucom's share capital.

Patrick Hirigoyen, member of the Management Board, is deputy Managing Director in charge of operations for Solucom SA.

Jean-Claude Malraison, Jacques Pansard, Pierre Laigle and Jean-François Perret appointed as other directors, perform the duties of Vice-Chairman and are members of the Supervisory Board.

Since the year ended 31 March 2008, Lazard Frères Gestion SAS acting on behalf of mutual funds has held more than 5% of Solucom's equity.

To Solucom's knowledge no other shareholders hold 5% or more of the share capital and/or voting rights.

Solucom is controlled by its two founders. The Company pays attention to meeting strict corporate governance principles. For example, it has adopted the status of a company with Management Board and Supervisory Board, the latter board including independent directors in order to ensure that it carries out its supervisory function while representing all shareholders. As such, every year the Supervisory Board reviews subjects such as strategic issues, annual action plans and budget, and internal controls. The Supervisory Board also carries out a self-assessment of its operations and reviews the independence of its members.

3.2 Change in Solucom's share capital over the last five years

Date	Transaction description	Number of shares	Nominal value (€)	Issue premium per share (€)	Share capital after transaction (€)
13/06/05 (1)	Exercise of BSPCE during year ended 31/03/2005	1,193,970	0.381	8.24	455,097.19
12/06/06 (2)	Exercise of BSPCE and stock options during year ended 31/03/2006	1,203,134	0.381	20.81	458,589.71
11/06/07 (3)	Exercise of BSPCE and stock options during year ended 31/03/2007	4,889,480 (4)	0.095 (4)	3.49 (4)	465,920.98
19/07/07 (5)	Exercise of stock options during the period from 1/04/07 to 19/07/07	4,904,148	0.095	5.13	467,318.55
19/07/07 (6)	Share capital increase for the rounding difference on the nominal value per share	4,904,148			490,414.80
26/05/08 (7)	Exercise of stock options during the period from 20/07/07 to 31/03/08	4,950,662	0.10	3.93	495,066.20
26/05/09 (8)	Exercise of stock options during the period from 01/04/08 to 31/03/09	4,966,882	0.10	1.96	495,688.20

(1) Issue of 11,849 new shares following exercise of the same number of BSPCE.

(2) Issue of 9,164 new shares following exercise of BSPCE and stock options generating a premium on issue amounting to €191,000. The weighted average issue price of these shares was €21.19 per share.

(3) Issue of 76,944 new shares following exercise of BSPCE and stock options generating a premium on issue amounting to €269,000. The weighted average issue price of these shares was €3.59 per share.

(4) Stated after adjusting for the 4-for-1 bonus issue dated 25 October 2006.

(5) Issue of 14,668 new shares following exercise of stock options generating a premium on issue amounting to €75,000. The weighted average issue price of these shares was €5.23 per share.

(6) Share capital increase by a €23,000 transfer from reserves thereby increasing the nominal value to €0.10 per share.

(7) Issue of 46,514 new shares following exercise of stock options generating a premium on issue amounting to €183,000. The weighted average issue price of these shares was €4.03 per share.

(8) Issue of 16,220 new shares following exercise of stock options generating a premium on issue amounting to €32,000. The weighted average issue price of these shares was €2.06 per share.

3.3 Change in shareholders over the last three years

	11/05/09(3)			07/05/08(3)			10/05/07(3)		
	Number of shares	**% share capital**	**% voting rights**	**Number of shares**	**% share capital**	**% voting rights**	**Number of shares**	**% share capital**	**% voting rights**
Directors' shareholdings (1) (2)	2,895,870	58.25	70.79	2,883,996	58.25	70.79	2,884,996	58.92	71.08
Of which Pascal Imbert	1,447,632	29.09	35.37	1,440,160	29.09	35.42	1,440,160	29.41	35.55
Of which Michel Dancoisne	1,395,420	28.19	34.18	1,395,420	28.19	34.32	1,395,420	28.50	34.45
Treasury shares	59,995	1.80	0.73	89,229	1.80	1.10	56,720	1.16	0.70
Public	2,011,017	39.94	28.47	1,977,453	39.94	28.11	1,955,100	39.93	28.22
TOTAL	**4,966,882**	**100**	**100**	**4,950,662**	**100**	**100**	**4,896,816**	**100**	**100**

(1) Company directors of Solucom SA.
(2) Michel Dancoisne and Pascal Imbert act in concert.
(3) Pursuant to the new Article 223-11 of the general regulations of the AMF, the total number of voting rights is calculated based on all shares including those without voting rights.

There was no material change in the Company's shareholding structure during the year.

There was no material disposal of Company shares on the part of the shareholding directors and, in the Company's knowledge, there were no institutional shareholders holding over 5% of the share capital as at 11 May 2009.

3.4 Crossing shareholder thresholds

No Solucom shareholder thresholds were crossed during the year ended 31 March 2009.

4. Membership by the issuing company of a group

Solucom SA does not belong to any group.

5. Dividends

5.1 Statute of limitations

Uncashed dividends expire after a period of five years and are paid to the French government pursuant to legal provisions.

5.2 Dividends paid

Solucom SA has distributed dividends since the year ended 31 March 1995.

Year ended	Number of shares	Earnings distributed (€)	Net dividend per share (€)
31/03/06	1,188,298(1),	475,319	0.40(1)
31/03/07	4,811,822	673,655	0.14
31/03/08	4 890 385	929 173	0,19

(1) prior to the 4-for-1 bonus issue dated 25 October 2006.

5.3 Distribution of dividends in respect of year ended 31 March 2009

In respect of the year ended 31 March 2009, the General Meeting of shareholders, ruling on the financial statements for the year ended 31 March 2009, will be invited to approve a total dividend distribution of €932,308.53 from the net profit of the year.

The treasury shares held by the Company in conjunction with the share buy-back programme, do not have any rights to dividends; the difference between the value allocated to the distribution as stated above and the amount actually paid shall be posted to Retained Earnings.

5.4. Future dividend payout policy

The future dividend payout policy will be based on the Company’s prospects for growth and related funding needs.

6. The Company’s stock market

The Company is listed on compartment C of Euronext Paris.

Solucom share price movements from 1 April 2008 to 12 June 2009

Month	High	Low	Month end price	Total volume	Average price for the month
Apr-08	17.35	15.60	16.26	19,998	16.43
May-08	17.37	16.26	17.37	31,102	16.98
June-08	18.00	16.81	17.00	111,563	17.28
July-08	16.50	15.46	16.00	17,083	15.94
Aug-08	16.60	15.50	16.49	8,824	16.12
Sep-08	18.48	16.00	16.00	51,242	17.14
Oct-08	15.80	11.76	12.18	49,522	13.53
Nov-08	12.39	11.35	11.70	7,870	11.95
Dec-08	11.50	10.62	11.49	28,694	10.98
Jan-09	11.49	10.50	10.50	16,562	10.99
Feb-09	11.31	10.30	10.50	14,143	10.76

Mar-09	10.85	9.40	10.85	66,572	10.11
Apr-09	13.40	11.05	12.68	8,857	12.46
May-09	15.20	13.30	15.11	28,787	14.65
June-09	14.95	13.91	13.91	28,030	14.55

Graph of Solucom share price movements from 31 March 2008 to 12 June 2009

Share price in €

Description of the share buy-back programme submitted to the shareholders at the ordinary and extraordinary general meeting dated 25 September 2009

Pursuant to Articles 241-1 to 241-6 of the general regulations of the AMF (French stock market regulator) and European regulation no. 2273/2003 dated 22 December 2003, the objective of this description of the share buy-back programme, which Solucom will submit to the ordinary and extraordinary general meeting dated 25 September 2009, is to explain its terms and conditions. The programme described in this report supersedes that authorised by the shareholders on 26 September 2008.

Solucom SA has signed a liquidity contract in accordance with the ethics charter of the AFEI with Portzamparc. Said liquidity contract complies with the following:

• Regulation (EC) 2273/2003 of the European Commission,

• Articles L 225-209 et seq. of the French Commercial Code,

• The general regulations of the AMF

1. Date of the general meeting called to approve the share buy-back programme

The share buy-back programme will be submitted for the approval of the extraordinary and extraordinary and ordinary and extraordinary general meeting dated 25 September 2009.

2. Breakdown of Solucom SA's treasury shares by objective as at 11 May 2009

Treasury shares held are broken down by objective as follows:

• 13,401 shares are to ensure the liquidity and boost the secondary market for the shares by the involvement of an investment services intermediary based on a liquidity contract in accordance with the ethics charter recognised by the AMF (French financial markets regulator);

• 0 shares are held to issue to employees and/or directors of the Group in accordance with statutory terms and conditions, notably for purposes of stock option plans in order to financially involve employees or directors in the Company's or Group's growth, for purposes of company savings or bonus share plans or other shareholding plans;

• 46,594 shares are held to be offered as consideration for future external acquisitions or mergers.

3. Objectives of the new share buy-back programme

Based on the share buy-back programme covered under the sixth ordinary resolution of the ordinary and extraordinary general meeting on 25 September 2009, Solucom plans to pursue the following objectives:

• Ensure the liquidity and boost the market for the shares by the involvement of a completely independent intermediary service provider and based on a liquidity contract in accordance with the ethics charter recognised by the AMF;

• Hold shares to be offered as consideration for any future external acquisitions or mergers;
• Allocate or sell, depending on each case, shares to employees and/or directors of the Company and/or its Group companies in accordance with statutory terms and conditions, notably for purposes of profit sharing, the implementation of any Company or Group savings plan, the implementation of any stock option plan or to issue bonus shares;
• Issue shares on the exercise of options granting entitlement by any means to the Company's share capital.

4. Maximum proportion of share capital, maximum price, maximum number and terms and conditions of shares that Solucom may purchase

Under the terms of the sixth draft resolution of the ordinary and extraordinary general meeting dated 25 September 2009, the Management Board would be entitled, on one or more occasions, at times that the Management Board shall establish, to purchase shares of the Company up to a maximum limit of 10% of the total number of shares making up the share capital (496, 688 shares) based on the share capital as at 11 May 2009. In view of the treasury shares held as at 11 May 2009, Solucom would only be permitted to buy a maximum potential total number of 436,693 shares or 8.8% of the total shares making up the share capital as at the same date.

The shares that may be purchased are ordinary shares, all of the same class and listed on NYSE Euronext compartment C of Euronext Paris (ISIN code FR 0004036036).

The maximum purchase price shall be €35 per share. In the event of a transaction affecting the share capital, including any share consolidation or bonus share issue, the aforementioned limits shall be adjusted accordingly.

Therefore, the maximum value of the transaction, less treasury shares, shall be €15,284,255 (i.e. 436,693 shares X €35).

This authorisation supersedes that granted to the Management Board by the ordinary and extraordinary general meeting dated 26 September 2008.

5. Duration of the new share buy-back programme

Under the terms of the sixth draft resolution at the ordinary and extraordinary general meeting on 25 September 2009, the Management Board would be authorised to buy shares during a period until the next ordinary and extraordinary annual general meeting convened to approve the financial statements for the year ended 31 March 2010, and, at the latest, within a maximum of 18 months from the general meeting on 25 September 2009, in accordance with Articles L. 225-209 et seq. of the French Commercial Code.

6. Results of the preceding programme

Statement from the issuer regarding transactions in treasury shares from 8 May 2008 to 11 May 2009 (in respect of the two programmes which followed each-other without interruption, pursuant to the authorisations of the ordinary and extraordinary general meeting dated 28 September 2007 and the ordinary general meeting dated 26 September 2008 and immediately applied by the Management Board with effect from the respective aforementioned dates).

Proportion of share capital held directly and indirectly:	1.2%
Number of shares cancelled in the last 24 months:	0
Number of shares held as at 11 May 2009:	59,995
Book value of treasury shares as at 11 May 2009	€624,695
Market value of shares held based on a share price of €14.52 (closing market price on 11 May 2009)	€871,127

From 8 May 2008 to 11 May 2009	Gross transaction totals		Open positions as at 7 May 2008			
	Purchases	Sales/ transfers	Open purchase positions		Open sale positions	
Number of shares of which liquidity contract of which other objectives:	28,094 23,778 4,316	57,328 25,885 31,443	**Call options purchased**	**Forward purchases**	**Put options sold**	**Forward sales**
Average maximum term	-	-	-	-	-	-
Average transaction price (€)	13.00	12.29	-	-	-	-
Average exercise price (€) (1)	-	-	-	-	-	-
Amounts (€)	365,299	704,650	-	-	-	-

(1) Solucom did not buy or sell any options or conduct any forward transactions, with the result that there is no average exercise price.

The Company did not use any derivative products in conjunction with this share buy-back programme and does not hold any open purchase or sale positions.

Lastly, in accordance with Article L 241-2 of the general regulations of the AMF, any material amendment to any information stated under the 3rd, 4th and 5th paragraphs of I of the said Article and included in this share buy-back description shall be brought to the attention of the public as soon as possible, based on the requirements of Article L 221-3 of the general regulations of the AMF, including by making such information available at Solucom's registered office and website and on the website of the AMF.

Resolutions submitted to the Ordinary and Extraordinary General Meeting 25 September 2009

I. Ordinary General Meeting

- First Resolution (approval of the Company financial statements for the year ended 31 March 2009):

The general meeting, deliberating under the conditions of quorum and majority required for ordinary general meetings, having heard the presentation and taken note of the Management Board report, the special reports of the Management Board, the report of the Supervisory Board, the report of the Chairman of the Supervisory Board pursuant to Article L.225-68 of the French Commercial Code and the reports of the statutory auditors, hereby approves the financial statements including the balance sheet, the income statement and notes thereto for the year ended 31 March 2009 as presented hereto, and all transactions reflected in these financial statements and/or stated in these reports.

Consequently, the general meeting discharges the members of the Management Board and the Supervisory Board from their terms off office in respect of the said financial year.

The general meeting takes note there is no need to approve the expenses for the past financial year specified under Article 39.4 CGI (French General Tax Code) in accordance with the provisions of Article 223 (4) CGI.

- Second resolution (approval of the consolidated financial statements for the year ended 31 March 2009):

The ordinary general meeting, deliberating under the conditions of quorum and majority required for ordinary general meetings, having taken note of the Group Management Report included in the Management Board Report, the report of the Supervisory Board and the report of the statutory auditors on the consolidated financial statements, hereby approves the consolidated financial statements for the year ended 31 March 2009 as presented hereto, showing net profit, Group share, of €7,014,996.

The general meeting approves the transactions reflected and/or stated in these financial statements and summarised in these reports.

- **Third resolution (appropriation of earnings and dividend):**

The general meeting, deliberating under the conditions of quorum and majority required for ordinary general meetings, approves the Management Board's recommendation and decides to appropriate the net profit for the year of €5,549,128.97 as follows:

- Transfer of €162.20 to the legal reserve to increase it to 10% of the share capital
- Total dividend of €932,308.53 paid to shareholders
- Transfer of the balance of €4,616,658.24 to the line "Other reserves"

The dividend per share (in respect of shareholders entitled to dividends) is accordingly fixed at €0.19.

The dividend will be payable in cash as from 12 October 2009.

If, at the date of the dividend payment, the number of treasury shares without dividend rights held by Solucom has changed, the sum corresponding to the dividends not paid or to be paid by reason of this variation, shall be credited to the "Retained Earnings" account.

Pursuant to Article 158-3-2 CGI (French General Tax Code), dividends paid to natural persons resident in France for tax purposes are entitled to a 40% reduction for income tax purposes provided they have not opted for the fixed allowance of 18% (excluding social security contributions) specified under Article 117 (4) CGI.

Dividends paid in respect of the three prior financial years were as follows:

Year ended	Number of shares receiving dividends	Dividend paid per share	Proportion of dividend eligible for the 40% allowance
31 March 2008	4,890,385	€0.19	100%
31 March 2007	4,811,822	€0.14	100%
31 March 2006	1,188,298	€0.40 ➊	100%

➊ prior to the four-for-one bonus issue of shares dated 25 October 2006.

- Fourth resolution (approval of new regulated agreements):

The general meeting deliberating under the conditions of quorum and majority required for ordinary general meetings, having taken note of the special report of the statutory auditors, takes formal note that no new agreement or commitment has been authorised and signed/subscribed during the year and notes the information relating to previously approved agreements which continued in effect during the year ended 31 March 2009 and takes formal note that the Company has not entered into any regulated commitments.

- Fifth resolution (directors' fees):

The ordinary general meeting deliberating under the conditions of quorum and majority required for ordinary general meetings, having taken note of the Management Board report decides to fix the total amount of directors' fees allocated to the members of the Supervisory Board at €20,000 per annum with effect from 1 October 2009 until a future decision of the general meeting;

- Sixth resolution (authority to be granted to the Management Board to trade in shares of the Company and cancellation of the previous authority):

The ordinary general meeting deliberating under the conditions of quorum and majority required for ordinary general meetings, having taken note of the Management Board report, hereby authorises the Management Board on behalf of the Company, with powers to delegate this authority, to buy shares of the Company in accordance with statutory and regulatory conditions in force at the time of the purchases, and specifically in accordance with the provisions of Article L.225-209 et seq. of the French Commercial Code, Regulation no. 2273/2003 of the European Commission dated 22 December 2003, and the general regulations of the *Autorité des Marchés Financiers* (French stock market regulator – "AMF").

The Management Board may use this authority to meet the following objectives:

- Ensure the liquidity or drive the secondary market for Solucom shares by the involvement of an independent intermediary based on a liquidity contract in accordance with the ethics charter recognised by the AMF
- Hold shares to be offered as consideration for any future external acquisitions or mergers
- Allocate or sell shares to employees and/or directors of the Company and/or its affiliated Group companies in accordance with legislation, notably for purposes of any employee profit sharing, any company savings or shareholding plan for employees, any stock option or any bonus share plan;
- Issue shares on exercise of securities giving access by any means to the Company's share capital.

The general meeting decides that:

- The acquisition, sale or transfer of shares may be undertaken by any means, on a regulated or over-the-counter market, and in any manner, including by purchase or sale of blocks of shares (with no limit to the proportion of the share buy-back programme carried out by this means), or by use of derivative instruments traded on a regulated or over-the-counter market, or by implementing stock option strategies, pursuant to terms and conditions approved by market authorities. These transactions may be undertaken at any time, including during periods of public offers in accordance with regulations in force.

- The maximum number of shares that the Company is entitled to purchase under this resolution may not exceed 10% of the share capital, in accordance with Article L.225-209 of the French Commercial Code; this number includes shares purchased under authorities granted by a previous ordinary general meeting, it being specified that i) the number of shares purchased with a view to holding and subsequent reissue or exchange in conjunction with a merger, de-merger or capital contribution transaction, may not exceed 5% of the Company's share capital, and ii) in the event of shares purchased under a liquidity contract, the number of shares taken into account for the calculation of the aforementioned 10% limit of share capital corresponds to the number of shares purchased less the number of shares resold during this authorisation;

- The maximum purchase price per share is set at €35 (excluding purchase expenses) it being specified that, in the event of a transaction involving the Company's share capital, such as a capital increase by capitalising reserves, issue of bonus shares or a division or combination of shares, the aforementioned number and price of shares shall be adjusted by a coefficient equivalent to the ratio between the number of shares comprising the share capital before the transaction, and the number of shares after the transaction;

- The total maximum funds allocated for purchase of the Company's shares may not exceed €15,284,262, subject to available reserves.

- The present authority shall be granted for a period expiring on the date of the general meeting convened to approve the financial statements of the financial year beginning 1 April 2009, without this period exceeding eighteen (18) months, with effect from today's date;

- The general meeting grants all powers, including that of sub-delegation, to the Management Board, under the conditions fixed by law, to implement the share buy-back programme, and notably in order to:

  - Effectively launch and implement this share buy-back programme;

  - Within the aforementioned limits, issue any stock market or off-market orders based on the conditions determined by current regulations;

  - Adjust the purchase price of the shares to take account of the aforementioned transactions on the share price;

  - Sign any agreements with a view to maintaining registers of purchases and sales of shares;

  - Ensure a complete audit trail of transactions;

  - Make any and all declarations and perform all formalities with any organisations, in particular the AMF, in accordance with current regulations;

  - Meet all other formalities, and generally, take all necessary steps;

  - Take note that the workers council will be informed of the adoption of this resolution, in accordance with the provisions of article l.225-209 sub-paragraph 1 of the French commercial code;

  - Take note that the shareholders shall be informed during the next annual general meeting of the exact allocation of shares purchased to the various objectives pursued in respect of all share buy-back transactions undertaken;

- This authority supersedes all prior authorities on the same subject.

II. Extraordinary General Meeting

- Seventh resolution (granting authority to the Management Board to decide to issue, with preferential subscription right, ordinary shares and any securities giving access the Company's share capital):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors and in accordance with Articles L.225-129 to L.225-129-6, L.225-134, L.228-91 and L.228-92 of the French Commercial Code:

1. Terminates the authority granted to the Management Board by the extraordinary and ordinary general meeting dated 27 September 2007 in its tenth and fourteenth resolutions, with immediate effect;

2. Authorises the Management Board to decide, on one or more occasions, in the proportions and times as it deems appropriate, both in France and abroad, to carry out the issue of ordinary shares of the Company and any securities entitling the holders, immediately or in the future, to the Company's ordinary shares;

3. Decides that the maximum total nominal value of the new share issues likely to take place immediately and/or in the future under the present authority, may not exceed a nominal value of €248,344.10 (representing 50% of share capital as at today's date), to which shall be added, if applicable, the total nominal value of the additional shares to issue to preserve the rights of the holders of securities giving access to the share capital in accordance with legislation;

4. Under the assumption that debt securities are issued by virtue of this authority, the maximum nominal value of debt securities issued may not exceed €30,000,000 or its equivalent value in foreign currency;

5. Decides that the shareholders, in accordance with statutory conditions, may exercise their irreducible preferential subscription right. The Management Board, in accordance with the law, shall also be entitled to grant to shareholders the right to subscribe to a reducible number of shares exceeding the number they have applied for under their irreducible preferential subscription right, in proportion to their individual subscription rights and, in all cases, subject to the limit of their application;

If the irreducible subscriptions plus, if applicable, the reducible subscriptions, do not cover the entire issue of shares of financial securities as defined above, the Management Board may, on its own free will and in any order that it deems appropriate, use the options offered under Article L.225-134 of the French Commercial Code;

6. Takes formal note that this authority automatically involves shareholders renouncing their preferential subscription rights in favour of the holders of securities giving future access to Company shares that may be issued;

7. Decides that the Management Board shall have all powers, including that of sub-delegation, under conditions fixed by law, to implement this authorisation, to decide the terms of issue and amounts to be paid in, to record the capital increase resulting therefrom, to make any adjustments in order to take account of any transactions involving the Company's share capital, to determine the procedures to safeguard the rights of holders of financial securities giving access to the share capital in accordance with legal and regulatory provisions, and to amend the articles of association accordingly. Furthermore, the Management Board may make any accounting entries to issue premiums and notably in respect of costs arising from the security issues, and generally take all steps and sign any agreements to successfully complete the planned issues;

8. Decides that in the event of an issue of debt securities, the Management Board will have this power, with entitlement to delegation, under statutory conditions, to decide whether such debt securities should be subordinated or not, to determine their interest rate, currency of issue, duration, fixed or variable redemption price with or without premium, terms of repayment based on market conditions and the conditions by which such securities will give entitlement to ordinary shares of the Company;

9. The Management Board shall report to the shareholders the use it will have made of this power in accordance with Article L.225-100 section 6 of the French Commercial Code.

10. This power granted to the Management Board is valid for a period of 26 months as from today's date.

- Eighth resolution (authority for the Management Board to issue ordinary shares and financial securities giving access to share capital, without shareholders' preferential subscription right):

This general meeting deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors and in accordance with Articles L.225-129 to L.225-129-6, L.225-134, L.225-135, L.225-136, L.225-148, L.228-91 and L.228-92 et seq. of the French Commercial Code and Article L.411-2 II of the French Monetary and Financial Code:

1. Terminates the authority granted to the Management Board by the ordinary and extraordinary general meeting dated 27 September 2007 in its eleventh and fourteenth resolutions, with immediate effect.

2. Authorises the Management Board to decide, on one or more occasions, in the proportions and at the times that it deems appropriate, both in France and abroad, with preferential subscription rights, by public offer or by private placement as specified under Article L.411-2 II of the French Monetary and Financial Code, to issue ordinary shares of the Company and any other financial securities of any kind giving immediate or future access to the ordinary shares of the Company;

3. Decides that the nominal value of capital increase liable to be performed immediately or in the future by virtue of this power may not exceed:

a) In the event of a public offer, €124,172.05 (representing 25% of the share capital as at today's date), plus, if applicable, the nominal value of additional shares to be issued to safeguard the rights of financial securities giving access to the share capital pursuant to legislation;

b) In the event of a private placement as defined by Article L.411-2 II of the French Monetary and Financial Code for qualified investors or a limited circle of investors, in accordance with legal conditions under Article L.225-136, €74,503.23 per year (representing 15% of the share capital as at today's date), plus if applicable, the nominal value of additional shares to be issued to safeguard the rights of financial securities giving access to the share capital pursuant to legislation; it being understood that this limit will be included in the limit specified under paragraph α) above of this resolution.

4. Under the assumption that debt securities are issued by virtue of this authority, the maximum nominal value of debt securities issued may not exceed €15,000,000, or its equivalent value in foreign currency, it being understood issues of debt securities under a private placement specified by Article L.411-2 II of the French Monetary and Financial Code are limited by law;
5. Decides to eliminate the shareholders' preferential subscription right to the ordinary shares and financial securities to be issued, it being understood that the Management Board shall grant the shareholders a preferential subscription right applying to all or part of the issue during a period of not less than five days. Said preferential subscription right shall not give rise to negotiable rights, but may, if the Management Board deems it appropriate, be both irreducible and reducible;

6. Decides that if the subscriptions from the shareholders and the public have not absorbed the entire issue of shares of financial securities as stated above, the Management Board may, as it deems fit, in any order it considers appropriate, take advantage of the powers offered under Article L.225-134 of the French Commercial Code;

7. Takes formal note that this authority automatically involves shareholders renouncing their preferential subscription rights in favour of the holders of securities giving future access to Company shares that may be issued;

8. Decides that the issue price of the new shares shall at least be equal to the minimum price stipulated by the legal and regulatory provisions in force at the time of the issue;

9. Decides that the Management Board shall have all powers, including that of sub-delegation, under conditions fixed by law, to implement this authorisation, to decide the terms of issue and amounts to be paid in, to record the capital increase resulting therefrom, to make any adjustments in order to take account of any transactions involving the Company's share capital, to determine the procedures to safeguard the rights of holders of financial securities giving access to the share capital in accordance with legal and regulatory provisions, and to amend the articles of association accordingly. Furthermore, the Management Board may make any accounting entries to issue premiums and notably in respect of costs arising from the security issues, and generally take all steps and sign any agreements to successfully complete the planned issues;

10. Decides that in the event of an issue of ordinary shares or financial securities giving access to the Company's share capital providing consideration for shares contributed to a public exchange offer on company shares that are admitted for trading on one of the regulated markets specified under Article L.225-148 of the French Commercial Code, the Management Board shall have all powers, including that of sub-delegation, under conditions fixed by law, to determine the share exchange ratio and, if applicable, the amount of the balancing payment within the purchase price, to determine the number of ordinary shares or financial securities to be issued in consideration, to establish the dates, terms of issue notably the issue price and effective date of the new ordinary shares or, if applicable, the new securities giving access to the Company's share capital, to post the difference between the issue price of the new ordinary shares and their nominal value to an account entitled 'share premium', which will accrue to all equity shareholders; and to post all costs and rights arising from the authorised transactions against said 'share premium' account;

11. Decides that in the event of an issue of debt securities, the Management Board shall have all powers, including that of sub-delegation, under conditions fixed by law, notably to decide whether they should be subordinated or not, fix their interest rate, duration, the fixed or variable redemption price with or without a premium, the terms of repayment based on market conditions and the conditions under which such securities will give an entitlement to Company shares;

12. The Management Board will report to the shareholders how it has taken advantage of this power in accordance with Article L.225-100 paragraph 6 of the French Commercial Code.

13. This power granted to the Management Board is valid for a term of 26 months with effect from today's date.

- Ninth resolution (authority for the Management Board to increase the number of ordinary shares and securities to issue in the event of an over-subscription of a capital increase with or without preferential subscription rights, up to 15% of the initial issue:

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors in accordance with Articles L.225-129 to L.225-129-6, L.225-135, L.225-135-1 et seq., L.228-91 and L.228-92 of the French Commercial Code:

1. Authorises the Management Board, in the event of an over-subscription on a capital increase decided by virtue of the seventh and eighth resolutions hereto, to decide to increase the number of ordinary shares and financial securities to be issued in accordance with statutory conditions under Article L.225-135-1 of the French Commercial Code, within thirty days of the closing date of subscription, at the same price as that applied for the initial issue and up to 15% of the initial issue, subject to a maximum limit specified under the resolution authorising the issue and within the overall limit stated under the eleventh resolution.

2. Decides that this authorisation is granted to the Management Board for a period of 26 months with effect from today's date.

- Tenth Resolution (authority for the Management Board to issue ordinary shares and financial securities giving access to share capital subject to a 10% limit, in consideration for transfers of non-cash assets to the Company representing shares or financial securities of third party companies, not in conjunction with a public tender offer):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors and in accordance with Articles L.225-129 to L.225-129-6 and L.225-147 of the French Commercial Code:

1. Terminates the authority granted to the Management Board by the extraordinary and ordinary general meeting dated 27 September 2007 in its thirteenth and fourteenth resolutions, with immediate effect;

2. Authorises the Management Board, based on a report of the *Commissaire aux apports* (independent accountant to assess value of non-cash assets transferred), up to 10% of the Company's share capital, to issue ordinary shares and financial securities giving access to the share capital of the Company in consideration for non-cash assets transferred to the Company representing shares or financial securities giving access to the share capital of third party companies, provided the provisions of Article L.225-148 of the French Commercial Code do not apply (not in conjunction with a public tender offer);

3. The general meeting takes formal note that:

- This authority automatically involves the shareholders renouncing their preferential subscription rights on the share capital of the Company to which the financial securities that are issued based on this authority may give entitlement, in favour of holders of financial securities giving access to the capital;

- In addition to the 10% limit of share capital specified under Article L.225-147 of the French Commercial Code, issues carried out by virtue of this authority must be included within the maximum limits specified under the eighth resolution hereto;

4. The Management Board will have all powers, including that of sub-delegation within legal limits, with a view to implementing this authority, notably in order to decide, based on the report of the *Commissaire aux Apports*, on the valuation of non-cash assets received and the granting of particular benefits and their values, establish the final capital increase carried out by virtue of this authority, amend the articles of association accordingly, perform all formalities and declarations and generally, take all necessary steps.

5. The power granted to the Management Board is valid for a period of 26 months with effect from today's date.

- Eleventh Resolution (overall limitation over the powers specified under the seventh to ninth resolutions):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report, and consequently the adoption of the seventh, eighth, ninth and tenth resolutions, decides:

- That the maximum total nominal value of the new share issues likely to take place immediately and/or in the future under the authorisations granted by the aforementioned resolutions, may not exceed a nominal value of €372,516.15 plus, if applicable, the total nominal value of the additional shares to issue to preserve the rights of the holders of securities giving access to the share capital in accordance with legislation.

- To set the maximum nominal value of debt securities liable to be issued by virtue of authorisations granted by the aforementioned resolutions at €45,000,000, or the equivalent value in foreign currency.

- Twelfth Resolution (authority for the Management Board to increase the share capital by capitalisation of reserves, retained earnings or issue premiums or other):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report, in accordance with the provisions of Articles L.225-129 to L.225- 129-6 and L.225-130 of the French Commercial Code:

1. Terminates the authority granted to the Management Board by the extraordinary and ordinary general meeting dated 27 September 2007 in its twelfth and fourteenth resolutions, with immediate effect;

2. Authorises the Management Board, on one or more occasions, to increase the share capital up to a maximum nominal value of four hundred thousand euros by successive or simultaneous transfers from reserves or from the issue premium account by creating and issuing new ordinary shares free of charge or by increasing the nominal value of the shares or by a combination of these two procedures; it being understood that the aforementioned limit is separate and independent of the limits stated under the eleventh resolution;

3. The general meeting decides that fractional shares shall neither be negotiable nor transferable and that the corresponding shares shall be sold, and the corresponding sales proceeds shall be allocated to the holders of the rights within thirty days of the date of registering the whole number of shares allocated to the relevant account;

4. This general meeting authorises the Management Board, including that of sub-delegation, in accordance with the law, to implement this authority including deciding on the dates and terms of the issues, determining the price, issue procedures, and amounts to issue and generally to take all steps to complete the issue, enact any acts and formalities for the purposes of completing the corresponding capital increase(s) and to amend the articles of association accordingly;

5. The power granted to the Management Board is valid for a period of 26 months with effect from today's date.

- Thirteenth resolution (authority for the Management Board to carry out capital increases reserved for employee members of a PEE (French company savings plan):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors and in accordance with Articles L.3332-18 et seq. of the French Employment Code and Articles L.225-129-2 to L.225-129-6 and L.225-138-1 of the French Commercial Code:

1. Terminates, with immediate effect, the authority granted to the Management Board by the extraordinary and ordinary general meeting dated 27 September 2007 by its fifteenth and nineteenth resolutions;

2. Authorises the Management Board to increase the share capital, on one or more occasions, based on its own decisions, by the issue of ordinary shares or financial securities giving access to the share capital of Solucom SA reserved for members of (i) a company savings plan, (ii) members, employees or directors of the Company and/or a company related to it as defined by Articles L.225-180 of the French Commercial Code and L.3344-1 of the French Employment Code, up to 5% of the share capital as at the date of implementing this authority, it being specified that this amount is separate and independent from the amounts stated in the seventh to eleventh resolutions, but included in that determined under the fourteenth resolution below, subject to a joint maximum limit for these two resolutions as determined under the fifteenth resolution.

If applicable, the nominal value of ordinary shares to be issued in order to safeguard the rights of holders of financial securities giving access to the Company's share capital in accordance with the law, shall be added to this limit.

3. Decides to eliminate shareholders priority subscription rights in favour of said beneficiaries;

4. Decides that the Management Board may decide to issue bonus shares or financial securities giving access to the Company's share capital, as prescribed under Article L.3.332-21 of the French Employment Code;

5. Decides that the subscription price for new shares will be determined in accordance with the conditions and limits specified under Articles L.3 318 to 3 324 of the French Employment Code;

6. Decides that the features of the issues of financial securities giving access to the Company's share capital shall be decided by the Management Board in accordance with regulatory conditions.

7. The general meeting gives all powers to the Management Board to implement this authority, including:

- To decide and set the issue and allocation procedures for the bonus shares or financial securities giving access to share capital, in application of this authority;

- To decide the amount to issue, the issue price, and the procedures of each issue;

- To determine the opening and closing dates of the subscription period;

- To set the period, in accordance with legal limits granted to subscribers for paying in the shares and, if applicable, that of the financial securities giving access to the Company's share capital;

- To decide the date, including a retroactive date, with effect from which the new shares and, if applicable, the financial securities giving access to the Company's share capital will be valid;

- To decide the terms and conditions of the transactions carried out by virtue of this authority and to apply for admission for trading on any stock exchanges it may decide in respect of the newly issued securities.

8. The Management Board shall also have all powers, including that of sub-delegation, to carry out the capital increases, up to the value of the shares that have effectively been subscribed, amend the articles of association accordingly; perform directly or via an agent all operations and formalities arising from the capital increases and on its own decision, and if it deems it appropriate, to post the costs of the capital increases against the relevant premiums on issue and to deduct from this amount the required amount to make the legal reserve equal one tenth of the new share capital after the increase, and to perform all formalities and all declarations with any organisations and to carry out all measures that may be necessary.

9. The power granted to the Management Board is valid for a period of 26 months with effect from today's date.

- Fourteenth resolution (authority for the Management Board to issue free of charge existing shares to employees and/or directors of the Company and of companies related to it or to some of them):

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report and the special report of the statutory auditors and in accordance with Articles L.225-197-1 to L.225-197-6 of the French Commercial Code:

1. Terminates with immediate effect the authorisation granted to the Management Board by the ordinary and extraordinary general meeting dated 27 September 2007 in its eighteenth and nineteenth resolutions in respect of the part not yet used;

2. Authorises the Management Board, on one or more occasions, to issue existing or future bonus shares of the Company free of charge to members of staff of the Company or to certain categories of them, and/or to executives specified under Article L.225-197-1 II of the French Commercial Code, and to members of staff or executives of companies related to the Company in accordance with statutory conditions under Article L.225-197-2 of the French Commercial Code;

3. Decides that the total number of existing or future shares that can be issued by virtue of this authorisation may not exceed:

a) 1% of the share capital of the Company as at the date of the Management Board's decision in respect of executives / directors of the Company

b) 6% of the share capital of the Company as at the date of the Management Board's decision in respect of members of staff or directors of the Company or any company of its Group, or some of them other than those stated under a) above

It being specified that the amounts stated under paragraphs α) and β) above are separate and independent from those established in the seventh to eleventh resolutions but are included in that established in the thirteenth resolution above, within the maximum limit of these two resolutions as stated in the fifteenth resolution.

4. The general meeting authorises the Management Board, on an alternative or cumulative basis, within the limits established in the preceding paragraph:

- To issue existing shares arising from share buybacks carried out by the Company under legal conditions as stated in Articles L.225-208 and L.225-209 of the French Commercial Code, and/or

- To issue future shares arising from capital increases; in such a case, the general meeting authorises the Management Board to increase the share capital, via transfer from reserves up to the maximum nominal value corresponding to the number of new shares issued, and takes formal note that, in accordance with the law, the allotment of shares to beneficiaries nominated by the Management Board involves shareholders expressly waiving their preferential subscription rights on the future shares in favour of said beneficiaries.

5. The general meeting decides:

- To set the minimum duration of the vesting period, following which the allocation rights will be finally transferred, at two years with effect from the date when the Management Board granted the allotment rights, it being stipulated that such rights cannot be transferred until the end of such period, pursuant to the provisions of Article L.225-197-3 of the French Commercial Code; however, in the event of the beneficiary's death, his/her heirs may request the allotment of shares within six months with effect from the death; furthermore and pursuant to the provisions of Article L.225-197-1 I paragraph 5, the shares will be allotted before the end of this period in the event of the beneficiary's invalidity corresponding to the second or third categories specified under Article L.341-4 of the French Social Security Code,

- To set the minimum share retention period by their beneficiaries at two years with effect from their final allotment; however, the Management Board may reduce or eliminate such retention period provided the vesting period as stated in the preceding paragraph is at least equal to four years; during the minimum retention period, shares shall be freely transferable in the event of the beneficiary's death or invalidity pursuant to current regulations.

6. The general meeting gives all powers to the Management Board, within the aforementioned limits, to:

- Determine the identity of the beneficiaries, or the category or categories of the beneficiaries of the share allotments, it being stated that there cannot be any share allotments to employees or to directors who individually hold over 10% of the share capital,

- In the event of allotment to executives specified under Article L.225-197-1 II of the French Commercial Code:

    - Ensure the Company meets one or more of the conditions specified under Article L.225-197-6 of said Code, and take any other measures for this purpose,

    - Ensure the Supervisory Board decides that the allotted shares cannot be transferred before expiry of their terms of office, or determine a number of said shares that they must retain in their own names until expiry of their terms of office in accordance with the provisions of Article L.225-197-1 II paragraph 4,

- Allocate the share allotment rights on one or more occasions and at the times that it considers appropriate,

- Determine the conditions and share allotment criteria and, if applicable, the performance criteria which may include, but not necessarily be limited to, length of service, conditions relating to continued employment or continued term of office during the vesting period, and any other individual or collective, financial or performance conditions,

- Determine the final duration of the vesting period and of the share retention period within the limits established above by the general meeting,

- Record the bonus shares on a registered account in the name of their holder mentioning the fact they are not available and the period of their non availability,

- Post an amount equal to the total nominal value of the shares that may be issued under the capital increases from the Company's distributable reserves to a non-distributable reserve account allocated for the relevant shareholders' rights,

- Make any necessary transfers from said non-distributable reserve account in order to pay in the nominal value of shares to be issued on behalf of their beneficiaries, and to increase share capital by the nominal value of the allotted bonus shares,

- In the event of a capital increase, amend the articles of association accordingly and perform all necessary formalities,

- In the event of financial transactions specified under the provisions of Article L.228-99 first paragraph of the French Commercial Code during the vesting period, if it deems it appropriate, take any measures designed to safeguard and adjust the rights of the beneficiaries of the share allotments pursuant to the terms and conditions under said article.

7. Pursuant to the provisions of Articles L.225-197-4 and L.225-197-5 of the French Commercial Code, a special report will be presented to the ordinary general meeting every year covering transactions undertaken by virtue of this authorisation.
8. The power granted to the Management Board is valid for a period of 38 months with effect from today's date.

- Fifteenth resolution (overall maximum limit for the authorisations specified under the thirteenth and fourteenth resolutions)

The general meeting, deliberating under the conditions of quorum and majority required for extraordinary general meetings, having taken note of the Management Board report, decides that the total number of existing or future Company shares that may be issued to employees, certain categories of them and directors of the Company and its related companies, under the authorisations specified by the thirteenth and fourteenth resolutions above, under legal conditions, may not represent a percentage exceeding 6% of the share capital of the Company at the date of their allotment or issue.

- Sixteenth resolution (powers for formalities)

The ordinary general meeting grants all powers to the bearer of a copy or the original of these minutes for purposes of completing any and all legal formalities.

Exceptional events and litigation

To the Company's knowledge, there are no exceptional events or litigation liable to have a material impact on the Company's or the Group's financial position or earnings.

In particular, Solucom confirms that it has not been subject to any government, court or arbitration proceedings during the last twelve months.

Annex

Fiscal 2008/2009

Documents accessible to the public

The reference document is available at the head office of the company, Tour Franklin, 100-101, terrasse Boieldieu 92042 Paris-La-Défense Cedex.

Telephone: +33 (0)1 49 03 25 00 and on Solucom's website: www.solucom.fr

During the period of validity of the reference document, the following documents may be consulted at the firm's head office:

- The company's statutes
- All reports, mails and other documents, financial historical information, evaluations and notifications established by an expert on demand of the Group, a part of which is included or certified in this document
- Financial historical information of the Group for each of the two financial years proceeding the publication of the reference document.

Parties Responsible

Party responsible for the reference document

Pascal Imbert, Chairman of the Management Board

Reference document certificate

"I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable GAAP and that they provide a faithful picture of the assets, financial situation and profits of the company and all its consolidated companies, and that the management report appearing on page 24 provides an accurate picture of the development of sales, profits and the financial situation of the company and all its consolidated companies, as well as a description of the main risks and uncertainties facing them.".

Paris, 30 June 2009

Pascal Imbert, Chairman of the Management Board

Parties responsible for the audit of the financial statements

Primary statutory auditors:

SLG Expertise, 164, boulevard Haussmann, 75008 Paris : appointed by the General Meeting dated 26/09/08; term of office expires following the General Meeting called to approve the financial statements for the year ended 31/03/14, represented by Mr. Arnaud BERNARD.

Constantin Associés, 114, rue Marius Aufan, 92300 Levallois-Perret : appointed by the General Meeting dated 28/09/07; term of office expires following the General Meeting called to approve the financial statements for the year ended 31/03/13, represented by Mr. Laurent LEVESQUE.

Secondary statutory auditors:

Ms Valérie Dagannaud, 162, boulevard Haussmann, 75008 Paris: appointed by the General Meeting dated 30/09/08; term of office expires following the General Meeting called to approve the financial statements for the year ended 31/03/14.

Mr. Michel Bonhomme, 114, rue Marius Aufan, 92300 Levallois Perret: appointed by the General Meeting dated 28/09/07; term of office expires following the General Meeting called to approve the financial statements for the year ended 31/03/13.

Responsible for the financial information

Pascal Imbert, Chairman of the Management Board
Pascale Besse, Finance Director

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