TOLL COLLECTION SYSTEMS

G.E.A

ANNUAL REPORT 2006/2007

GRENOBLOISE D'ELECTRONIQUE ET D'AUTOMATISMES

BVQi ISO 9001 : 2000

BOARD OF DIRECTORS

Mr. Serge ZASLAVOGLOU, Chairman
Mrs. Jeannine ZASLAVOGLOU, Vice-chairman
Mr. Henri CYNA
Mr. Louis-Michel ANGUE
Mr. Pierre GUILLERAND
Mr. Roland ROC

MANAGEMENT BOARD

Mr. Serge-Alexis ZASLAVOGLOU
Mr. Grigori ZASLAVOGLOU

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FINANCIAL APPENDIX

GEA WORLDWIDE

More than 8, 000 Toll Collection Terminals worldwide.

GEA IN FRANCE

Motorways equipped by GEA

P Car Parks equipped by GEA

MESSAGE FROM PRESIDENT

The 2006/2007 fiscal year was marked by the recovery of our margins and by commercial and operational success.

After a difficult 2006 marked by the beginning of the implementation of an unusually high number of multiyear contracts in France, the first commercial fallout from these projects allowed us, as early as the first half, to quickly return to profitability.
This improvement was also the result of a rationalisation of our plant.

The income thus obtained was used to strengthen a healthy financial structure characterised by €19.41 million in capital, a net cash position of €7.85 million, and a total absence of debt.

In addition, during the past fiscal year several successes came to reconfirm GEA's recognised expertise in its field of activity, particularly in the area of toll collection automation.

In France it is appropriate to emphasise that all of the motorway concessionaries have chosen GEA as their automatic equipment supplier.

Grigori, Alexis and Serge ZASLAVOGLOU.

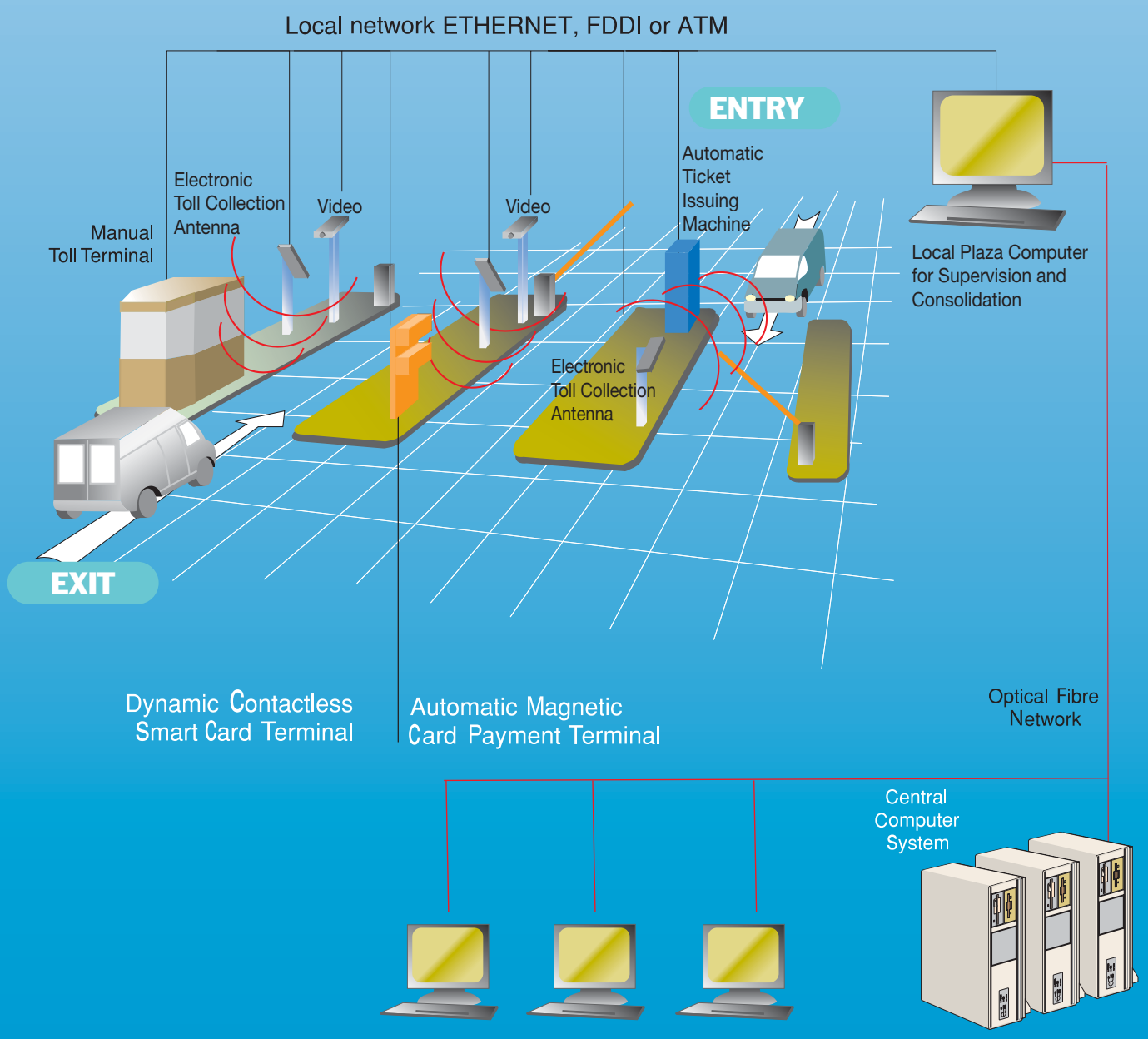
Commercially, the VINCI Group renewed its confidence in GEA by entrusting it with the implementation of two new major multiyear contracts to automate the ASF and ESCOTA road networks (Southern France motorway Company and the Esterel and Cote d'Azur motorway Company, respectively).
In the area of electronic toll collection, this year we produced our millionth tag.
We should like to add that GEA tags have been selected by the main issuers of tags for heavy trucks (AXXES, DKV, EUROTOLL).

In exports we remained very busy with the implementation of toll equipment for several motorways in Morocco, Brazil, China, and Croatia.
New contracts were also signed in China, Brazil, and in Mexico.
On 30 September 2007, our order book, 86% of which consisted of French contracts, came to 51 million Euros, a marked increase on the previous year.

I should now like to discuss the reorganisation of GEA, last 15 November, into a Company with a Board of Directors and Supervisory Board.
Following this change, the operational management of the company was entrusted to Mr. Alexis Zaslavoglou, Chairman of the Managing Board, and to Mr. Grigori Zaslavoglou, Managing Director.
I wish to assure them of my complete support in their new assignments, and for my part I will continue to support the development of the company as Chairman of the Supervisory Board.
Finally I would like to thank all of the GEA employees for their efforts and accomplishments during the fiscal year.

Serge Zaslavolgou

ORGANISATION OF DATA COLLECTION AND TRANSMISSION NETWORK



Fitted with a central processing unit, the toll terminals at the users level manage the various lane peripherals (automatic vehicle classification systems, traffic signals, barriers, electronic tolling antennas, etc).

Transaction data and traffic information are collected in real time and stored before being centralised and consolidated through local networks such as Ethernet, FDDI or ATM.

These local plaza computers communicate with a central computer via optical fibre networks.

COMPUTER AND ELECTRONIC TOLLING CONTROL SYSTEM:

At the financial level:
- Prevents fraud
- Manages the money flow
  (Revenue of more than 6.7 billion in France in 2007)

At the technical level:
- Processes all means of paymment
- Generates traffic statistics
- Automates Toll Collection
- More than 1.3 billion transactions in 2007
  (of which more than 300 million in ETC Toll Collection

AN EXPANDING BUSINESS: AUTOMATED TOLL PLAZAS

G.E.A. offers a comprehensive range of equipment which allows its clients to automate either partially or entirely their revenue collection. With more than 100 fully automated toll plazas in service in France on the A20, A29, A66, A72, A83, A87 and A89 motorways, G.E.A. is at the forefront of technology in this field.

Important international clients in Denmark, Sweden, Spain, Brazil, Malaysia, Thailand, China, Morocco and Tunisia have also chosen G.E.A. for all or part of their automated toll systems.

✔ Automatic toll lanes accepting all means of payment (Multi-Payment Machines)

✔ Automatic vehicle classification systems

✔ Audio and video systems providing real-time remote assistance to patrons (data and digital image transmission over high-speed networks)

✔ Integration of contactless smart card payment systems

✔ Electronic Toll Collection (ETC) systems compliant with the European standard CEN TC 278:

- Within the scope of the TIS (Télépéage Inter-Sociétés) tolling scheme for the French motorway operators, G.E.A. has :
  - Supplied and implemented more than 700 ETC roadside beacons
  - Delivered a high-speed ETC system, with automatic detection of incidents through video image analysis
  - Provided the TIS software integration for all of the 9 French motorway operators
- Internationally, G.E.A. has installed several ETC systems in Sweden, Denmark, Brazil, Croatia, Spain, and in Asia.
- Within the scope of its exclusive co-operation agreement with the Thales Group, G.E.A. has delivered 1,000,000 On-Board Units abroad since the initiative began.
- In partnership with Thales, G.E.A. has developed and produced DSRC hyper-frequency antennas (more than 1, 000 antennas ordered).
- The Heavy Goods Vehicle (HGV) ETC system represents another long-term line of growth.
  G.E.A. is particularly well positioned to address this new market because of its renowned expertise.
  Thanks to its expertise in automatic classification systems, G.E.A. has already commissioned multi-class ETC systems (for passenger vehicles and HGVs) in Denmark, (Storebælt bridge), in Sweden (Øresund bridge) and also in Brazil (Anhangüera-Bandeirantes motorway).
  G.E.A. has been chosen by most of the French motorway companies for the software integration of the new Heavy Goods Vehicles TIS (Interoperable French-wide ETC System).
  G.E.A. tags were selected by the major tag issuers for heavy trucks (AXXEX, DKV, EUROTOLL).

CAR PARK REVENUE CONTROL SYSTEMS

GEA started diversifying its activities in 2001 and designed a complete line of revenue control equipment for car parks, by winning its first contract with the VINCI Group.

This product line includes:

- ✔ Entry Lane Terminals
- ✔ Restricted Entry Lane Terminals
- ✔ Exit Lane Terminals
- ✔ Pedestrian Access Control Terminals
- ✔ Automatic Payment Machines
- ✔ Manual Payment Machines
- ✔ Car Park Management Supervision Servers
- ✔ Central Computer Systems

Since then, the VINCI Group has chosen G.E.A. to equip of all of its La Défense car parks (Paris region).

The VINCI Group is a world leader in concessions, construction and related services and operates more than 1,300 car parks in 12 countries of which more than 500 are in France.

- This first success triggered other awards for GEA from:
  - Communauté Urbaine de Marseille
  - Omniparc (Eiffage Group)
  - SAEMES (City of Paris)
  - CHU (City of Grenoble)
  - Museum of Air and Space of Le Bourget

- At the request of its major clients, for the past few years G.E.A. has also developed a maintenance business to support these car parks.

OPERATIONAL STRUCTURE AND HUMAN RESSOURCES

Alexis ZASLAVOGLOU
Chairman of the Managing Board,
Research and Development Manager

Grigori ZASLAVOGLOU
Managing Director,
Company Secretary

Hassane TANOUKHI
Project Director

Jean-Luc AUGUSTE
Technical Director

Olivier MANNECHEZ
Software Development Manager

François-Xavier OTT
Strategy, Marketing and Sales Director

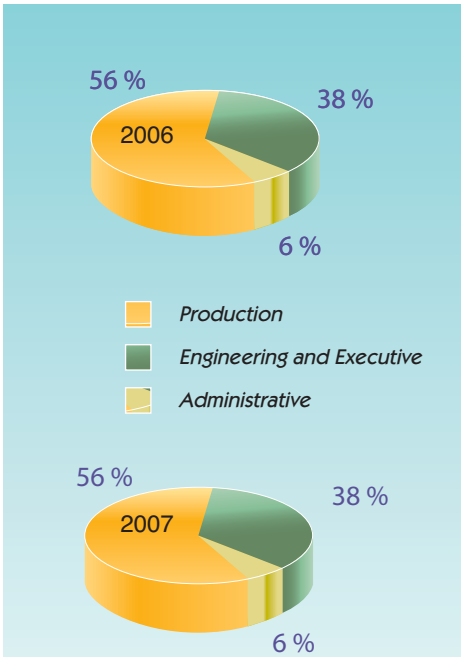
Philippe THOREAU
Commercial Director

Jean LARRANG
Commercial Director
(American Region)

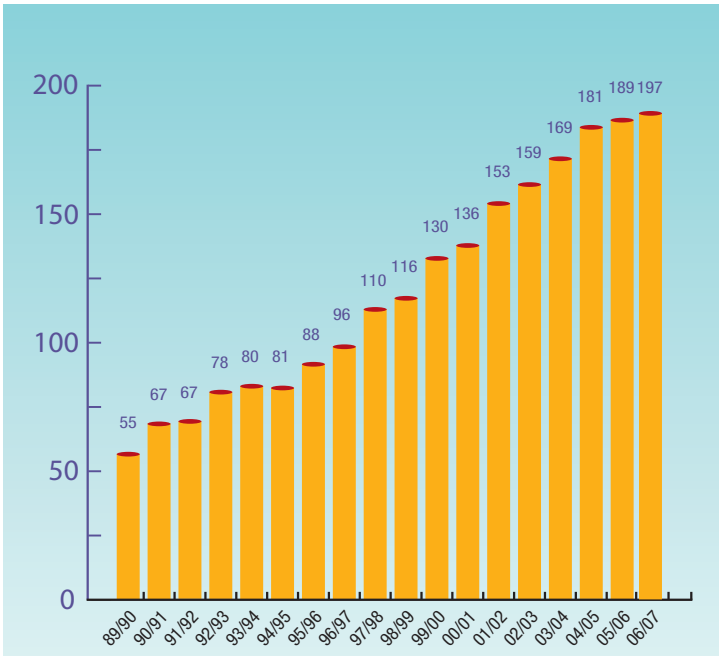
On 30 September 2007 GEA staff totalled 189 (197 the previous year) distributed as follows:

- Engineering and executive:	72
- Administrative	11
- Production	106
	189

STAFF DISTRIBUTION IN TERMS OF PERCENTAGE

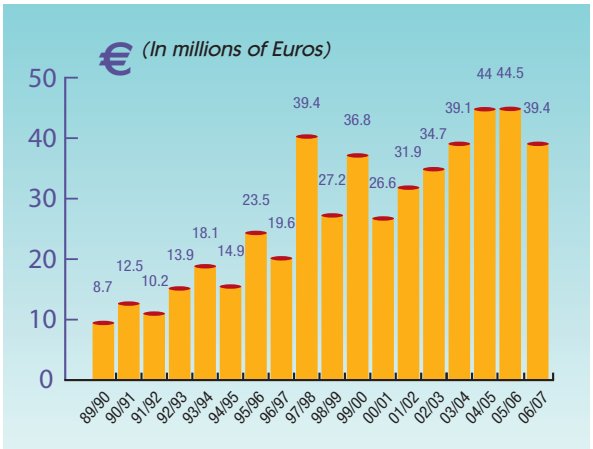


EVOLUTION OF AVERAGE STAFF NUMBERS

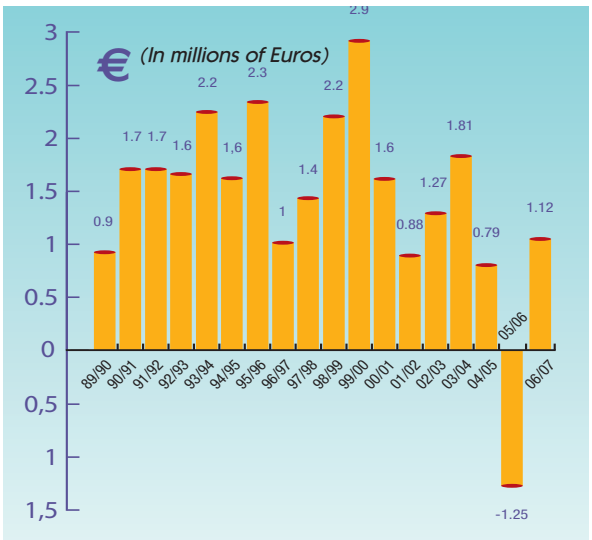


KEY FIGURES

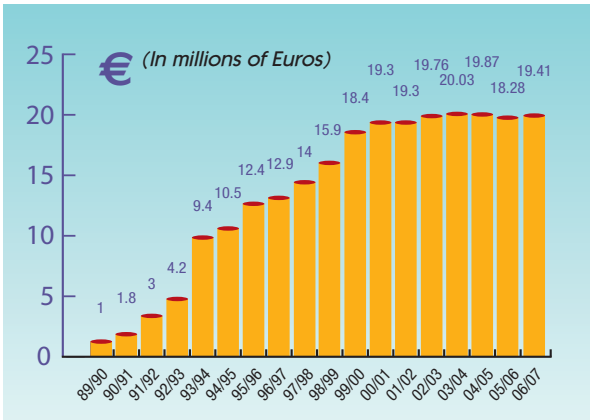
EVOLUTION OF TURNOVER



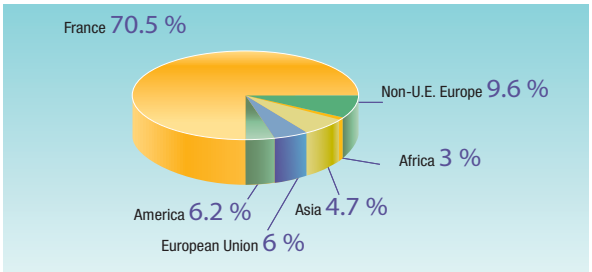
EVOLUTION OF NET RESULT



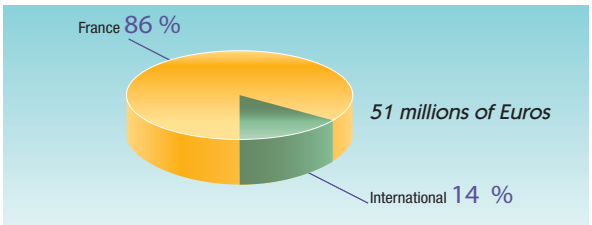
EVOLUTION OF SHAREHOLDER'S EQUITY



TURNOVER DISTRIBUTION

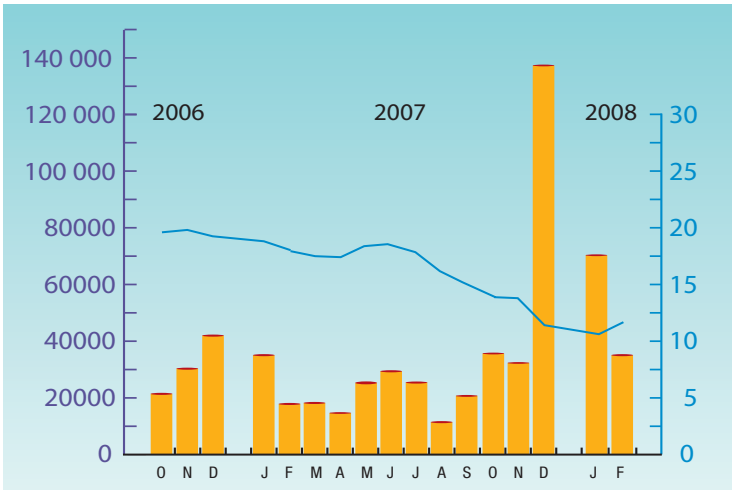


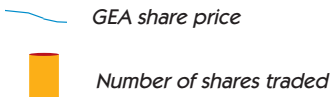
THE ORDER BOOK AS OF 30/09/07



THE STOCK MARKET

GEA shares (code ISIN : FR0000053035) are quoted on the Euronext Paris Eurolist C.





Evolution of the stock-market price and number of shares traded.

FINANCIAL APPENDIX

MANAGEMENT REPORT ON OPERATIONS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2007

Ladies and Gentlemen,

We have gathered you together for our Annual Ordinary Shareholders' Meeting to report to you on our Company's business during the fiscal year ended on 30 September, 2007 and to submit for your approval the annual financial statements for the said fiscal year, during which the Company was administered according to its former management method, by a Board of Directors.

First of all we would like to state that the financial statements that are being presented to you, approved by the Board of Directors with the assistance of the Supervisory Board whose members were all Directors of the company, do not include any changes, whether in the presentation of the accounts or that of the valuation methods, with respect to those for the previous fiscal year.

This report contains a table in appendix, which shows the company's financial results over the last five financial years.

We will now present the different items of information stipulated by the regulations.

I – ACTIVITY AND RESULTS

1) Situation and Activity during the Financial Year

The sales revenue on 30 September 2007 totalled € 39,441,303 compared to € 44,452,793 for the previous financial year.

Total operating income, taking into account both the variation in the works in progress (- € 2,190,235) and the write-backs of provisions and expense transfers (+ € 261,947), works out at € 37,513,015 compared to € 42,739,329 in the previous financial year.

The gross margin rate increased compared to the level reached during the previous fiscal year (47.3% versus 40.5%).

Internationally, GEA put into service toll system for the Casablanca-Marrakesh and Casablanca-El Jadida motorways in Morocco as well as two other sections in the Tangier and Tetouan region.
In addition, during the fiscal year several contracts were signed and exected in Brazil.
New contracts were also signed in China, Mexico, and Croatia.
In Croatia, new motorway toll sections were put into operation.

In France, in the area of electronic toll collection, the fiscal year was marked by GEA's production of its millionth tag.
GEA tags were also selected by the major electronic toll collection tag issuers for heavy trucks (AXESS, DKV, EUROTOLL).
Furthermore, most motorway companies use electronic toll collection antennas produced by GEA.
Moreover, all the French motorway concessionaires have signed contracts with GEA to supply automated toll collection equipment.

During the financial year, GEA also pursued the replacement and provision of toll collection equipment for the APRR, AREA, ASF, ATMB, COFIROUTE, ESCOTA, SANEF, SAPN, and SFTRF companies. Finally, two new major multiyear contracts were awarded to GEA by the ASF and ESCOTA motorway companies.

Operating expenses amounted to € 36,294,687, compared to € 43,901,493 the previous year, including the following:

- Depreciation and provision expenses for the financial year totalling of € 431,581.
- A pay roll of € 8,001,388 and the related social security charges of € 3,438,788.

The financial year shows an operating profit of € 1,218,328 compared to an operating loss of €1,162,164 for the previous year.
This improvement served to reconfirm the trend already observed in the first half which made it apparent that we had returned to a profitable situation.

This upturn was the result of the first commercial knock-on effects of the many multiyear contracts signed at the end of 2005 and of the effort to rationalise the production facilities.

Financial income and expenses totalled € 177,147 and € 150,208 respectively compared to € 177,307 and € 243,463 the previous financial year.

Current pre-tax income shows a positive total of € 1,245,267, compared to a negative total of 1,228,320 € in the previous year.

After taking into account an exceptional profit of € 34,267 and a corporate income tax amount of € 153,871, the net result came to € 1,125,663, versus a loss of € 1,226,612 last year.

2) Developments of stockholders' equity and indebtedness

Stockholders' equity amounted to 19.41 million euros on 30 September 2007 compared to 18.29 million euros on 30 September 2006.
Bank overdraft is nearly zero and the company has not signed any lease contract.

3) Foreseeable Developments and Prospects for the Future

GEA intends to continue its development in the motorway toll collection sector by relying on its technological advance in the total automation of the highway toll collection sector, which represents a substantial demand from the motorway companies.
As 30 September 2007, the order book stood at €51 million (86% French contracts) representing an increase of 24% over the previous year.

4) Events Occurring Since the End of the Fiscal Year

Under this heading, we would like to remind you of GEA's adoption of the new method of management by a managing Board and a Supervisory Board, voted on by the Extraordinary Shareholders' Meeting of 15 November 2007.

5) Research and Development Activities

The company has continued its research and development programme over the past financial year. None of the expenses incurred in this context have been converted to fixed assets.

6) Share Buy Back

On 27 March 2007, the Board of Directors was authorised to purchase its own shares on the Stock Market in accordance with article L.225-209 of the Commercial Code with the unique aim of regularising the price of shares through systematic counter tendency intervention under the following conditions:

- Maximum buying price: €30 per share
- Maximum number of shares to be acquired: 10% of total shares

By this right during the financial year:

- 6,731 shares were acquired at an average price of € 17.95 per share
- 5,056 shares were sold at and average price of € 18.21 per share

Total commissions in respect of the liquidity contract were € 11,338 ex-VAT for the financial year, including €2,500 of brokerage fees.

These operations took place in the context of a liquid assets contract according to the AFEI charter ethics concluded with a specialised investment company.

On 30 September 2007 the company held 3,278 shares (0.27% of its capital) for a value of € 55,861.

On 30 September 2006 the company held 1,603 shares (0.13% of its capital) for a value of € 29,764.

On 30 September 2005 the company held 1,659 shares (0.14% of its capital) for a value of € 38,633.

7) Miscellaneous

The company is not under any obligation to produce its accounts to IFRS standards.

However, it has introduced some of the preferential methods of CRC 99-03 regulation, which could apply to GEA's activity in order to come closer to international accounting standards.

Each year since 2004, the company has thus accounted for a provision corresponding to the company's engagements concerning personnel retirement contributions.

Also, as of the financial year 2005/2006, the company has applied CRC 2004-06 regulations concerning the definition, accounting and evaluation of assets and CRC 2002-10 concerning the depreciation of assets.

II – SUBSIDIARIES, SHARE HOLDING

(Articles L.233-6, L.233-7 and L.247-1 of the Commercial Code)

1) Subsidiaries (+50% and +66,66% of the capital)

In the context of legal dispositions, we inform you that at the close of the financial year, our company held:

- 100% of shares in GEA International, Inc.; a company with no capital incorporated under American law.
- 99.96% of shares in CIE-Companie d'Investissement Europe; a company under Belgian law.

2) Share Holding (5%, 10%, 20%, 33.3% and 50%)

Subsidiaries and share holding activity:

All information regarding our subsidiaries and share holding activities are attached to our balance sheet.

Please note the following additional information:

1) "GEA International, Inc." had no activity.

2) During the financial year ended 30 September 2006, 'CIE' had no turnover.
The financial year resulted in a loss of € 2,217.

III – RECIPROCAL SHARE HOLDING

No investment of this magnitude was held by our Company during the past financial year, since it required an alienation of shares described in Article R.233–19 of the Commercial Code.

IV – DEGREE OF EXPOSURE TO RISK FACTORS

Technological risk factors

Prevention of technological risks
The company's actvities do not come under the provisions of article L.225-102-2 of the Commercial Code relating to installations shown on the list set out in section IV of article L.515-8 of the Environment Code.

New product launches
Proficiency in equipment design, manufacture and deployment phases ensures a high safety margin for GEA in terms of deadlines. Similarly, the proficiency in conjunction with the quality policy developed within the company reduces breakdown risks to a minimum.

Sub-contractor skills
For reasons of economic effectiveness, the company sub-contracts a fairly small and highly targeted proportion of its production and installation work. The company also strives to ensure at least two sub-contracting sources for the same type of service.

Staff skills
The company is continuing its expansion by concentrating on on-going product innovation, maintaining product quality and providing support services, all of which require a highly qualified and stable workforce. Workforce stability has been clearly asserted since the company was established.

Business risk factors

Advent of new competitors
To the best of our knowledge, there have been no new competitors in GEA' s field of business this year.

Falling prices
GEA evolves on a competitive market, which may lead to price pressure. Furthermore, GEA may be compelled to offer occasional strategic business gestures, especially in order to enter new export markets.

Counterfeiting
There is a marginal risk of counterfeiting given the on-going technological developments and level of service associated with the sale of this type of product.

Customer risks
The customer risk is low given the quality of contracting parties, in particular in France where customers are public or private sector companies and operators of structures.
Abroad, GEA strives to obtain payment by means of firm letters of credit confirmed by a French bank. Furthermore, when significant credit is granted to a customer, GEA usually requests a bank bond to guarantee payment.

Financial risk factors

Exchange rate risks
As in previous years, wherever possible, coverage of exchange rate risk factors has been ensured through forward contracts.
The company also occasionally uses COFACE's cover systems.
As of 30 September 2007 there were no forward contracts in force.

Interest rate risks
None.

Dilution and risks of takeover
The founders and directors hold a clear majority of the voting rights inside the company, which provides protection against hostile public offers.

Fluctuations in company shares
Since it was listed on the stock market in 1994, GEA has used legal provisions to intervene on the market to regularise its share price without exception against the trend, such interventions being carefully measured. These took the form of a liquidity contract signed with a specialist brokering company which acts according to the code of practice laid down by the French equivalent of the SNC, the AMF (Autorité des Marchés Financiers).
In the 2006/2007 financial year, the GEA share varied between €12.96 (on 28/09/07) and €20.39 (on 13/11/06).

Legal and tax risk factors

Disputes
In August 2007 the company was brought before the commercial court of GRENOBLE by a subcontractor who is claiming the amount of €568,000 including taxes, for services provided within the scope of a flat fee contract of €211,000 including taxes for a software development.

No provision has been set aside for the sum claimed by the subcontractor, since this writ of summons is considered by GEA as being groundless, since on the one hand the service was not performed by the subcontractor despite a formal notification procedure following a six-month delay beyond the contractual deadline for delivery and since on the other hand, due to this breach, the contract was cancelled.

Given this subcontractor's breach, for its part GEA claimed a sum of €496,000 including taxes from the subcontractor before the same court to compensate for the damage it suffered, consisting of direct cost overruns occasioned by this delay.

Because of its activities in France and abroad, it may be the subject of litigation. GEA has taken out various insurance policies which are adapted to its business activity:
- Legal Liability insurance policies (premium: €32,886; cover: €8,000,000 before delivery and €3,800,000 afterwards, deductible: 10% of the loss limited to €762).
- Comprehensive and Business Interruption Loss Insurance (premiums: €50,695 cover: gross margin for the business interruption loss insurance, new reinstatement value as well as the reimbursement of the BME after an expert's report, deductibles: none).
- Contractor's All Risks for specific projects (premiums: €2,544; cover: amount of the equipment and services up until provisional acceptance; deductibles: variable).
- Transported Goods (premiums: €2,626; cover: value of the equipment; deductible: variable).
- Car Fleet (premiums: €26,605; cover: unlimited for legal liability and value after expert report for comprehensive cover; deductibles: none in limited liability and variable according to vehicle type).
- Air Insurance (premiums: €23,318; cover: hull cover depending on the type of aircraft, legal liability non transported persons 3 to 7 million euros depending on the type of aircraft, passengers' legal liability €114,500, pilot €152,450).

Tax and company risk factors
The company fulfills its tax and social security obligations.

Intellectual property
Not applicable.

Human resource risk factors

Dependence on key staff members
The company is sufficiently well structured not to be significantly exposed to this type of risk.

Environmental risk factors

The entire company's output does not incur significant risk of pollution from either manufacture or storage.

V - SOCIAL INFORMATION

GEA' s total staff on 30 September 2007 was 189.
Overtime was worked on an occasional basis due to temporary activity peaks of installation or commissioning phases on different work sites.
GEA also employed temporary staff due to absent employees and temporary activity peaks for a total of 2,889 days for the financial year 2006/2007.

GEA switched to a 35-hour working week at the beginning of 2000.
Some employees chose to work part-time at their own request; part-time being mostly 4/5th time connected to parental leave or other part-time work.
Salaries represented € 8,001,387 for the 2005/2006 financial year compared to € 7,695,755 for the previous financial year.

Social security charges amounted to € 3,438,788 compared to € 3,381,164 the previous year.
There is no performance agreement in GEA nor is there a company savings scheme.

GEA set aside no sum for profit sharing for the financial year since the results were below the level of 5% of company shareholders' equity.
Equal opportunities between men and women appear to be respected within the company, no special measures were taken during the past year and the general policy of equal treatment will be continued.

There is no union agreement inside the company.
In addition to the inter-professional agreements, GEA is subject to the agreements of the Metallurgical sector.
The working environment and conditions are monitored periodically by GEA's Committee for Health and Safety at Work.
Training programmes were carried out in line with the training plan submitted to the Employees' Representative Council and in accordance with the needs which appeared during the financial year. They resulted in an assessment also submitted to the Employees' Representative Council, which made no comments.

As part of its training procedures, the company has incorporated the guidlines of the Act of May 2004 relating to continuous training and has in particular informed its employees of their individual training rights.

As of 30 september 2007 the corresponding total obligation of the company represents 12,557 hours.

GEA endeavours to employ disabled people (4 workers on 30 september 2007).
In 2007, GEA paid €23,908 to the Fund for the professional integration of disabled people.

GEA subcontracts a relatively small and targeted part of its production and installation work for economic efficiency.

VI – SHARE HOLDING

1) Identity of the Shareholders owning more than a twentieth, a tenth, three twentieths, a fifth, a quarter, a third, half or two-thirds of the Registered Capital or voting rights, and/or who have passed these levels during the financial year (article L.233-7.1 of the Commercial Code:

Shareholders	Number of share thresholds		Voting rights thresholds	
	N	N-1	N	N-1
Mr. Serge ZASLAVOGLOU	+ 1/3	+ 1/3	+1/2	+1/2
Société RICHELIEU FINANCES	- 1/20	+ 1/20	- 1/20	- 1/20

2) Subscription, Purchase or Placing in Security by the Company of its own Shares for the Employee Profit Sharing Scheme.

We hereby inform you that in compliance with the clauses in article L.225-211 of the Commercial Code, no purchase or sale of company shares was made as per articles L.225-208 of the Commercial Code in the past financial year.

The transactions carried out on the company's stock pursuant to Article L.225–209 of the said Code are recalled above in Chapter I, §6), with the sole objective of stabilising the stock market price of the company's shares through systematic intervention to counter the trend.

3) Options for Subscriptions or Purchase of Shares Granted to the Company Employees.

No operations as described in the articles L.225-184 of the Commercial Code were made during the last financial year.

4) Proportion of capital held by the employees at the end of the financial year

In compliance with the provisions of Article L.225–102 of the Commercial Code, we would like to point out that the employees of the company do not possess any shares in the company that fall within the scope of a company savings plan provided for by Articles L.443–1 to L.443–9 of the Labour Code or a company open-end investment fund governed by Chapter III of Law No. 88–1201 of 23 December 23 1988 concerning asset mutual funds investing in securities and bearing on the creation of receivables pools.

On this subject, we would like to remind you that since the Combined Ordinary and Extraordinary Shareholders Meeting of 22 March 2005, you have not been consulted concerning an increase in capital reserved for company employees.

Consequently, you will be asked, within the scope of the legal obligation to consult periodically (Article L.225–129–6 of the Commercial Code), to make a decision concerning an increase of capital in cash reserve for employees who subscribe to a company savings plan, under the conditions provided for in Article L.443-5 of the Labour Code, for a maximum amount of €72,000 according to the terms of a specific resolution that will be submitted to your vote.

VII – STOCK MARKET VALUE

GEA shares were listed on the secondary market of the Paris Stock Exchange on 21 June 1994, at the offer price of 120 French francs (18.29 Euros).

On 24 January 2008 the shares subsequently quoted on the Eurolist C of the Euronext Paris market were at €8.50 and on this basis, the stock market value of the "GEA" capital was of €10.2 million.

VIII – PROPOSAL FOR ALLOCATION OF THE PROFIT

We propose to allocate the profits for the fiscal year amounting to €1,125,662.75
in the following manner:

- A sum of €480,000.00
  shall be distributed to the shareholders as dividends, it being specified that in the event that, at the time of payment, the company were to hold some of its own shares, the profit corresponding to the unpaid dividends for the shares would be allocated to the "Balance brought forward" account.
- The balance of €645,661.75
  shall be transferred to the ordinary reserve.

The dividend returned on each share shall thus be set at €0.40

This dividend shall be paid by the CACEIS Corporate Trust Company – 14, rue Rouget de Lisle 92130 ISSY LES MOULINEAUX, as of today.

For this dividend, the physical persons residing for tax purposes in France, pursuant to the provisions of Article 10, I and III to XVII of the Finance Act for 2008 No. 2007-1822 of 24 December, 2007, shall have the choice between:

- either income tax on a progressive scale after a deduction of 40% provided for in the 2nd paragraph of Article 158-3 of the General Tax Code, in addition to the 11% for social security taxes (GSC, SDRC, 2% social deductions and additional contribution to this deduction).

- or the flat rate standard income tax deduction at the rate of 18% provided for in Article 117 quater-I-1 of the same Code, excluding the above-mentioned deductions, on the condition that they expressly indicate their choice to the CACEIS Corporate Trust Company before the dividend is deposited.

Reminder of the dividend that have been previously paid
In conformity with the stipulations of article 243 bis of the General Tax Code, we remind you that the sums distributed as dividends for the three previous financial years are as follows:

Dividends distributed after 1 January 2005, whether eligible or not for the 50% income tax deduction for the year 2005 and of 40% for the taxation on income for 2006, described in Article 158 of the General Tax Code amended by Article 76-I-1, 2, and 4 and XV-1 of the Finance Act for 2006:

FINANCIAL YEARS	NUMBER OF SHARES	DIVIDENDS (Euros)
2003/2004	1,200,000	0.80
2004/2005	1,200,000	0.40
2005/2006	0	0.00

IX – NON TAX-DEDUCTIBLE EXPENSES

In accordance with the provisions of article 223 of the General Tax Code, we advise you that the accounts for the financial year include the sum of €26,694, which corresponds to non tax-deductible expenditure (article 39-4 of the CGI [General Tax Code]).

X – ASSESSMENT OF THE DIRECTORS' FEES TO BE ALLOCATED TO THE SUPERVISORY BOARD MEMBERS

We hereby propose that you set the Directors' Fees for members of the Supervisory Board to an overall sum of €37,000 for the current financial year.

XI – AUTHORISATION TO ALLOW THE COMPANY TO MAKE STOCK MARKET EXCHANGES FOR ITS OWN SHARES

In accordance with the provisions of article L.225-209 of the Commercial Code, we request that you decide whether to grant the Managing Board the authority to purchase its own company shares.

For this purpose you are presented with a detailed purchasing programme such as has been

drawn up by the Managing Board which you can read and which will be part of a special resolution and subject to your vote.

XII – INFORMATION ON COMPANY PARTNERS AND EXECUTIVES

List of company mandates:

In accordance with the provision of article L.225-102-1 of the Commercial Code, we have listed hereafter the mandates and functions of the members of the company Board:

1/ Mr Serge ZASLAVOGLOU, Chairman
Other positions:
- Manager of the real estate company "SCI DE CANASTEL"
- Manager of the real estate company "SCI KALISTE"
- Manager of the real estate company "SCI EPSILON"
- Manager of the limited liability company (SARL) DEA
- Manager of the real estate company "SCI SANTA CRUZ"

Number of GEA shares held: 405,938 corresponding to 811,784 voting rights.

2/ Mr Louis-Michel ANGUE, Member of the Board
Other positions: none
Number of GEA shares held: 1 corresponding to 2 voting rights.

3/ Mr Henry CYNA, Member of the Board
Other positions: none
Number of GEA shares held: 150 corresponding to 150 voting rights.

4/ Mr Daniel GOUREVITCH, Member of the Board
Other positions: none
Number of GEA shares held: 549 corresponding to 550 voting rights.

5/ Mr Pierre GUILLERAND
Other positions:
- Board member of the PGO Company.
Number of GEA shares held: 10 corresponding to 20 voting rights.

6/ Mr Roland ROC
Other positions: none
Number of GEA shares held: 2,501 corresponding to 2,502 voting rights.

7/ Mr Eric VANDEL, Member of the Board
Other positions: none
Number of GEA shares held: 1 corresponding to 2 voting rights.

8/ Ms Jeannine ZASLAVOGLOU, Member of the Board
Other positions: none
Number of GEA shares held: 1,700 corresponding to 1,700 voting rights.

9/ Mr Serge Alexis ZASLAVOGLOU, Member of the Board
Other positions:
- Board member and Chairman of "CIE" limited
- Board member of "MIC" limited
Number of GEA shares held: 8,100 corresponding to 16,200 voting rights.

10/ Mr Grigori ZASLAVOGLOU, Member of the Board
Other positions:
- Board member of "CIE" limited (deputy board member)
- Board member and Chairman of "MIC" limited
Number of GEA shares held: 8,000 corresponding to 16,000 voting rights.

We would remind you that following the adoption of the method of management of the company by a Managing Board and by a Supervisory Board, the members of the Supervisory Board appointed by the Extraordinary Shareholders' Meeting of 15 November 2007 are the following:

-Mr. Serge ZASLAVOGLOU
-Mr. Louis-Michel ANGUÉ
-Mr. Henri CYNA
-Mr. Pierre GUILLERAND
-Mr. Roland ROC
-Mrs. Jeannine ZASLAVOGLOU

The Supervisory Board meeting the same day appointed:

1/ Mr. Serge ZASLAVOGLOU,
Chairman of the Supervisory Board and Mrs. Jeannine ZASLAVOGLOU, Vice-Chairman of the Supervisory Board.

2/ Mr. Serge Alexis ZASLAVOGLOU,
Chairman of the Managing Board, and Mr. Grigori ZASLAVOGLOU, Managing Director.

Compensation of company executives
Pursuant to the provisions of Article L.225-102-1, sub-paragraph 3 of the Commercial Code, we will render account hereafter for the total compensation and benefits of any kind paid during the past fiscal year to each company representative and will also indicate to you the commitments of any kind made by the Company for the benefit of its company representatives, corresponding to compensation items, allowances, or benefits likely to be owed for their responsibilities, as well as the methods of determining these commitments, namely:

Mr Serge ZASLAVOGLOU :	€333,693, i.e.
- Gross fixed annual salary:	€88,263
- Variable salary, according to the level of activity:	€210,899
- Benefits in kind:	€21,678
- Reimbursement of travel expenses:	€12,853
- Special benefits relating to the cessation or change of function (deferred salary, retirement gratuities and pension obligations) :	nil

Mr Serge Alexis ZASLAVOGLOU:	€173,464, i.e.
- Gross fixed annual salary:	€79,646
- Variable salary, according to the level of activity:	€79,237
- Reimbursement of travel expenses:	€14,581
- Special benefits relating to the cessation or change of function (deferred salary, retirement gratuities and pension obligations) :	nil

Mr Henri CYNA	
- Director's fee:	€4,000

Mr Louis-Michel ANGUE
- Director's fee: €4,000

Mr Grigori ZASLAVOGLOU: €35,574, i.e.
- Gross fixed annual salary: €35,574
- Special benefits relating to the cessation or change of function (deferred salary, retirement gratuities and pension obligations) : nil

Mr Pierre GUILLERAND
- Director's fee: €4,000

XIII – RENEWAL OF THE DIRECTORS' AND AUDITORS' MANDATES

1/ The mandates of the members of the Supervisory Board shall end in the year 2013, after the Annual Ordinary Shareholders' Meeting.

2/The mandates of the members of the Board of Directors shall end in the year 2011, after the Annual Ordinary Shareholders' Meeting.

3/The mandates of the incumbent and temporary substitute Statutory Auditors shall end after the Annual Ordinary Shareholders' Meeting deciding on the financial statements for the fiscal year ending on 30 September 2011.

XIV–OBSERVATIONS FROM THE EMPLOYEES' REPRESENTATIVE COUNCIL

We hereby state that the employees' representative council convened on 31 January 2008 had no observations to make regarding the accounts of the past financial year, as authorised by the provisions of article L.432-4 of the French Labour Code.

XV–CONVENTIONS STIPULATED BY ARTICLE L.225-22-1, L.225-38 or L.225-42-1 OF THE COMMERCIAL CODE

We hereby request that you approve the conventions stipulated by above mentioned articles of the Commercial Code, as regularly authorised by your Board of Directors over the past financial year.

Your Statutory Auditor has been informed of these agreements and commitments that it will cover in its special report, it being specified that we have informed it, on the other hand, in accordance with Article R.225-32 of the Commercial Code, of the agreements described in Article L.225-39 of the said Code bearing on current operations and signed under normal conditions.

XVI - AUDIT BY THE STATUTORY AUDITOR

In compliance with legal and regulatory provisions, we have the Statutory Auditor's reports available.

We hope that the preceding propositions will receive your approval and that you will be willing to approve the resolutions being submitted to you.

The Board of Directors.

REPORT OF THE SUPERVISORY BOARD
To the Annual General Shareholders' Meeting of March 25, 2008

Ladies and Gentlemen,

We would like to remind you that in application of Article L.225-68 of the Commercial Code, the Supervisory Board must present its comments on the annual financial statements approved by the Board of Directors to the Annual Shareholders' General Meeting, as well as on the Management Discussion and Analysis submitted to the meeting.

We specify that the annual financial statements for the fiscal year ending on 30 September 2007 and the Management Discussion and Analysis were provided to the Supervisory Board within the deadlines set out in the legal and regulatory provisions.

The financial statements for the said fiscal year reveal the following main items:

- Balance sheet total: €33,949,898
- Revenues: €39,441,303
- Result of the financial year: €1,125,663 profit

We have no specific comments to make, neither concerning the Managing Board Report nor the financial statements for the fiscal year ending on 30 September 2007.

Completed in MEYLAN
24 January 2008
The Supervisory Board

Results (and other typical elements) of the Company during the Past Five Financial Years

(in euros)

NATURE OF THE ITEMS	Financial year 2002/2003	Financial year 2003/2004	Financial year 2004/2005	Financial year 2005/2006	Financial year 2006/2007
	Euros	Euros	Euros	Euros	Euros
I - CAPITAL AT THE END OF EACH FINANCIAL YEAR					
Registered capital	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Nb of ordinary shares	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Nb of shares with priority dividend (without voting right)	0	0	0	0	0
Max. Number of shares to be created in future	0	0	0	0	0
II - TRANSACTION AND INCOME FOR EACH FINANCIAL YEAR					
Turnover	34,700,996	39,082,417	44,008,354	44,452,793	39,441,302
Result before tax, employee profit sharing and depreciation allowances and provisions	2,476,325	3,503,594	1,854,702	-661,386	1,475,529
Tax on profits	465,311	817,478	469,330	0	153,871
Sum due for the profit sharing scheme for the financial year	79,252	196,563	0	0	0
Result after taxes, profit sharing and depreciation allowances and provisions	1,274,745	1,811,655	791,696	-1,226,612	1,125,663
Profit distributed	840,000	960,000	480,000	0	480,000
III - PROFITS PER SHARE					
Result after taxes, profit sharing but before depreciation allowances and provisions	1.61	2.09	1.15	-0.55	1.10
Result after taxes, profit sharing and depreciation allowances and provisions	1.06	1.51	0.66	-1.02	0.94
Dividend allocated per share	0.70	0.80	0.40	0	0.40
IV - PERSONNEL					
Average workforce employed during the financial year	159	169	181	197	189
Total amount of salaries paid	6,294,986	6,771,700	7,521,796	7,695,755	8,001,388
Amount of sums paid for fringe benefits during the financial year (social security, social works, etc.)	2,910,078	2,974,918	3,321,251	3,381,164	3,438,788

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

For the year ended as at September 30th 2007

Dear Sir or Madam,

In compliance with the assignment entrusted to us by your Shareholder's Annual Meeting, we hereby report to you, for the year ended as at September 30th, 2007 on,

- the audit of the financial statements of the company GEA as enclosed to the present report,
- the justification of our assessment,
- specific verifications and information required by law.

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

1 OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with the professional standards applied in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of significant misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis.

In our opinion, the financial statements give a true and fair view of the company's financial statements and of its assets and liabilities as at September 30th, 2007 and of the results of its transactions for the year then ended, in accordance with the accounting principles generally applied in France.

2 JUSTIFICATION OF OUR ASSESSMENT

In accordance with the requirements of the article L.823-9 of the French Commercial Code, relating to the justification of our assessments, we bring to your attention the following matter:

- The method of revenue recognition is described in the note 2 i) of the notes on the financial statements. Based in our assessment of the rules and accounting principles applied by your company, we checked the accounting method and its correct application.

Thus, the assessment we provide is part of our audit approach relating to the annual accounts, taken as a whole, and contributes to the audit opinion expressed above in the first part of this report.

3 Specific verifications and information

We also performed the specific verifications required by law in compliance with the professional standards applied in France.

We have no comments on:

• the fair presentation and conformity with the financial statements of the information given in the Management Board's report, and in the documents addressed to the shareholders concerning the financial position and the financial statements ;

• the fair information given in the Management Board's report relating to the salaries and benefits paid to Corporate Officers concerned and the engagement granted to them on the occasion of the arrival, suspension or change of duties or subsequently to it.

In accordance with the law, we verified that the Management Board's report contained the appropriate disclosures as to the identity of the shareholders and votes.disclosures as to the identity of the shareholders and votes.

Lyon, January 25th 2008

The Statutory Auditor
Grant Thornton
French member of
Grant Thornton International

Thierry Chautant
Partner

BALANCE SHEET

For the years ended 30 September 2007 and 2006

(Currency : Euros)

ASSETS	30/09/07	30/09/06	Note
CURRENT ASSETS			
Liquid assets	7,855,097	5,049,782	10
Accounts receivable	16,694,110	16,896,482	9
Advance payments to suppliers	0	47,098	
Inventory	7,376,367	9,109,113	8
Prepaid expenses	360,679	461,227	
TOTAL CURRENT ASSETS	32,286,253	31,563,702	
FIXED ASSETS			
Long term investments	338,334	323,662	5-6
Property, plant and equipment	1,321,474	1,581,799	4
Intangible assets	3,837	7,249	3
TOTAL FIXED ASSETS	1,663,645	1,912,710	
TOTAL ASSETS	33,949,898	33,476,412	

LIABILITIES AND SHAREHOLDERS EQUITY (GEA)	30/09/07	30/09/06	Note
CURRENT LIABILITIES			
Accounts payable	7,749,456	8,839,421	13
Advances from customers	13,291	18,477	
Taxes and social security payable	4,347,968	4,229,921	13
Short-Term loans	3,822	6,734	
Deferred revenue	1,067,127	668,746	13
TOTAL CURRENT LIABILITIES	13,181,664	13,763,299	
LONG-TERM LIABILITIES			
Long-term loans	0	0	
Estimated liabilities	1,355,082	1,425,624	12
TOTAL LONG-TERM LIABILITIES	1,355,082	1,425,624	
SHAREHOLDERS' EQUITY			
Share capital	2,400,000	2,400,000	11
Share premium	2,927,021	2,927,021	11
Legal reserve	240,000	240,000	11
Other reserve	0	0	11
Retained earnings	12,720,468	13,822,903	11
Amount carried forward	0	124,177	11
Net income	1,125,663	-1226,612	11
TOTAL SHAREHOLDERS' EQUITY	19,413,152	18,287,489	
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	33,949,898	33,476,412	

INCOME STATEMENT

For the years ended 30 September 2007 and 2006
(Currency : Euros)

	09/07	09/06	Note
SALES AND OTHER OPERATING REVENUE	37,513,015	42,739,329	16
OPERATING EXPENSES	-35,863,106	-43,364,126	19
Depreciation, provisions	-431,581	-537,367	20
OPERATING INCOME	1,218,328	-1,162,164	
Net Financial Items	26,939	-66,156	
Net Extraordinary Items	34,267	1,708	21
Profit sharing	0	0	
Taxation	-153,871	0	18
NET INCOME	1,125,663	-1,226,612	

The accompanying notes are an integral part of these balance sheets and statements of income.

CASH FLOW STATEMENT

For the years ended September 30th, 2007 and 2006
(In thousand Euros)

	Sept-07	Sept-06
OPERATING ACTIVITIES		
Net income	1,126	-1,227
Depreciation, amortization and provision	207	565
Profit or loss on disposal of assets	0	-4
CASH FLOW FROM OPERATING ACTIVITIES	1,333	-666
Change in accounts receivable	498	3,763
Change in inventories and work in progress	1,693	1,723
Change in accounts payable	-578	-1,672
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,613	3,814
INVESTING ACTIVITIES		
Acquisitions of fixed assets	-117	-680
Disposal of fixed assets	0	4
Net investments	-117	-676
Net financial investments	-21	-32
NET CASH FLOW USED IN INVESTING ACTIVITIES	-138	-708
FINANCING ACTIVITIES		
Capital increase	0	0
Dividends paid	0	-480
New short-term loans	0	0
Reduction in long-term debt	0	0
Change in current account	0	0
NET CASH FLOW PROVIDED BY FINANCING ACTIVITIES	0	-480
NET CHANGE IN BANK DEPOSITS	2,809	1,960
BANK DEPOSITS AT OCTOBER 1ST	5,044	3,084
BANK DEPOSITS AT SEPTEMBER 30TH	7,853	5,044

NOTES ON THE FINANCIAL STATEMENTS

(Amounts given in Euros)
30 SEPTEMBER 2007

GEA is a French manufacturer of toll collection equipment.

Note No. 1: Significant Events of the Year

No significant event occurred during the year.

Note No. 2: Accounting Principles

The financial statements have been prepared in accordance with the following principles generally accepted in France:
- Going concern
- Consistency principle
- Accrual basis of accounting

All accounting values have been assessed according to the historical cost principle.

No exception to generally accepted accounting principles has been made.

A. INTANGIBLE ASSETS

Depreciation is provided on the straight-line method for the estimated useful life :

- Software: 12 months

Research and development expenditures are charged to profit and loss account.

B. TANGIBLE ASSETS

Tangible assets are valued at their historical cost.

Depreciation is provided on the straight-line and declining balance methods for financial accounting purposes over the following estimated useful lives :

- Machinery and equipment: 3 to 10 years
- Fixtures: 5 to 15 years
- Transportation equipment: 3 to 20 years
- Office equipment: 3 to 10 years

C. INVESTMENTS

Investments are valued at acquisition cost. A depreciation is provided for the difference between acquisition cost and the fair value.

The fair value is assessed on the owner's equity, the expected profitability and business prospects.

D. PAYABLE AND RECEIVABLE TRADE ACCOUNTS

They are valued at historical cost. If necessary, a depreciation is provided for doubtful accounts.

E. INVENTORIES

Raw materials are valued on a FIFO basis. Goods in progress are valued at the lower cost between production cost and liquidation price. It includes raw materials and direct labour costs together with general expenses related to production, except for financial expenses.

F. SHORT TERM INVESTMENT

Financial investments concern mutual funds as well as quoted shares. Mutual funds are valued on a FIFO basis. If necessary, a depreciation is provided for the difference between acquisition and the fair value. Quoted shares are valued at the financial year-end price.

G. FOREIGN CURRENCY OPERATIONS

Payable and receivable accounts are valued according to the corresponding foreign currency value on closing day. The difference generated by this conversion is seen on the balance sheet as unrealised exchange gains and losses. A depreciation is provided for possible loss. Covered accounts are valued at coverage cost.

H. TURNOVER

The turnover is constituted with the amounts invoiceable to clients according to contractual agreements (specifications).

The invoicing is completed according to the work in progress, via succeeding situations.

Other works are recognised as work in progress.

I. PROFIT MARGIN

The profit margin on contracts is recognised when works are completed.

J. PENSION COMMITMENTS

Pension commitments are accounted based on the retirement allowances defined by the collective agreement including social charges. The provision corresponds to the updated allowances that would be allocated to the 65-years-old staff considering the expectation of life and the turnover rate estimated for each employee.
Commitments are calculated according to the INSEE table of 2000.

Note No. 3: Intangible Assets

	Sept-07	Sept-06
Intangible asssets	3,837	7,249

Intangible assets include software.

Note No. 4: Tangible Assets

The company owns the following property and equipment.

	Sept-07	Sept-06
Machinery and equipment	174,903	250,912
Fixtures	267,378	257,103
Transportation equipment	756,929	898,796
Other assets	122,264	174,988
Assets in progress	0	0
TOTAL	1,321,474	1,581,799

Note No. 5: Shares and Investments

	Sept-07	Sept-06
Shares	249,900	(1) 249,900
GEA shares	49,662	29,607
Other investments	38,772	44,155
TOTAL	338,334	323,662
Depreciation	0	0
TOTAL	338,334	323,662

(1) Interest and investments as at 30/09/06 were as follows:

- 100% interest in a limited company under American law without capital. This subsidiary was created during the 2000/2001 financial year-end and has no activity.

- 99% interest in the Compagnie d'Investissements-Europe (CIE), registered in Belgium.

These shares remain unchanged.

Note No. 6: Investment Companies Shares

Investment companies shares are composed of 3,278 G.E.A. shares. The selling value as at 30 September 2007 is € 49,662 for an accounting value of € 55,861.

Note No. 7: Related Company Disclosures

No share in a related company appears in the assets.

Note No. 8: Inventory and Goods in Progress

	Sept-07	Sept-06
Raw materials and spare parts	4,151,957	3,655,184
Raw materials depreciation provision	-75,824	-36,540
Goods in progress	3,300,234	5,490,469
TOTAL	7,376,367	9,109,113

Note No. 9: Trade and Other Debtors

	Sept-07	Sept-06
Trade debtors	16,538,864	16,725,192
Other debtors	155,246	366,542
	16,694,110	17,091,734
Less : allowance for doubtful accounts:	0	<148,154>
	16,694,110	16,943,580
Prepaid expenses	360,679	461,227
TOTAL	**17,054,789**	**17,404,807**

Note No. 10: Liquid Assets

Liquid assets are composed of securities as well as cash and bank deposits :

	Sept-07	Sept-06
Securities	0	0
Cash and bank deposits	7,855,097	5,049,782
TOTAL	**7,855,097**	**5,049,782**

Note No. 11: Shareholder's Equity

The share capital is divided into 1,200,000 shares, worth € 2 each.
Shares held for over 4 years become double-voting.

Note No. 12: Estimated Liability

	Sept-07	Sept-06
Provisions for guarantee on domestic and export works	489,415	531,104
Provisions for foreign exchange risk	0	40,319
Provisions for pension commitment	865,667	854,201
TOTAL	**1,355,082**	**1,425,624**

Note No. 13: Trade and Other Creditors due within one year

	Sept-07	Sept-06
Trade creditors	7,480,317	8,683,992
Other liabilities	269,139	155,429
Other creditors including taxation and social security	4,347,968	4,229,921
TOTAL	**12,097,424**	**13,069,342**
Prepaid receivables	1,067,127	668,746

Note No. 14: Accrued Liabilities

	Sept-07	Sept-06
Trade creditors	2,361,678	2,177,197
Tax and payroll	3,425,180	3,471,814
Other creditors	50,671	80,696
TOTAL	**5,837,529**	**5,729,707**

Note No. 15: Commitments

- Forward exchange coverage: US$: 0 (K€ 0)
- Off - balance sheet assets: Bank Guarantee : 8,373 K€

Note No. 16: Information by Business Activity and Area

	France	Export	Turnover
Production	26,906,843	9,358,357	36,265,200
Services	860,731	2,315,372	3,176,103
TOTAL	**27,767,574**	**11,673,729**	**39,441,303**

Note No. 17: Information on Staff

	Sept-07	Sept-06
Wages and salaries	8,001,388	7,695,755
Social security	3,438,788	3,381,164
TOTAL	**11,440,176**	**11,076,919**

Number of employees:

	Sept-07	Sept-06
Management	77	73
Employees	120	116
TOTAL	**197**	**189**

Note No. 18: Income Tax

	Income	Income Tax
Operating income	1,245,267	142,450
Profit sharing	0	0
Extraordinary items	34,267	11,421
Net income	**1,279,534**	**153,871**

Note No. 19: Operating Expenses

Operating expenses include the following:

	Sept-07	Sept-06
Cost of sales	19,631,140	25,363,750
Payroll	11,440,176	11,076,919
Tax expenses	858,096	716,113
Other operating expenses	3,933,694	6,207,344
TOTAL	**35,863,106**	**43,364,126**

Note No. 20: Depreciation and Provision Expenses

	Sept-07	Sept-06
Depreciation on intangible assets	13,533	62,260
Depreciation on tangible assets	367,298	415,965
Allocation to provision for raw materials depreciation	39,284	0
Allocation to provision for doubtful accounts	0	0
Allocation to provision for guarantee on domestic and export work	0	22,888
Allocation to provision for pension commitment	11,466	36,254
TOTAL	431,581	537,367

Note No. 21: Extraordinary Items

Extraordinary items (profit)	60,503
Extraordinary items (loss)	-26,236
Net profit on tangible assets sale	0
TOTAL	34,267

Note No. 22: Subsidiaries and investments

Subsidiaries	Capital	Interest percentage	Share gross value	Loans and advances	Turnover	Cashed in dividends
	Reserves and carry forward in local currency		Shares net value in €	Guaranties and backings in €	Net income in €	
GEA International	0	100%	0	0	NC	0
Inc	0	100%	0	0	NC	0
CIE	250,000	99.96%	249,900	0	503,764	0
	-2,698		249,900	0	1,806	
TOTAL SUBSIDIARIES			249,900			
GEA SHARES			55,861			
TOTAL SECURITIES (Gross value)			305,761			

Note No. 23: Cash flow charts

Cash is defined by the company as the total of:
- Inflow values
- Demand deposits in the banks
- Cash accounts
- Short-term securities, net with valuation allowance if necessary

Short-term securities are very liquid investments, the value of which is not supposed to change in a significant manner.

The cash flow chart is shown according to the indirect method, from the net benefit.

CORPORATE GOVERNANCE

Supervisory Board Chairman's report regarding the rules governing the preparation and organisation of the Board of Directors' work, and the internal control procedures established by the company.

Ladies and Gentlemen,

As complement to the Managing Board's Report, in this report we will account to you for the conditions for the preparation and the organisation of the work of the Board of Directors during the fiscal year during which the company was administered according to its former management method, as well as on the internal control procedures put in place by the Company, in application of the provisions of Article L.225-68 of the Commercial Code.

1 – Rules governing the preparation and organisation of the Board of Directors' work

- Organisation and functioning of the Board of Directors
First of all, we would like to remind you that the Extraordinary General Shareholders' Meeting of 15 November 2007 decided to adopt the method of management by a Board of Directors and a Supervisory Board for the Company.
Until that time, the company was administered by a Board of Directors consisting of ten members.

The directors' term of office was 6 years, and the number of directors over 75 years of age could not exceed one-third of the total number of directors.
Each director had to own at least one GEA share.
The number of directors linked to the company by employment contracts could not exceed one-third of the directors-in-office. Three directors were linked to the company by employment contracts, the other directors being external to GEA.

The company's directors were:

- Mr Serge Zaslavoglou
- Mr Henri Cyna
- Mr Louis-Michel Angue
- Mr Serge-Alexis Zaslavoglou
- Mr Pierre Guillerand
- Mr Grigori Zaslavoglou
- Ms Jeannine Zaslavoglou
- Mr Daniel Gourevitch
- Mr Eric Vandel
- Mr Roland Roc

No internal rules had been established.
The Board of Directors made decisions on all major issues regarding the company's affairs, particularly those involving major strategic orientations.
At its meeting of 20 January 2005, the Board of Directors decided to postpone the appointment of specialised committees. During the fiscal year 2006/2007, the Board met five times:

- On 18 January 2007 it closed the accounts for the previous financial year, examined the company's activities over the financial year, decided on the final wording of the documents referred to in article L.232-2 of the Commercial Code, reviewed the main contracts signed since the closure of the financial year, examined the way in which the company had dealt with the various risk factors, proposed the allocation of income to the Annual General Meeting, drew up the agenda and called the Annual General Meeting, examined the agreements referred to in articles L.225-22-1, L.225-38 and L.225-42-1 of the Commercial Code, examined the situation concerning Board Member and Auditor mandates, fixed the attendance fees allocated to the

Board, to be submitted to the vote at the Annual General Meeting, decided on the detail of the company's share purchase programme, completed and approved the management report and the summary statement of the position and table of non-operating revenues.
- On 27 March 2007, it modified the wording of the fifth resolution to be submitted to the shareholder's vote in order to include the wording shown in the description of the share purchase programme presented to the AMF.

- On 27 March 2007, it determined the distribution of directors' fees among the members of the Board of Directors.

- On 30 May 2007, after examining the activity of the company during the first half year, it settled the terms of the biannual report and the forecasting documents established pursuant to the provisions of article L. 232-2 of the Commercial Code, authorised the resiliation of a lease for premise and the signature of a lease in accordance with the provisions of article L.225-38 of the commercial code.

- On 28 September 2007, it decided to summon an Extraordinary General Shareholders' Meeting and to propose to shareolders that they adopt management by a Board of Directors and a Supervisory Board for the company.

- Evaluation of the Board of Directors' Work

During the past fiscal year, the directors examined their practices regarding corporate governance, especially their procedures for the preparation and organisation of their work, and assessed the adequacy of their organisation in relation to their assignment. They sought to apply the recommendations set forth by the New Economic Regulations Act as well as by the VIENOT and BOUTON reports, found to be compatible with the company's size and business volume.

Your Board of Directors judged that it was not necessary to put in place self-assessment rules, given the existing relations among the members of the Board of Directors (10 members, including six independent members who were not part of the Chief Executive's immediate family).

- Limitations to the General Manager's powers set by the Board of Directors

Since the publication of the New Economic Regulations Act, the company had amended its charter, specifically determined the distribution of tasks between the General Management and the Board of Directors, and established the position of Chairman & Chief Executive Officer, without a Delegate General Manager but relying on a management team, a form of corporate organisation that appears to meet the objectives of G.E.A.'s management and development and to represent the most appropriate chain of authority and responsibilities in the company.
The functions of General Manager assumed by the Chairman of the Board of Directors were limited to decisions regarding the company's management and representation in the context of its normal business, all other decisions being made by the Board of Directors, which thus exercise in entirety the functions conferred on it by law.

II – Internal Control Procedure

- Objectives of Internal Control

The purposes of internal control procedures are:
- To ensure that the acts of management or the execution of operations, as well as the behaviour of individuals, fall within the scope of the orientations of the company's activities determined by its governing organs, by the applicable provisions of law and regulations, and by the

internal values, standards and rules established in the company.
- To verify that the accounting, financial and managerial information transmitted to the company's organs gives a truthful picture of the company's situation.
- To avoid risks of error and fraud within the company.
- To preserve and protect the assets.
An internal control, as is the case with any control system, does not provide an absolute guarantee of total elimination of risks, but gives only a reasonable assurance that the objectives are met.

The main risks to which the company is exposed are set forth in title IV of the management report regarding the operations of the fiscal year closed on 30 September 2007.

- Summary description of the General Organisation of Internal Control Procedures.

Regarding the matter of internal procedure itself your company has endeavoured to implement the means that are most appropriate to its company profile and to its French and international business.
The Chairman and Chief Executive Officer supervised the conducting of regular, everyday business, along with the relevant members of the management team, which is comprised of seven managers. Mr. Tanoukhi is in charge of project management, Mr Auguste looks after technical management, Mr Alexis Zaslavoglou is responsible for the development of new products and Mr Mannechez directs the software applications. Mr Ott is in charge of the sales and marketing strategy while Mr Thoreau ensures commercial management. Finally, Mr Larrang is the American commercial manager. The Chairman and Chief Executive Officer decide on large-scale operations, subject to the control of the Board of Directors. The Chairman and Chief Executive Officer supervised, along with the management team, operations regarding the prevention and monitoring of company risks of any nature, whether or not related to its business, risks of a more financial character being the company secretary's responsibility.
The accounting and financial functions, and management control, have been assumed under the Chairman and Chief Executive's authority by the company secretary, assisted by the department of accounting and financial administration comprising eight people. The policy for the coverage of financial risks of any nature, as well as the signing of commitments, have been monitored by the company secretary under the Chairman and Chief Executive's supervision. Financial investments have been made based on the instructions of the company secretary, who has also handled all of the company's relationships with the banks. As the company has chosen to have as little recourse to bank indebtedness as possible, and given the magnitude and continuity of its cash position, the internal control of financing and cash has been assumed by the company secretary. The company secretary has also supervised the periodic reconciliations made between cash and accounting and ensured that abnormalities, which might have been observed, were corrected; he has also supervised the production and completion of financial statements in liaison with the chartered accountant after audit by the Auditor.

- Judicial and Tax Functions

Judicial and tax functions are generally outsourced to specialised firms.

- Internal control procedures related to accounting and financial information

The accounting and management system rests on an internal information system that is backed up by the regular assistance of a chartered accountant, the payroll processing being outsourced to the latter.
Accounts are reconciled twice a year.
Forecasts are made annually and revised at the end of each half-year.
The organisation in place thus facilitates the monitoring of comprehensive bookkeeping, the correct evaluation of transactions and the production of accounting and financial data accor-

ding to the accounting standards in effect and the accounting rules and methods implemented by the company.
These data are audited by the Auditor in the context of his verifications according to the standards in effect.
The accounting and financial information is regularly transmitted to the shareholders and the financial community.

Moreover, the company complied with the new disclosure requirements resulting from the transposition of the Transparency Directive into the Monetary and Financial Code and that became compulsory as of 20 January 2007.

III – Preparation of this report and assessment of the procedures

This report was prepared with the company secretary's assistance based on the comments made by the members of the Supervisory Board.
A meeting to that end was also held with the auditor.
Regarding internal controls, the means implemented by the company appear to be appropriate at the present time.

Concluded in MEYLAN
The year two thousand and eight
On the twenty fourth of January

Statutory auditor's report

issued in accordance with the last paragraph of the article L.225-235 of the Code of commerce, on the report of the President of the Supervisory Board of the company GEA, concerning the procedures of internal control relating to the issue and the process of the accounting and financial information.

Company GEA – GRENOBLOISE D'ELECTRONIQUE ET D'AUTOMATISMES
Closing on 30 September 2006

Dear Sir and Madam,

As statutory auditor of the company GEA, and in accordance with article L. 225-235 of the French Code of commerce, we hereby report to you on the report issued by the President of your company in compliance with the article L. 225-68 of the Code of commerce for the financial year closed on 30 September 2007.

It is the President's responsibility to cover in his report the conditions of work preparation and organisation of the supervisory board and the procedures of internal control implemented within the company. It is our responsibility to communicate our comments on the information given in the President's report, concerning the internal control procedures relating to the issue and the process of accounting and financial information.

We performed our works according to the professional standards applicable in France. These ones require the implementation of diligences in order to assess the fairness of the information given in the President's report, concerning the procedures of internal control relating to the issue and the process of accounting and financial information. These diligences consist mainly in:

- getting to know the procedures of internal control relating to the issue and the process of the accounting and financial information underlying the information presented in the President's report as well as to existing documentation,

- getting to know the works which enabled the generation of this information and the existing documentation,

- determining whether the major deficiencies of the internal control relating to the issue and the process of accounting and financial information that we noticed during our engagement are subject to an appropriate information in the president's report.

Based on our works, we do not have any comments on the information concerning the procedures of the company's internal control relating to the issue and the process of accounting and financial information in the President of the supervisory board report, issued in accordance with the last paragraph of the article L. 225-68 of the Commercial Code.

Lyon, 25 January 2008

The Statutory auditor
Grant Thornton
French member of Grant Thornton International
Thierry Chautant - Partner

INTERMEDIARY MANAGEMENT BALANCE

For the years ended 30 September 2007 and 2006

(In thousand Euros)

	30/09/07	% PROD	30/09/06	% PROD
Production sold, and sales of equipment	39,441		44,453	
Production stored	-2,190		-1,763	
Immobilised production	0		0	
PRODUCTION DURING THE FINANCIAL YEAR	**37,251**	**100.00 %**	**42,690**	**100.00 %**
Purchase of raw material	-20,128		-25,404	
Variation in stocks	497		40	
Other purchases and external expenses	-3,829		-6,187	
ADDED VALUE	**13,792**	**37.02 %**	**11,139**	**26.09 %**
Operating subsidies	0		0	
Taxes and VAT	-858		-716	
Salaries and wages	-8,001		-7,696	
Social expenses	-3,439		-3,381	
GROSS OPERATING SURPLUS	**1,493**	**4.01 %**	**-654**	**-1.53 %**
Recovery of pay-off and provisions	190		0	
Transfer of expenses	72		50	
Other products	0		0	
Pay-off endowments	-381		-478	
Operating provisions endowment	-51		-59	
Other expenses	-105		-20	
OPERATING RESULTS	**1,218**	**3.27 %**	**-1,162**	**-2.72 %**
Financial products	177		177	
Financial expenses	-150		-244	
CURRENT RESULT BEFORE TAX	**1,245**	**3.34 %**	**-1,228**	**-2.88 %**
EXCEPTIONAL RESULT	**34**		**2**	
Workers participation	0		0	
Corporate tax	-154		0	
NET RESULT	**1,126**	**3.02 %**	**-1,227**	**-2.87 %**

AUDITOR'S SPECIAL REPORT ON THE AUTHORISED TRANSACTIONS

Financial year ended as at 30 September 2007

Dear Sir or Madam,

As Auditor of your company, we hereby report to you on the authorised transactions.

Your company adopted a new corporate governance with a management board and a supervisory board at the extraordinary meeting of 15 November 2007.

1 Authorised transactions and obligations during the financial year

Pursuant to the article L. 225-40, L. 225-22-1 et L. 225-42-1 of the French Commercial Code, we were informed of the transactions which were formerly approved by your Board of Directors.

It is not our responsibility to search for other possible transactions or obligations but to report to you, on the basis of the information given to us, on the characteristics and terms of the transactions we were informed of, without having to comment on their use and validity. It is your responsibility, in accordance with the article R 225-31 of the Commercial Code, to assess the relevance related to the conclusion of such transactions in order to approve them.

We conducted our work in accordance with the professional standards applicable in France; which require that we plan the audit to control the consistency of the information that was given to us with the basic documents from which it comes.

These transactions or obligations are presented in Table 2 of this report.

The persons related to these transactions are listed in Table 3 of this report.

2 Transactions and obligations concluded during the previous financial years and which continued during this financial year

Pursuant to the Commercial Code, we were also informed that the following transactions or obligations, approved during the previous financial years, continued during this financial year.

These transactions or obligations are presented in Tables 1 and 2 of this report.

The persons concerned by these transactions are listed in 3 of this report.

Lyon, 25 January 2008
The Statutory Auditor
Grant Thornton
French member of
Grant Thornton International
Thierry Chautant
Partner

TABLE I : ADVANCES AND LOANS

Transactions previously approved.

Advances or loans		Amount on 30/09/2007 in €	Conditions	Revenue or (expenses) in €
Extended by	Received by			
Serge ZASLAVOGLOU	GEA	1 239	Current account paid at the maximum tax deductible rate .	<54>

TABLE II : TRANSACTIONS OTHER THAN ADVANCES AND LOANS

A - Transactions authorised during the financial year.

Name of the company	Nature, matter, forms of the transactions	Revenue or (charges) in €
SCI SANTA CRUZ	Commercial lease agreement concerning the premises located in Meylan : - annual rent of €39 467 net of tax excluding the property tax on the built properties - review of the rent: indexation on the building cost index - duration : 9 years from 01/07/2007. Amount recognised: (Board of Directors meeting from 30 May 2007)	<9 867>

B - Transactions previously approved.

Name of the company	Nature, matter, forms of the conventions	Revenue or (charges) in €
SCI EPSILON	Commercial lease agreement concerning the premises located in Meylan : - annual rent of €31 490 net of VAT and excluding the property tax - security deposit: fixed at €7 872 which represents 3 months rent - review of the rent: indexation on the building cost index - duration : 9 years from 15/06/2002. Amount recognised:	<37 521>
SCI KALISTE	Renewal of the commercial lease agreement concerning the premises located in Meylan, concerning : - annual rent of €83 286net of VAT and excluding the property tax on the built properties. - Security deposit : fixed at €20 821 which represents 3 months rent - review of the rent: indexation on the building cost index, - duration : 9 years from 01/10/2005. Amount recognised :	<90 000>

B - Agreements previously approved.

Name of the company	Nature, matter, terms of the agreements	Revenue or (charges) in €
SCI SANTA CRUZ	Continuation of the rental contract agreed upon by your company and the company « AET Technologies » in which was subrogated as lessor the company « SCI SANTA CRUZ » as of 21 July 2006. Location : Meylan This rental contract was cancelled on 20 June 2007 Amount recognised:	<14,739>
SCI KALISTE	Commercial lease agreement concerning the premises located in Meylan : - annual rent of €18 646 net of tax excluding property tax - security deposit: fixed at €4 662 representing 3 months rent - review of the rent: indexation on the building cost index - duration : 9 years from 01/06/1999. Amount recognised:	<24,410>
SCI CANASTEL	Renewal of the commercial lease agreement concerning the premises located in Meylan, concerning : - annual rent of €74 903 net of tax excluding property tax on the built properties. - review of the rent: indexation on the building cost index, - duration : 9 years from 01/10/2005. Amount recognised :	<80,940>
Compagnie d'investissement Europe (CIE) and Manila Installation Company (MIC), (a subsidiary of CIE)	Bank guarantee of €3 million agreed by your company in order to ensure proper filfullment of the contractual obligations by the company MIC This guarantee was cancelled on 14 June 2007.	

	GEA*	SCI KALISTE	SCI DE CANASTEL	SCI EPSILON	SCI SANTA CRUZ	CIE
Serge ZASLAVOGLOU	Chairman of the Board	Manager	Manager	Manager	Manager	
Serge Alexis ZASLAVOGLOU	Director	Partner		Partner	Partner	Chairman
Grigori ZASLAVOGLOU	Director	Partner		Partner	Partner	Director
Jeannine ZASLAVOGLOU	Director		Partner			

* The governance of the company was transformed with the installation of a management board and a supervisory board at the extraordinary meeting of 15 November 2007.

STATUTORY AUDITOR'S REPORT ON A SHARE CAPITAL INCREASE RESERVED FOR GEA EMPLOYEES

General Meeting of 25 March 2008

Dear Sir or Madam,

As Auditor of your company and in compliance with the assignment entrusted to us pursuant to the article L 225-135 of the French Commercial Code, we hereby present our report on your project of reserved share capital increase by a maximum amount of 72 000 €, with cancellation of the preemption rights reserved to company employees having a company savings plan and, ask you to give an opinion on this transaction.

This share capital increase is submitted for your approval pursuant to the provisions of article L 225-129-6 of the Commercial Code and article L 443-5 of the Labour Code.

Your Managing Board is suggesting you, on the basis of their report, to delegate them for a twenty-six period the ability to set up the terms of this transaction and to cancel the preemption rights for equity securities to be issued.

It is your Managing Board's responsibility to issue a report in compliance with the articles R.225-113, R.225-115 and R.225-114 of the Commercial Code. It is our responsibility to express an opinion on the fairness of the figures coming from the accounts, on the suggestion of cancelling the preemtion rights for equity securities to be issued and on some other pieces of information mentioned in this report.

We performed the diligences that we consider as necessary, in compliance with the professional standards of the French Auditors Institute relating to this engagement. These diligences consist in checking the Managing Board's report regarding this transaction and the terms for determining the issue price of equity securities.
Subject to a later review of the terms of this capital increase, we have no comments regarding the terms and conditions of the share issue price given in the report of the Board of Directors.

As the share issue price has not yet been fixed, we will not express an opinion on the final conditions under which said shares will be carried out nor, in consequence, on the proposal to withdraw the preferential subscription right that is put to you.

In accordance with article R. 225-116 of the Commercial Code, we will prepare an additional report when the capital share increase is carried out by your Board of Directors.

Lyon, 25 January 2008

The Statutory Auditor

Grant Thornton
French member of
Grant Thornton International

Thierry Chautant
Partner

MANAGING BOARD S' REPORT

To the Combined Annual Ordinary and Extraordinary Shareholders' Meeting of 25 March 2008 on the issues of the competency of the Extraordinary General Shareholders' Meeting.

We remind you that in application of the provisions of Article L.225-129-6 of the Commercial Code, when the Management Discussion and Analysis presented to the Annual Ordinary General Shareholders' Meeting reveals that the shares held collectively by the employees represent less than 3% of the company capital, the Board of Directors must call an Extraordinary General Meeting for the purpose of submitting a resolution to proceed to increase the capital reserved for employees subscribing to a company savings plan.

The Management Discussion and Analysis for the fiscal year ending on 30 September 2007 presented to the Annual Ordinary General Shareholders' Meeting, called upon to approve the financial statements of the said fiscal year revealed that the collective investment by employees was below the legal threshold.

Consequently, your Managing Board is submitting to you a resolution for the purpose of deciding on an increase in capital reserved for the employees of the company who subscribe to a company savings plan.

We also remind you that this consultation of the Extraordinary General Shareholders' Meeting must be renewed every three years so long as the employees hold less than 3% of the capital.

We suggest that you delegate all powers to the Managing Board, in compliance with the provisions of Articles L.225-129-6 and L.225-138-1 of the Commercial Code, so that it may proceed, in one or several stages, under the conditions provided for in Article L.443-5 of the Labour Code, to increase the capital by a maximum amount of €72,000 in cash, reserved for the employees of the Company subscribing to the company Savings Plan.

This authorisation shall be granted for a period of twenty-six months as of the Meeting's decision.

The share subscription price shall be set according to the provisions of Article L.443-5, sub-paragraph 2 of the Labour Code.

Consequently, we are asking you to delegate to your Board of Directors all powers in order to specifically:
- define all the methods of the transaction(s) to increase the company capital, in particular:
- put in place a company savings plan under the conditions provided for in Article L.443- 1 of the Labour Code;
- verify the carrying out of the increase(s) in capital and to proceed to the relevant amendments of the company articles of association;
- and generally do everything useful and necessary to carry out this authorisation.

You will also hear the reading of the Special Report by your Statutory Auditor, who will give you his opinion on the elimination of your preferential right of subscription as well as on the fairness of the information derived from the Company's books, on which he is providing its opinion.
We put to your vote the resolutions that will now be read to you.

The Managing Board

TEXT OF THE RESOLUTIONS PUT FORWARD TO THE ANNUAL ORDINARY AND EXTRAORDINARY GENERAL MEETING

Held on 25 March 2008

FIRST RESOLUTION

The General Shareholders' Meeting, after having taken cognizance of the Management Report by the Managing Board, the Comments by the Supervisory Board, and the Report by the Chairman of the Supervisory Board, and having heard the reading of the Chairman's Report drawn up according to the provisions of Article L.225-37 of the Commercial Code and of the Statutory Auditor's Report, approves, the annual financial statements drawn up on 30 September 2007, as they have been presented to it, revealing a profit of €1,125,662.75, as well as the transactions described in these statements or summarised in these reports.

Consequently, it grants the Directors of the Company under its method of management by a Board of Directors, full and unreserved discharge of their mandates for the said fiscal year.

The General Meeting approves the amount of the expenses that are non-deductible from corporate income tax described in Article 39-4 of the General Tax Code, amounting to €20,908, as well as the corresponding tax amounting to €6,969.

SECOND RESOLUTION

The General Meeting approves the nature and composition of the agreements in accordance with the provisions of articles L.225-84, and following of the Commercial Code, as they figured in the reading of the special report of the auditor.

THIRD RESOLUTION

On the suggestion of the Board of Directors, the General Meeting has decided to allocate the profit for the financial year, a total of €1,125,662.75
in the following manner:

- A sum of €480,000.00
  shall be distributed to the shareholders as dividends, it being specified that in the event that, at the time of payment, the company were to hold some of its own shares, the profit corresponding to the unpaid dividends for the shares would be allocated to the "Balance brought forward" account.
- The reamining balance of €645,661.75
  shall be transferred to the ordinary reserve.

The dividend returned on each share shall thus be set at €0.40

This dividend shall be paid by the CACEIS Corporate Trust Company – 14, rue Rouget de Lisle – 92130 ISSY LES MOULINEAUX, as of today.

For this dividend, the physical persons residing for tax purposes in France, pursuant to the provisions of Article 10, I and III to XVII of the Finance Act for 2008 No. 2007-1822 of 24 December 2007, shall have the choice between, namely:

- either income tax on a progressive scale after a deduction of 40% provided for in the 2nd paragraph of Article 158-3 of the General Tax Code, excluding the 11% for social security taxes (GSC, SDRC, 2% social deductions and additional contribution to this deduction).

- or a flat rate standard income tax deduction at the rate of 18% as provided for in Article 117 quater-I-1 of the same Code, excluding the above-mentioned deductions, on the condition that they expressly indicate their choice to the CACEIS Corporate Trust Company before the dividend is deposited.

The General Meeting acknowledges having been reminded that the dividend distributed for each share and the corresponding tax credit for the three financial years have been as follows :

Dividends distributed after 1 January 2005, whether eligible or not for the 50% income tax deduction for the year 2005 and of 40% on income tax for 2006, described in Article 158 of the General Tax Code amended by Article 76-I-1, 2, and 4 and XV-1 of the Finance Act for 2006:

FINANCIAL YEARS	NUMBER OF SHARES	DIVIDENDS (Euros)
2003/2004	1,200,000	0.80
2004/2005	1,200,000	0.40
2005/2006	1,200,000	0.00

FOURTH RESOLUTION

The General Meeting fixes the sum of thirty seven thousand (37,000) Euros as the annual overall sum allocated to the Member's Fees of the Supervisory Board.

This decision, applicable to the running financial year, will be maintained until otherwise decided.

FIFTH RESOLUTION

After having looked into the management report of the Managing Board, the Managing Board's Special Report described in Article L.225-209, sub-paragraph 2 of the Commercial Code and of the description of the shares buy back plan provided for in Article 241-2 of the General Regulations of the A.M.F. (French Securities Commission) presented by the Managing Board, The Shareholders' General Meeting authorises the Board of Directors to purchase the Company's shares up to 10% of the capital, for the sole purpose of stabilising the Company's stock price within the scope of a liquidity contract in conformity to the AMF's decision of 22 March 2005, signed with a fully independent investment services provider operating in compliance with the AFEI's [French Association of Investment Firms] Rules of Professional Ethics recognised by the AMF.

The General Meeting decides that the shares bought back under the present authorisation shall not be cancelled unless otherwise decided during an Extraordinary General Meeting held after the date of the present General Meeting

The General Meeting limits:
- the maximum amount of funds which can be used for the buy-back of the company shares to €1,800,000
- the maximum price at which the shares may be bought back to €30.

The General Meeting decides that the buy-back or sale of the shares may be performed in any way and by any means subject to regulations and that the maximum proportion of shares, which can be purchased as blocks of shares, cannot exceed one third of the share purchase programme.
It acknowledges that shareholders will be informed during the next Annual General Meeting of the exact assignment of the shares purchased for the sole objective of buying out the rest of the shares.

This authorisation is granted to the Managing Board for a maximum of eighteen (18) months as from the date hereof. It cancels and replaces the previous authorisation accorded at the Ordinary General Meeting of 27 March 2007.
The General Meeting authorises the Managing Board to delegate to its President the powers which have been conferred within the scope of the present resolution.
The General Meeting, among other matters, confers to the Managing Board all powers, in application of article L.225-209 paragraph 1 of the Commercial Code, relating to informing the Workers Council of the present resolution.

SIXTH RESOLUTION

The General Meeting, after looking into the Managing Board's Report and the Statutory Auditor's Special Report, observing that the investments by employees of the Company and of associated companies within the meaning assigned by Article L.225-180 of the Commercial Code represent less than 3% of the capital, ruling in application of the provisions of Articles 225-129-6, sub-paragraph 2 and L.225-138-1 of the Commercial Code and L.443-5 of the Labour Code:

1/ Delegates to the Managing Board, for a period of twenty-six months, its powers to decide to increase the capital, in one or several stages, and at its sole discretion, by issuing shares to be subscribed in cash reserved for the employees subscribing to a company savings plan established at the Company's initiative;

2/ Sets the maximum ceiling for the increase in capital that might occur at the sum of €72,000;

3/ Decides that the subscription price for the securities to be issued by the Managing Board on the basis of this delegation shall be determined according to the provisions of Article L.443-5 of the Labour Code;

4/ Decides to cancel the shareholders' pre-emption rights to subscribe to the shares to be issued, in favour of the above-mentioned employees.

5/ Decides that the Board of Directors shall have full powers to carry out:

- the definition of all of the terms of any transactions to increase the capital, in particular:
- the establishment of a company savings plan according to the conditions provided for in Article L.443-1 of the Labour Code;
- the verification that any increases in capital has been performed and made any corresponding amendments to the Articles of Association;
- and generally do everything that shall be useful and necessary in carrying out this authorisation.

6/ Decides that this delegation deprives any prior delegation of the same kind of effect.

SEVENTH RESOLUTION

The General Meeting grants all powers to the bearer of the original, an abstract or a copy of the minutes of these deliberations, to carry out any legal notice, filing and other formalities appertaining thereto.

FEES OF THE STATUTORY AUDITOR AND MEMBERS OF ITS NETWORK

Statutory Auditor:
GRANT THORNTON – 42 avenue Georges Pompidou – 69003 Lyon

Represented by:
Mr. Thierry CHAUTANT

Fees of the statutory auditor and members of its network paid by the company.
Financial years covered: 2004/2005 and 2005/2006

	Amounts		%	
	30/09/07	30/09/06	30/09/07	30/09/06
• Audit				
- Audit of accounts, certification, examination of individual accounts	76,000	76,000	100%	100%
- secondary missions				
Subtotal	76,000	76,000	100%	100%
• Other services				
- legal, tax, employment				
- information technology				
- internal audit				
- miscellaneous (to be specified if >10% of audit fee)				
Subtotal				
TOTAL	**76,000**	**76,000**	**100%**	**100%**

Photos : Jon Dearden - Capteur d'images, P. Lemagny, - ViaOeste
Maquette et Impression : COQUAND LA TYPO Imprimeurs - Sassenage