

VALTECH

A French joint stock company (“*société anonyme*”) with a share capital of EUR 1,301,086.072104

**Registered office: Immeuble Lavoisier – 4 place des Vosges -
Quartier Gambetta - LA DEFENSE V - 92400 COURBEVOIE
Nanterre Trade and Companies’ Register: 389 665 167**

BOARD OF DIRECTORS’ REPORT

ON THE EXTRAORDINARY RESOLUTIONS PRESENTED TO

THE COMBINED GENERAL MEETING OF JUNE 18, 2007

Dear Shareholders,

We have called this extraordinary general meeting in order to submit the propositions below to you:

1/ Approval of the proposed business transfer by the Company to Valtech Axelboss, with a view to transferring the management consulting business,

2/ Delegation of powers granted to the Board for purposes of increasing the share capital by way of the incorporation of premiums, reserves or profits,

3/ Delegations of power granted to the Board for purposes of:

- increasing the share capital immediately and/or in the future, with or without maintaining the preferential right to subscribe, by way of transfer in cash or in kind, with powers of extension,
- increasing the share capital with or without maintaining the preferential right to subscribe, for purposes of remunerating transfers made in the form of shares by way of a public exchange offer,
- allocating existing bonus shares or bonus shares to be issued to the staff members and corporate officers of the Company or of its Group, or to certain categories thereof,
- granting options to purchase or subscribe for shares,
- increasing the share capital for the benefit of the employees of the Company or of its Group’s companies investing in a company saving plan,

4/ Authorization granted to the Board for purposes of decreasing the share capital by way of the cancellation of the Company’s treasury shares,

5/ Decision, subject to a condition precedent, to proceed with a 1-for-50 reverse split in connection with the shares forming the Company’s share capital, delegation of power in particular with a view to amending the Articles of Incorporation accordingly,

6/ Update of the Articles of Incorporation in accordance with the latest statutory and legal changes.

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1. – PROPOSED BUSINESS TRANSFER TO VALTECH AXELBOSS

The first proposal we submit to your vote is the spin-off of Valtech's management consulting business, which, ever since the merger between Valtech and Axelboss Consultants, has been operating autonomously. Today, it appears from a practical standpoint that it would be more simple and effective for Valtech to isolate such business as part an ad hoc structure so that only Valtech's long-standing technology consulting business will remain with Valtech. This business transfer will boost the expansion of such business.

The Company therefore wishes to spin off its management consulting business by transferring it to a wholly-owned subsidiary that will be incorporated for this purpose, Valtech Axelboss, a French *Société par actions simplifiée* with a share capital of EUR 37,000, having its registered office located 80, avenue Marceau – 75008 Paris, registered with the Paris Trade and Companies Register under number 492 524 574,

Therefore, the proposal would consist in the transfer of the full ownership of the assets and rights composing Valtech's "Management consulting" business, exclusively operated within the offices located in Paris (75008) 80 avenue Marceau (2nd floor, 3rd floor and 5th floor), as it existed as of December 31, 2006, and as it will be changed, in terms of both assets and liabilities, upon completion of the transfer, to the exclusion of

- the registered office in which Valtech's "holding" business is operated,
- the offices located in Paris (75008) 80 avenue Marceau (1st floor and 6th floor) and in Toulouse (31500) TERSUD Building "A", 5, avenue Marcel Dassault, , at which it is engaged in its "technology consulting" business.

Such business transfer would be made under the legal regime of demergers.

Since the proposed transaction is under joint control, the transaction should be completed on the basis of the accounting values in accordance with the provisions of Regulation CRC 2004-01 of May 4, 2004, published in the Official Gazette (JO) of June 7, 2004.

Therefore the value applied by the parties for purposes of the accounts of the Company receiving the assets and liabilities transferred is the net book value thereof, as they exist on the effective date of the transaction, as set forth in the draft business transfer agreement.

However, the remuneration of the transfers has been calculated on the basis of the transfer value, the companies claiming the benefit of the administrative doctrine (Inst. 41-2-00 of August 18, 2000, and 4 I-1-05 of December 30, 2005, No. 15), pursuant to which it is specified that the exchange ratio may be calculated on the basis of the value of the net book assets transferred where:

- the shares received by the transferring company in consideration for the transfer account for at least 99% of the issuing company's share capital;
- the interest held by the transferring company in the receiving company account for at least 99% of the share capital of the latter company after completion of the transfer;
- all of the receiving company's shares present the same characteristic.

The value used for this business is EUR 6,223,000.

On the basis of the foregoing, the business transfer would represent an aggregate amount of assets assessed at EUR 10,004,562 as of December 31, 2006, in exchange for:

- payment by Valtech Axelboss, without Valtech being jointly and severally liable, of liabilities totaling EUR 3,781,562 as estimated on December 31, 2006, i.e., net assets totaling EUR 6,223,000 transferred on December 31, 2006;
- the grant of 622,300 new shares of a par value of EUR 10 each, fully paid out, to Valtech, which shares will be vested on January 1, 2007, and correspond to a share capital increase of EUR 6,223,000 for Valtech Axelboss;
- without creating a contribution premium, the net value of the transferred assets of EUR 6,223,000 being equal to the par value of the contribution shares of EUR 6,223,000.

The completion date of the transfer is defined as the date on which Valtech Axelboss's sole shareholder will approve such business transfer agreement, its terms and the remuneration conditions, subject to the fulfillment, on such date, of the other condition precedent to this transaction, i.e., your approval of this project.

In light of the option set forth in Article L.236-4 of the French Commercial Code, the transfer would however take effect retroactively on January 1, 2007.

Finally, we ask you to acknowledge that the business transfer will be completed only when Valtech Axelboss's sole shareholder decides, after this general meeting, to approve such business transfer agreement, and the related share capital increase.

As a result of the foregoing, we ask you to approve subject to the condition precedent that the Valtech Technology Consulting sole shareholder approves the provisions of the draft business transfer agreement entered into with Valtech Axelboss, the absence of a contribution premium, the net value of the transferred assets of EUR 6,223,000 being equal to the par value of the contribution shares of EUR 6,223,000;

The report drawn up by Mr. Olivier Peronnet, appointed by Orders of the Nanterre Commercial Court's Presiding Judge as transfer auditor on October 12, 2006, and October 25, 2006, for purposes of monitoring the transfer effected by Valtech to Valtech Technology Consulting in accordance with Articles L. 236-10 of the French Commercial Code and 257 of the March 23, 1967 Decree, will be read to you.

Lastly, we ask you to grant comprehensive powers to the Managing Director or to any person he will deem fit to substitute for him, for purposes of completing the transaction described in the foregoing resolutions and therefore:

- preparing any confirmation, supplement, or amendment deeds that may be necessary, accomplishing any useful formalities to facilitate the business transfer by Valtech to Valtech Axelboss in the context of the business transfer;
- accomplishing all formalities, making any registrations, in particular in the Trade and Companies' Register, making any statements, in particular with the Tax authorities, as well as any service of process or notification to any person and, should a difficulty arise, commencing or continuing any proceedings;
- for the foregoing purposes, signing any documents or deeds, electing domicile, substituting and delegating within the limit of these powers, and taking all necessary steps.

2. – PROPOSED DELEGATION OF POWER GRANTED TO THE BOARD OF DIRECTORS FOR PURPOSES OF INCREASING THE SHARE CAPITAL BY THE INCORPORATION OF PREMIUMS, RESERVES OR PROFITS

As with most listed companies, in order to fully enable the Board of Directors to take action in connection with the Company's share capital if it deems it necessary, we propose, in accordance with the provisions of Articles L.225-129-2 and L.225-130 of the French Commercial Code, delegating to the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized under the conditions set out by law, for a twenty-six month period, the shareholders' ability to decide, in the proportion and at the time it will deem fit, on one or more increases in the share capital by the successive or simultaneous incorporation of issue premiums, reserves or profits or any other sums the capitalization of which may be possible under the law or under the Articles of Incorporation, in the form of the allocation of bonus shares, or the increase in the par value of existing shares or by using such two methods jointly.

The aggregate amount of the increases in share capital that may be carried out under this resolution will not be greater than **EUR 304,800 (Three hundred and four thousand and eight hundred euros)** in par value, **representing 20,000,000 new shares, i.e., around 26.70% of the Company's current share capital**, it being specified that, in addition to such ceiling, there might be an additional amount of the Company's common shares to be issued so as to safeguard the rights of the holders of options and of securities granting access to the Company's common shares, in accordance with the law. The ceiling of this delegation is unrelated to and separate from the total ceiling set out in **3.1** below.

We ask you to decide, in the event that the Board of Directors uses this delegation, that, in accordance with the provisions of Article L.225-130 of the French Commercial Code, should an increase in the share capital be carried out in the form of the allocation of bonus shares, rights forming fractional shares will not be negotiable or transferable and that the corresponding rights will be sold. The proceeds of the sale will be allocated to the holders of the rights within the time limit required by law.

The Board of Directors would have comprehensive powers for purposes of using this delegation, and, generally, taking all steps and carrying out all formalities required for the proper performance of each capital increase, acknowledging that the increase was properly carried out, and amending the Articles of Incorporation accordingly.

In the event that the Board of Directors uses this delegation, an additional report will be prepared by the Board in the conditions set forth in Article L.225-129-5 and disseminated to the shareholders as required by law.

Should you agree, we will ask you to acknowledge that this delegation will cause any prior delegation with the same subject-matter to lapse as of today, within the limit, where necessary, of the unused portion thereof.

We highlight that the related resolution will be put to vote, as a departure from law, in the conditions as to quorum and majority required by the extraordinary general meetings.

3. – DELEGATIONS OF POWER TO BE GRANTED TO THE BOARD OF DIRECTORS

As you certainly know, the Company's expansion requires at certain times that it increase its equity, so that it may be necessary to increase the share capital in one or more occasions by way of the issue of Company's shares and/or securities of any kind.

In addition, your Board of Directors should particularly bear in mind that the Company is now hard-pressed to meet the required quorum for extraordinary general meetings due to share capital dilution and to ensure that, as a result, the Company is not deprived of external financing means.

Since the capital increases that may be performed have yet to be defined, we propose granting power to the Board of Directors, as allowed by law, for purposes of increasing the share capital by any means whatsoever, with or without the shareholders' keeping their preferential right to subscribe.

The purpose of the delegation is to enable the Board to easily respond to the Company's financing requirements by enabling it to opt for the issue of the best kind of securities when applicable.

3.1. – Delegation of power granted to the Board of Directors for purposes of increasing the share capital while retaining a preferential right to subscribe, by way of the issue of common shares or securities granting access to common shares of the Company or of a company controlled by it at more than 50%

In this connection we propose granting the shareholders' general meeting's power to the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized under the conditions set out by law, for a twenty-six month period as from the date of the general meeting, in accordance with the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular Article 225-129-2 of the French Commercial Code as well as Articles L.228-91 through L.228-93 of such Code, to decide, in the proportion and at the time it will deem fit, on one or more increases in the share capital by the issue, with a preferential right to subscribe, both in France and overseas, in Euros, in foreign currencies or in any monetary unit whatsoever set by reference to several currencies, of (i) common shares of the Company and (ii) any securities of any kind, issued for a consideration or free of charge, granting access, by any means, immediately and/or in the future, at any time or on a set date, to existing common shares or shares to be issued by the Company or any company of which it directly or indirectly owns 50% of the share capital (a "Subsidiary"), the subscription for which will be carried out in cash or by offsetting due and payable debts, it being specified that this delegation may in particular enable one or more issues to be carried out in accordance with Article L.228-93 of the French Commercial Code

The aggregate amount of share capital increases that may be performed immediately and/or in the future under this delegation will not be in excess of **EUR 500,000 (five hundred thousand euros)** in par value, to which the par value of additional shares to be issued to preserve, as required by law, the rights of holders of options and of securities granting access to the common shares of the Company or a Subsidiary, it being specified that this total ceiling is common to the nineteenth, twenty-first, twenty-second and twenty-third resolutions proposed to the general meeting and that the total par value of share capital increases performed under such resolutions will be assigned to such total ceiling.

The ceiling we propose is appreciably identical to that authorized by the previous authorization granted in 2002 (EUR 457,304). It authorizes the creation, for all delegations (other than those reserved for employees), of approximately 32,808,000 new shares, representing approximately 38.86% of the current share capital.

This level of authorization is in line with what is comparatively found on the market.

The securities granting access to common shares of the Company or of a Subsidiary thus issued may *inter alia* consist in debt securities or be associated with the issue of such securities, or enable such issue as intermediate securities. They may *inter alia* take the form of securities conditioned or not upon a term determined or not, and be issued either in euros, or in any monetary unit set by reference to several currencies.

The par value amount of debt securities thus issued would not be in excess of **EUR 50,000,000 (fifty million euros)** or the exchange value in Euros on the date on which the decision to issue was

made, it being specified that such amount does not include the repayment premium(s) above par, if any.

Such amount would be common to all securities the issue of which is set out in the nineteenth, twenty-first, twenty-second and twenty-third resolutions proposed to the general meeting. It would be unrelated to and separate from the amount of debt securities the issue of which would be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

The ceiling we propose is appreciably identical to that authorized by the previous authorization granted in 2002 . This level of authorization is also in line with what is comparatively found on the market.

The loans (granting access to common shares of the Company or of a Subsidiary) may be coupled with an interest at a fixed and/or variable rate, including capitalization thereof, and be repaid, with or without premium, or depreciated, it being specified that the shares may also be repurchased at the Stock Exchange or in the context of a purchase or exchange offer by the Company.

Shareholders would be entitled, in proportion to the amount of their shares, to an irreducible preferential right to subscribe for shares or securities issued under this delegation.

The Board of Directors would also have an option to grant shareholders a reducible right to subscribe that may be exercised in proportion to their rights and within the limit of their requests.

If applicable, in the event that the irreducible and reducible subscriptions cannot absorb the issue of all common shares and securities performed under this delegation, the Board may use, in whichever order it will deem fit, either of the following options:

- limit the issue to the amount of subscriptions received provided that such amount reaches at least three quarters of the agreed issue;
- freely share all or part of the unsubscribed securities to the persons of its choice,
- offer all or part of the unsubscribed securities to the public.

This delegation would entail a waiver by the shareholders of their preferential right to subscribe for common shares of the Company to which the securities that may be issued under this resolution could give access.

The Board of Directors would determine the characteristics, amount and conditions of any issue as well as of the related shares. In particular, it would determine the class of shares and the subscription price on the basis of its report, with or without premium, the conditions for payment, the vesting date, even retroactively, or the conditions under which the securities issued under this delegation will grant access to common shares of the Company or of a Subsidiary, as well as the conditions under which the right to allocate securities granting access to common shares would be temporarily suspended in accordance with current legal provisions.

Should you agree, you will grant comprehensive powers to the Board of Directors, having the option to subdelegate in the conditions set down by law, to use this delegation, *inter alia* by way of any agreement to this effect, in particular, for purposes of the proper issue of securities, to proceed, on one or more occasions, in the proportion and at any time it will deem fit, in France and/or overseas, with the aforementioned issues as well as, where necessary to postpone the same, find that they have been duly carried out and amend the Articles of Incorporation accordingly, as well as take all steps and carry out all formalities and request all authorizations required for the proper performance of such issues.

Lastly, each time this delegation of power will be used by your Board of Directors, the latter will prepare an additional report as required in Article L.225-129-5 of the French Commercial Code and Article R. 225-116 of the French Commercial Code (statutory part) describing the conditions of use of the delegation. Such additional report will be made available to the shareholders at the registered office within fifteen days of the meeting of the Board using the delegation, and brought to your attention at the next general meeting.

In such additional report prepared at the time when the Board or its substitute uses the delegation you granted to it, we will inform you of the impact of the issue of new securities on the situation of each shareholder, in particular, as regards the portion of equity, as well as the theoretical impact of the issue on the stock exchange value on the share based upon the average of the twenty stock exchange sessions preceding such report.

Likewise, where necessary, the statutory auditors would prepare a report at the time when the Board uses the delegation, which report would be made available to you in the same conditions as those for the Board's additional report.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse as of the general meeting, within the limit, where necessary, of the unused portion thereof.

3.2. – Delegation of power granted to the Board of Directors for purposes of increasing the share capital, without a preferential right to subscribe, by the issue of common shares or of securities granting access to common shares of the Company or a company controlled by it at more than 50%

We also propose granting the shareholders' general meeting's power to the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized under the conditions set out by law, for a twenty-six month period as from the date of the general meeting, in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-92 and L. 228-93 of the French Commercial Code, to decide, in the proportions and at the time it will deem fit, on one or more increases in the share capital by the issue, without a preferential right to subscribe, both in France and overseas, in Euros, in foreign currencies or in any monetary unit whatsoever set by reference to several currencies, of (i) common shares of the Company and (ii) any securities of any kind granting access by any means, immediately and/or in the future, to existing common shares or shares to be issued by the Company or any company of which it directly or indirectly owns more than 50% of the share capital (a "Subsidiary"), the subscription for which will be carried out in cash or by offsetting due and payable debts.

The aggregate amount of share capital increases that may be carried out immediately and/or in the future under this delegation, could not be greater than **EUR 500,000 (Five hundred thousand euros)** in par value, such amount being assigned to the total ceiling set forth in **3.1** above.

The securities granting access to common shares of the Company or of a Subsidiary thus issued may *inter alia* consist in debt securities or be associated with the issue of such securities, or enable such issue as intermediate securities. They may *inter alia* take the form of securities conditioned or not upon a term determined or not, and be issued either in euros, or in any monetary unit set by reference to several currencies.

The par value amount of debt securities thus issued would not be in excess of **EUR 50,000,000 (fifty million euros)** or the exchange value in Euros on the date on which the decision to issue was made, such amount being assigned to the ceiling set forth in the eighteenth resolution proposed to the general meeting, it being specified that such amount would not include the repayment premium(s) above par, if any. Such amount would be unrelated to and separate from the amount of debt securities the issue of which would be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

The loans (granting access to common shares of the Company or of a Subsidiary) may be coupled with an interest at a fixed and/or variable rate, including capitalization thereof, and be repaid, with or without premium, or depreciated, it being specified that the shares may also be repurchased at the Stock Exchange or in the context of a purchase or exchange offer by the Company.

We therefore ask you to cancel the shareholders' preferential right to subscribe for such securities that will be issued in accordance with the law, and to grant the Board of Directors the power to provide shareholders with an irreducible and/or reducible priority time period to subscribe for the same in accordance with the provisions of Article 225-135 of the French Commercial Code. If the subscriptions, including those of the shareholders, if any, failed to absorb the issue of all shares, the Board of Directors could limit the amount of the transaction in the conditions required by law.

We ask you to decide, insofar as the securities to be issued in the context of this delegation equate with Company shares admitted for trading on a regulated market, that the issue price for such securities to be issued be **at least equal to the weighted average market price of the three latest stock exchange sessions preceding its determination with a maximum 5% discount, as required by law**, without such amount being lower than the share's par value in the event of the creation of new shares.

This delegation would entail a waiver by the shareholders of their preferential right to subscribe for common shares of the Company to which the securities that may be issued under this resolution could give access.

The Board of Directors would determine the characteristics, amount and conditions of any issue as well as of the related shares. In particular, it would determine the class of shares and the subscription price on the basis of its report, with or without premium, the vesting date, even retroactively, or the conditions under which the securities issued under this resolution would grant access to common shares of the Company or of a Subsidiary, as well as the conditions under which the right to allocate securities granting access to common shares would be temporarily suspended in accordance with current legal provisions.

Should you agree, you will grant comprehensive powers to the Board of Directors, having the option to subdelegate in the conditions required by law, to use this delegation, *inter alia* by way of any agreement to this effect, in particular, for purposes of the proper issue of securities, to proceed, on one or more occasions, in the proportion and at the time it will deem fit, in France and/or overseas, with the aforementioned issues as well as, where necessary to postpone the same, find that they have been duly carried out and amend the Articles of Incorporation accordingly, as well as take all steps and carry out all formalities and request all authorizations required for the proper performance of such issues.

We point out that the issue proposed above would impact the shareholders' current situation, in that the proportion of equity per share would be determined in a new report resulting from the increase in the number of shares representing the share capital after increase.

Each time this delegation of power will be used by your Board of Directors, the latter will prepare an additional report as required in Article L.225-129-5 of the French Commercial Code and Article R. 225-116 of the French Commercial Code (statutory part) describing the conditions of use of the delegation. Such additional report will be made available to the shareholders at the registered office within fifteen days of the Board's meeting using the delegation, and brought to your attention at the next general meeting.

In such additional report prepared at the time when the Board or its substitute uses the delegation you granted to it, we will inform you of the impact of the issue of new securities on the situation of each shareholder, in particular, as regards the portion of equity, as well as the theoretical impact of the issue

on the stock exchange value on the share based upon the average of the twenty stock exchange sessions preceding such report.

Likewise, where necessary, the statutory auditors will prepare a report at the time when the Board uses the delegation, which report will be made available to you in the same conditions as those for the Board's additional report.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse as of the general meeting, within the limit, where necessary, of the unused portion thereof.

3.3. – Authorization to be given to the Board of Directors for purposes of increasing the number of securities to be issued in the event of a share capital increase with or without a preferential subscription right

In the context of the delegation of power described above, we also ask you to authorize the Board of Directors, having the option to subdelegate to the Managing Director or to any person authorized in accordance with the law, for a twenty-six month period from the date of the general meeting, to decide, for each issue referred to above, to increase the number of securities to be issued at the time of such issues, in the conditions referred to in Article L.225-135-1 of the French Commercial Code.

The number of securities could be increased within thirty (30) days of the closing of the subscription, within the limit of 15% of the initial issue and at the same price as the price set for the initial issue, and subject to compliance with the ceiling set down in the resolution in accordance with which the issue has been decided.

3.4. – Authorization to be given to the Board for purposes of setting the issue price of equity securities or securities granting access to the share capital, within the limit of 10% of the share capital, under the conditions set by the General Meeting, and issued without preferential right to subscribe

In the context of the delegation of powers referred to in 3.2 above, we also ask you, in accordance with Article L. 225-136 1(2) of the French Commercial Code and insofar as the securities to be issued immediately or in the future would equate with equity securities issued by the Company and admitted for trading on a regulated market, to authorize the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized in the conditions required by law, for each of the issues decided in compliance with the nineteenth resolution proposed to the general meeting and within the limit of 10% of the share capital (as existing on the date of the general meeting) over a twelve months' period, to depart from the pricing conditions set out in the nineteenth resolution above and to fix the issue price of equity securities and/or securities to be issued by means of public offering without a preferential right to subscribe, in accordance with one of the two following conditions:

- Issue price equal to the average price recorded in a maximum period of six months preceding the issue,
- Issue price equal to the weighted average market price of the three latest stock exchange sessions preceding its determination with a maximum 20% discount.

This departure, which is limited to the condition for the determination of the legal subscription price described in 3.2, would enable the Board of Directors to facilitate financial contributions despite exceptional variations in the stock price, without which their completion may be hindered or even prevented.

The total par value amount of the share capital increase resulting from the issues made in accordance with this delegation would be assigned to the total ceiling set in **3.1.** above.

Should you agree, you would grant comprehensive powers, in the conditions above, to the Board of Directors for purposes of using this authorization in the other conditions described in **3.2.**

In the event that the Board of Directors uses this delegation, an additional report on the proposed transaction will be prepared by the Board of Directors and by the statutory auditors and disseminated to the shareholders as required by statutes.

Likewise, the statutory auditors will draw up an additional report that will be made available to you in the same conditions as those of the Board's additional report.

3.5. – Delegation of powers granted to the Board of Directors for purposes of increasing the share capital within the limit of 10% of the share capital with a view to remunerating contributions in kind consisting of a company's shares or securities granting access to the share capital

In accordance with the provisions of Article L.225-147 of the French Commercial Code, we ask you to grant the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized in the conditions set down by law for a twenty-six month period as of the date of the general meeting, the powers to proceed with the issue of common shares of the Company or securities granting access, by any means immediately and/or in the future, to existing common shares or common shares to be issued by the Company, with a view to remunerating the contributions in kind awarded to the Company and consisting of equity securities or securities granting access to the share capital, when the provisions of Article L.225-148 of the French Commercial Code regarding public exchange offers are not applicable.

In accordance with the law, in the event that it uses this delegation, the Board of Directors will decide on the report of one or more expert appraisers.

The ceiling for the par value amount of the immediate or future share capital increase, resulting from all the issues carried out in compliance with this delegation will be set at 10% of the share capital (as existing on the date of this general meeting), it being specified that the amount of the share capital increases carried out in accordance with this resolution would be assigned to the total ceiling set down in **3.1** above.

This delegation would entail a waiver by the shareholders of their preferential right to subscribe for common shares of the company to which the securities that may be issued under this resolution could give access.

The Board of Directors, having the option to subdelegate as provided by law, would have comprehensive powers to use this delegation, *inter alia* to decide, on the basis of the report of the expert appraiser(s) referred to in paragraphs 1 and 2 of Article L.225-147 above, on the appraisal of the contributions and the award of special benefits, record the completion of the share capital increases carried out in accordance with this delegation, amend the Articles of Incorporation accordingly, take all steps and carry out all formalities required for the proper performance of such contributions, determine the conditions under which the right to allocate securities granting access to common shares will be temporarily suspended in accordance with current legal provisions.

In the event that the Board of Directors uses this delegation, an additional report on the proposed transaction will be prepared by the Board and disseminated to the shareholders as required by statutes.

Likewise, in the event of the issue of securities created on such occasion, the statutory auditors will draw up an additional report which will be made available to you in the same conditions as those of the Board's additional report.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse as of the general meeting, within the limit, where necessary, of the unused portion thereof.

3.6. – Delegation of powers granted to the Board of Directors for purposes of increasing the share capital without a preferential subscription right with a view to remunerating transfers of shares in the event of a public exchange offer

In accordance with the provisions of Articles L.225-129-2, L.225-148 and L.228-92 of the French Commercial Code, we ask you to grant the Board of Directors, having the option to subdelegate to the Managing Director or to any persons authorized in the conditions set down by law for a twenty-six month period commencing on the date of the general meeting, the powers to proceed, in accordance with the conditions set forth in Articles L.225-129 and L.225-129-6 of the French Commercial Code, with the issue of common shares of the Company or securities granting access, by any means immediately and/or in the future, to existing common shares or common shares to be issued by the Company, with a view to remunerating the securities tendered in a public exchange offer initiated in France or overseas, according to local rules, by the Company in connection with securities the shares of which are admitted for trading on a regulated market as referred to in Article L.225-148 of the French Commercial Code.

The amount of the share capital increases carried out in accordance with this resolution would be assigned to the total ceiling set down in **3.1** above.

This delegation would entail a waiver by the shareholders of their preferential right to subscribe for common shares of the Company to which the securities that may be issued under this resolution could give access.

The Board of Directors, having the option to subdelegate as provided by law, would have comprehensive powers to implement the public offers referred to in this resolution, *inter alia*:

- Determine the share-for-share basis as well as the amount of the equalizing shares to be paid in cash, if any;
- Acknowledge the number of shares tendered in the public exchange offer;
- Determine the dates, issue conditions, in particular the price and vesting date of the new shares or securities, if any, immediately and/or subsequently granting access to the Company's common shares;
- Set out the conditions under which the right to allocate securities granting access to common shares will be temporarily suspended in accordance with current legal provisions;
- Record a "transfer premium" in the liabilities of the balance sheet, which will contain all of the shareholders' rights corresponding to the difference between the issue price of the new common shares and their par value;
- Assign all costs and taxes incurred or paid in connection with the authorized transaction to such "transfer premium," where applicable;
- Generally, take all necessary steps and enter into any agreements for the purposes of the completion of the authorized transaction, acknowledge the resulting share capital increase(s) and amend the Articles of Incorporation accordingly;

In the event that the Board of Directors uses this delegation, an additional report on the proposed transaction will be prepared by the Board and by the statutory auditors and disseminated to the shareholders as required by law.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse as of the general meeting, within the limit, where necessary, of the unused portion thereof.

3.7. – Authorization to be given to the Board for purposes of allocating existing bonus shares or bonus shares to be issued to the staff members and corporate officers of the Company or of its Group, or to certain categories thereof

In accordance with the provisions of Articles L.225-197-1 et seq. of the French Commercial Code, we ask you to authorize the Board to proceed, on one or more occasions, for a period of twenty-six months from the meeting date, with the allocation of existing bonus shares or bonus shares to be issued by the Company to the recipients referred to hereinafter.

The recipients of the shares, who shall be appointed by the Board of Directors, may be members of the staff (or certain categories thereof) and/or the corporate officers (or certain categories thereof) of both Valtech and the companies related to it within the meaning of Article L.225-197-2 of the French Commercial Code.

Under this authorization, the Board of Directors would be able to allocate no more than 5,000,000 (five million) shares, with a maximum 2,000,000 (two million) new shares to be issued.

The amount of the share capital increase resulting from the issue of new shares will not be **in excess of the ceiling set forth in the twenty-sixth resolution, which is the ceiling common to the issues of options to subscribe for shares, warrants for entrepreneurs and the allocation of new bonus shares to be issued.**

In terms of dilution, the goal is that at no time should the combined level of options to subscribe for shares, warrants for entrepreneurs or shares to be issued in the process of being allocated to the Group's employees be greater than 15% of the share capital, including all prior issues.

As of December 31, 2005, we recall that the maximum dilution of share capital was 11.60% of the then share capital.

The number of existing shares allocated will not be in excess of the **ceiling set forth in the eighteenth resolution, which is the ceiling common to the issues of share purchase options and to the allocation of existing bonus shares to be made. The maximum 10% ceiling is the legal ceiling.**

However, you will note that the acquisitions of shares by the Company for purposes of their grant to the employees fall within the scope of the share repurchase program submitted each year to the shareholders for approval.

The allocation of shares to their recipients will be final only when a minimum two-year acquisition period has lapsed.

The recipients should keep the bonus shares for at least two years, such period commencing upon the final allocation of shares.

Such global four-year keeping period, which is the minimum required by law, is considered reasonable and sufficient.

The Board of Directors would be entitled to use the authorizations given or that will be given by the general meeting in accordance with Articles L.225-208 and L.225-209 of the French Commercial Code.

In this connection, we ask you to grant comprehensive powers to the Board of Directors, in the event of the allocation of bonus shares to be issued, for purposes of carrying out and thereby acknowledging the share capital increase resulting therefrom, by way of the successive or simultaneous incorporation of premiums, reserves, profits and other sums into the share capital, the capitalization of which will be lawful and compliant with the Articles of Incorporation.

The aggregate amount of the share capital increases that may be carried out under this resolution would not be greater than EUR 30,480 (thirty thousand four hundred and eighty euros) in par value.

This authorization would entail a waiver by the shareholders of the following for the benefit of the recipients of common shares to be issued:

- Portion of the reserves or premiums that would not be necessary for the issue of new shares,
- Their preferential right to subscribe for common shares that would be issued as the shares become fully vested,
- Any right to the common shares allocated as bonus shares under this authorization.

The Board of Directors would have comprehensive powers to use this authorization in accordance with legal and statutory provisions, *inter alia*:

- Setting the conditions and, where applicable, the criteria for the allocation of shares to be issued or existing shares, and deciding on the list or categories of recipients of shares, as well as the number of shares that may be allocated to each;
- Setting the conditions of seniority that the recipients will have to satisfy;
- Allowing for the possibility of temporarily suspending the right to allocate shares;
- Setting any other conditions under which the shares will be allocated;
- Where applicable, changing the number of allocated shares within the limit of the aforementioned ceiling, as a result of transactions affecting the share capital and/or adjusting the number of shares relating to any transaction affecting the Company's share capital throughout the vesting period with a view to safeguarding the recipients' rights;
- Accomplishing any formalities with a view to repurchasing shares and/or completing the share capital increases that may be carried out under this authorization, amending the Articles of Incorporation accordingly, and, generally, taking any necessary steps, while having the option to subdelegate this authorization in accordance with statutory conditions;

In the event that the Board of Directors uses this delegation, an additional report on the proposed transaction will be prepared by the Board and by the statutory auditors and disseminated to the shareholders as required by statutes.

3.8. – Authorization to the Board for purposes of granting options to subscribe for shares

In accordance with the provisions of Articles L.225-177 through L.225-178 and L.225-180 through L.225-184 of the French Commercial Code, we ask you to Authorized the Board of Directors to grant employees and corporate officers of Valtech and of the companies relating to it within the meaning of Article L.225-180 of the French Commercial Code, at least **eight million** (8,000,000) options entitling them to subscribe for new shares to be issued in the context of the increase in its share capital.

We remind you however that, in terms of dilution, the **goal is that at no time the combined level of options to subscribe for shares, warrants for entrepreneurs and/or shares to be allocated to employees of the Group should be higher than 15% of the share capital, including all prior issues.**

No option to subscribe may be granted less than twenty trading sessions of the stock exchange from the time when a coupon entitling the holder to a dividend or capital increase is detached from the shares, or during the periods referred to in Article 225-177 of the French Commercial Code.

Such options may be exercised within five years of the deliberation by the Board of Directors' meeting deciding on such options.

Subject to adjustments made necessary in the event of the subsequent completion of the transactions referred to in Article L.225-181(2) of the French Commercial Code, that the shares will be issued, in accordance with current legislation, at a price set on the day when the options are granted by the Board of Directors, which would be equal to **95% of the average prices** quoted in the twenty trading sessions of the stock market preceding the day when the options to subscribe are granted.

The 5% discount described above in connection with the stock exchange price has been agreed because it is authorized by law without any tax or social security impact on the Company or on the recipient.

In the event of readjustment made necessary by one of the aforementioned transactions, you would grant the Board of Directors comprehensive powers for purposes of proceeding, in accordance with legal and statutory provisions, with an adjustment of the price and number of shares comprised in the options granted so as to take account of the impact of the transaction in question.

This authorization would entail an express waiver by the shareholders for the benefit of the recipients of the preferential right to subscribe for shares to be issued as the options are exercised.

The Board of Directors or the Managing Director of the Company may proceed, where applicable, with any allocation of costs incurred in the context of the issues to the issue premiums, record the share capital increases resulting from the exercise of options and change the Articles of Incorporation accordingly, temporarily suspend the exercise of options, in accordance with the provisions of Article L.225-149-1 of the French Commercial Code,

Should you agree, you would grant comprehensive powers to the Board of Directors for a period of twenty-six months, for purposes of granting the persons it will designate options entitling such persons to the subscription of shares offered under this resolution, on one or more occasions, setting the conditions for the grant thereof and the conditions under which they may be exercised, it being specified that such conditions may contain clauses under which it will be prohibited to immediately resell all or part of the shares without the required period of retention of the shares being longer than three years from the exercise of the option, and, generally, completing such transactions.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse as of the general meeting, within the limit, where necessary, of the unused portion thereof.

3.9. – Ceiling common to the allocation of bonus shares to be issued and to the issue of options to subscribe for shares

We ask you to decide that the maximum number of options to subscribe for shares and/or bonus shares to be issued that may be granted by the Board of Directors, acting upon this general meeting's authorization, will only entitle holders to subscribe for a number of shares, common to the options to subscribe and to the share warrants, and to the bonus shares to be issued that will not be **in excess of 15% of the Company's share capital as shown on the date on which the Board of Directors decide on such grant.**

It is specified that on such date, for calculating such limit, it will be taken account, in accordance with legal provisions, of all options to subscribe, share warrants and bonus shares to be issued already granted by the Company which have not lapsed or which their recipient have not waived personally, and which have not yet been exercised on the grant date or, in the case of the bonus shares, which have not reached the expiry of their minimum vesting period.

3.10. – Authorization to the Board of Directors for purposes of granting options to purchase shares

In accordance with the provisions of Articles L.225-177, L.225-179 et seq. of the French Commercial Code, we ask you to authorize the Board of Directors, for a period of twenty-six months from the general meeting, to grant employees and corporate officers of Valtech and of the companies related to it in the conditions set out in Article L.225-180 of the French Commercial Code, options entitling the holder to purchase shares of Valtech **within the limit of 10% of the Company's share capital** (as it existed on the general meeting's date) resulting from the repurchase of shares made by the Company itself in accordance with legal and statutory conditions.

We presented you with the reasons why we propose such ceiling in **3.7**.

No option to purchase could be granted less than twenty trading sessions of the stock exchange from the time when a coupon entitling the holder to a dividend or capital increase is detached from the shares, or at any other time specified in Article L.225-177 of the French Commercial Code.

Such options may be exercised within five years of the deliberation by the Board of Directors' meeting deciding on such options.

Subject to adjustments made necessary in the event of the subsequent completion of the transactions referred to in Article L.225-181(2) of the French Commercial Code, the shares would be issued, in accordance with current legislation, at a price set on the day when the options are granted by the Board of Directors, which would be equal to **95%** of the average quoted prices in the twenty trading sessions of the stock market preceding the day when the options to subscribe are granted, it being specified that such price cannot be lower than 80% of the average purchase price of the shares held by the Company under Articles L.225-208 and/or L.225-209 of the French Commercial Code.

The 5% discount described above in connection with the stock exchange price has been agreed because it is authorized by law without any tax or social security impact on the Company or on the recipient.

In the event of readjustment made necessary by one of the aforementioned transactions, you would grant the Board of Directors comprehensive powers for purposes of proceeding, in accordance with legal and statutory provisions, with an adjustment of the price and number of shares comprised in the options granted so as to take account of the impact of the transaction in question.

Comprehensive powers would be granted to the Board of Directors for purposes of granting the persons it will designate options entitling such persons to purchase shares under this resolution, on one or more occasions, setting the conditions for the grant thereof and the conditions under which they may be exercised, it being specified that such conditions may contain clauses under which it will be prohibited to immediately resell all or part of the shares without the required period of retention of the shares being longer than three years from the exercise of the option, and, generally, completing such transactions.

We highlight that this delegation would cause any prior delegation with the same subject-matter to lapse.

3.11. – Setting the ceiling common to the issue of options to purchase shares and to the allocation of existing bonus shares

We ask you to decide that the maximum number of options to purchase shares and/or existing bonus shares that may be granted by the Board of Directors, acting upon this general meeting's authorization, will not be in excess of 10 % of the Company's share capital as shown on the date on which the Board of Directors decide on such grant.

It is specified that, on such date, for calculating such limit, it will be taken account, in accordance with legal provisions, of all options to purchase and allocation of existing bonus shares already decided by the Company which have not lapsed or which their recipient has not waived personally, and which have not yet been exercised on the grant date, or, in the case of the bonus shares, which have not reached the expiry of their minimum vesting period.

3.12. – Authorization to the Board for purposes of increasing the share capital for the benefit of the employees of the Company or of its Group’s companies investing in a company saving plan

In accordance with the provisions of Articles L. 225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and Article L.443-5 of the French Labor Code, in connection with delegations of powers and authorities to increase the share capital as contemplated in the context of this general meeting, we should ask you to decide on a share capital increase in favor of the employees of Valtech or the companies related to it within the meaning of Article L.225-180 of the French Commercial Code and investing in a company saving plan or any intercompany saving plan or to grant comprehensive powers to the Board of Directors to do so.

This delegation will be valid for eighteen months from the general meeting.

We therefore propose granting comprehensive powers to the Board of Directors to decide, in the proportion and at the time it will deem fit, on one or more increases within the maximum limit of 3% of the Company’s share capital existing on the date on which it makes its decision, by way of the issue of new shares paid up in cash, the subscription for all shares to be issued being reserved for employees of Valtech and of the companies related to it within the meaning of Article L.225-180 of the French Commercial Code and investing in a company saving plan or any intercompany saving plan.

The ceiling of this delegation would be unrelated to and separate from prior authorizations.

The subscription price of new shares, as set by the Board of Directors in accordance with the provision of Article L.443-5 of the French Labor Code upon each issue, will be equal to 100% of the average share prices quoted on the Eurolist market in the twenty (20) trading sessions of the stock market preceding the day when the Board of Directors decides on the date on which the subscription is opened.

In the context of this delegation if you consent to it, it will be up to you to decide whether or not to cancel shareholders’ preferential rights to subscribe for the benefit of employees for whom the share capital increases are reserved.

The recipients of the share capital increases authorized under this resolution will be employees investing in the saving plan of the Company or of any companies related to it within the meaning of Article L.225-180 of the French Commercial Code, and satisfying the conditions that may be set by the Board of Directors.

Should you agree, you will grant comprehensive powers to the Board for purposes of:

- Deciding on the date and conditions for the issues that will be carried out under this resolution; in particular, decide whether the shares will be subscribed directly or through the intermediary of a mutual fund or of an entity in accordance with current legislation; fix the issue price of new shares to be issued in accordance with the rules defined above, the dates of opening and closing of the subscriptions, the vesting date, even retroactively, the time period for payment within a maximum period of three years,
- Where applicable, setting the conditions that will have to be satisfied by the recipients of the new shares resulting from the share capital increases under this resolution, drawing up a list of recipients and the maximum number of shares that may be subscribed by each of them, per issue;

- Seeing that the completion of the share capital increases complies with the amount of shares effectively subscribed;
- Carrying out all steps and formalities directly or through an intermediary;
- Amending the Articles of Incorporation in accordance with the share capital increases;
- Assigning the costs incurred in connection with the share capital increases to the amount of the premium in relation to each increase;
- Entering into any agreement, in particular, to complete the proposed transaction(s), taking all steps necessary for the issue, the quotation, and for the financial service of the shares issued under this delegation as well as for the exercise of the related rights,
- And, generally, taking all necessary steps.

Pursuant to Article L.225-129-4 of the French Commercial Code, that the Board of Directors may delegate the power conferred upon it under this resolution to the Managing Director or, with the latter's consent, to one or more deputy managing directors, within the limits it would have previously set.

We call to your attention the fact that:

- this delegation will cause any prior delegation with the same subject-matter to lapse as of general meeting, within the limit, where necessary, of the unused portion thereof.
- this delegation may be used during a period of public purchase or exchange offer pertaining to the Company's shares in accordance with the law and statutes;
- in the event that the Board of Directors uses this delegation, the Board will report to the next ordinary general meeting, in accordance with Articles L.225-100 and L.225-129-5 of the French Commercial Code, on the use that will be made thereof.

However, since the Company prefers to implement profit-sharing plans in favor of employees as described in 3.7, 3.8 and 3.10, we invite you to dismiss this proposition.

4. – AUTHORIZATION TO BE GRANTED TO THE BOARD FOR PURPOSES OF DECREASING THE SHARE CAPITAL BY WAY OF THE CANCELLATION OF THE COMPANY'S TREASURY SHARES

In accordance with the provisions of Article L.225-209 of the French Commercial Code, we ask you to authorize the Board for a period of eighteen months from the general meeting to cancel, at its sole option, on one or more occasions, all or part of the shares that the Company holds or may hold as a result of the use of the various authorizations to purchase shares granted by the general meeting to the Board of Directors, within the limit of 10% of the share capital per period of twenty-four months, in particular with a view to facilitating the reverse split by canceling the shares that may create fractional shares in the same proportion.

We remind you that the general meeting held last June approved the establishment, on principle, of a new repurchase program providing, in particular, that it may be possible to cancel Company's shares.

Should you agree, you would authorize the Board of Directors to decrease the share capital by assigning the difference between the purchase value of the cancelled shares and their par value to all available reserve or premium lines.

You would then grant comprehensive powers to the Board of Directors, having the option to subdelegate to the Managing Director, for purposes of decreasing the share capital on one or more occasions further to the cancellation authorized by this resolution, ordering the related entry into the accounting books, adjusting the rights of holders of options and other holders of combined securities where applicable, amending the Articles of Incorporation accordingly, and generally accomplishing all necessary formalities.

We ask you to acknowledge that this delegation may be used during a period of public purchase or exchange offer pertaining to the Company's shares in accordance with the law and the Articles of Incorporation.

In the event that the Board of Directors uses this delegation, a special report on the proposed transaction would be prepared by the statutory auditors and disseminated to the shareholders as required by statutes.

5. PROPOSED REVERSE SPLIT OF THE COMPANY'S SHARES

We first remind you:

- 1/ that the company went public on April 12, 1999, for a price per share of EUR 7.35 (par value of FRF 1.00),
- 2/ after this initial public offering (in March 2000), the company divided the par value of its shares by 10 (to FRF 0.10) and multiplied the number of shares accordingly.

Technically, the initial share price would have been decreased accordingly to EUR 0.735.

This transaction was envisioned on the basis of the share price increase in order to enable shareholders to access this value more easily.

Today, with a share price lower than EUR 1.00 (0.67 as at April 26, 2007), the Valtech share is regarded as a "penny stock" not only by some financial investors, in particular abroad, but also by large prospective customers who are not aware of the history behind the division of the par value and who mistakenly inferred from the current share price (EUR 0.67 as at April 26, 2007) against the initial price (EUR 7.35) that such value decreased significantly as compared to the initial share price. The fact that a share is regarded as a "penny stock" is often considered by some investors and customers as a criterion for non selection.

That is why we propose consolidating the number of shares that form the registered capital in the following conditions, subject to the reservation set forth below.

On the basis of the foregoing, we ask you to decide, under Article 31 of the Articles of Incorporation authorizing it to do so, to effect a 1-for-50 reverse split of all shares forming the Company's share capital, by way of the creation of new shares and consolidation of 50 old shares (with a current par value of approximately EUR 0.01524 each, of an exchange value of FRF 0.10) for one new share (with a par value of approximately EUR 0.76225).

However, since we do not know whether or not such decision will impact the French shareholding entities, we propose deciding on this transaction on the condition precedent that we obtain confirmation from the French Tax Authorities, to which this issue was referred, that such a transaction will not adversely affect such entities. Therefore, the Board would be empowered to initiate this reverse split only where it obtains written confirmation from the French Tax Authorities in this regard, prior to the expiry one-year period starting on the date of such decision.

The reverse split will be effected by way of an exchange of shares at the rate of one new share for 50 old shares with the same vesting conditions. The law requires that we use the number of 50, since the new par value may not be lower than the exchange value of FRF 5.00 in euros.

In accordance with the provision of Article 6 of Decree No. 48-1683 of October 30, 1948, this decision to effect a reverse split entails the shareholders' obligation to purchase or sell the necessary shares to effect the reverse split.

The reverse split will be effected at the expiry of a fifteen days' period starting from the publication date of a reverse split notice in the *Bulletin des Annonces légales obligatoires* legal gazette.

The two years' period for shareholders to effect the reverse split will lapse exactly two years after publication of the reverse split notice in the *Bulletin des Annonces légales obligatoires* legal gazette. At the expiry thereof, old shares that have not been offered for exchange will be delisted. They will be deprived of the voting rights necessary for the general meeting. Additionally, the right to dividends of shares that were not offered for exchange within the two years' period will be suspended, the foregoing being without prejudice to the application of Article 6(4) of the Decree of October 30, 1948.

In order to facilitate the completion of such transaction from a technical standpoint, we ask you to grant comprehensive powers to the Board of Directors, (having the option to subdelegate to the Managing Director,) for purposes of carrying out this transaction for a one-year period, in particular to set the date for the start of the reverse split, suspend the exercise of the shares or rights granting access to the share capital where applicable, adjusting the rights in an to the options to subscribe and those of holders of share warrants for entrepreneurs granting access to the share capital, where applicable, up to the upper unit, and generally taking all necessary steps;

Also, considering the existence of shares granting access to the Company's share capital, the exact number of existing shares that result from the reverse-split, will be finally acknowledged and decided by the Board of Directors (having the option to subdelegate to the Managing Director) prior to the end of the fifteen days' period referred to 1°) above.

We specify that in order to comply with the exchange rate referred to in 1°) above, the Company may cancel the same amount of treasury shares.

You would also grant comprehensive powers to the Board of Directors (having the option to subdelegate to the Managing Director) for purposes of:

- amending Article 7 "SHARE CAPITAL" of the Articles of Incorporation, once the final number of new shares resulting from the reverse split has been acknowledged;

- amending paragraph 2 of Article 29 "QUORUM – VOTE" of the Articles of Incorporation at the time when it decides to effect the reverse split, as follows:

ARTICLE 29 – QUORUM - VOTE

Paragraph 1 remains unchanged.

Paragraph 2 is amended as follows:

"2. The voting right attached to the capital or dividend shares is proportionate to the capital quota they represent. Subject to the condition below, each share carries the right to vote.

For a period of two years starting from the initial date of the reverse split authorized by the general meeting of the Company, any unconsolidated share will carry the right to vote and any consolidated

share will carry the right to 50 votes, so that the number of votes attached to the shares will be proportionate to the capital quota they represent.”

Lastly, the Board of Directors would have comprehensive powers (having the option to subdelegate to the Managing Director) to implement this decision, accomplish the required formalities of registration, and, more generally, anything necessary for the reverse split in accordance with the aforementioned conditions.

Tax consequences of the reverse split on French tax residents

As recalled above, the information below is only a summary of the tax treatment applicable to the holders of Valtech's common shares and may not apply to specific situations. In particular, the Valtech shareholders having acquired their shares by way of special agreements are invited to approach their tax advisors in order to determine the tax regime applicable to the capital gain realized at the time of the reverse split and the tax impact of this transaction on their personal situation.

French resident individuals holding shares in the context of the management of their personal assets

Under Article 150-B of the French General Tax Code (CGI), provided that the transaction satisfies the conditions required by French legislation, capital gains realized from the exchange of Valtech shares at the time of the reverse split will not be subject to the income tax and will not be entered in the tax return for individual shareholders residing in France. Such stay in taxation on capital gains realized at the time of a reverse split will apply so long as the reverse split does not entail payment of equalizing shares in excess of 10% of the par value of the received shares. The stay in taxation will apply until the subsequent transfer of shares received in exchange.

If the individual shareholders receive payment in cash as compensation for the possible fractional shares, such payment will be treated as an ordinary capital gain on the transfer of shares, subject to income tax, for the year of the reverse split, under the same conditions and at the same rates as those described below. The capital gain realized at the time of the Reverse Split will, within the limit of the exchange parity, be entitled to the stay in taxation until the subsequent transfer of shares received at the time of the reverse split.

In accordance with the provisions of Articles 150-0-A et seq. of the French General Tax Code, capital gains realized at the time of the reverse split will be taxed on the occasion of the subsequent transfer of the Valtech shares. Capital gains realized at the time of such transfer will be subject to the income tax at a 16 % rate, increased by the generalized social security transfer (“*transfer sociale généralisée*” (CSG)) at a 8.2 % rate, repayment of social security debt (CRDS) at a 0.5 % rate, 2% social security withholding, and the additional 0.3% social security transfer . Such taxation will be applicable insofar as the aggregate amount of the share transfer per member of the tax payer's residency during the transfer year is in excess of the EUR 15,000 threshold for 2006.

French shareholding entities

As mentioned above, this decision will be made only on the condition precedent that we obtain confirmation from the French Tax Authorities that such entities will not be liable for taxation further to such a transaction.

6. PROPOSED CHANGES TO THE ARTICLES OF INCORPORATION

In order to update the Company's Articles of Incorporation in accordance with the provision of the June 24, 2004 Order and the July 26, 2005 Law and of the December 11, 2006 Decree, we propose changing Articles 15, 17, 22, 27, 30, 31 and 32 of the Articles of Incorporation as set forth in the

thirty-second resolution proposed to the general meeting. No substantial change is proposed. For instance, the Articles of Incorporation will be updated to include the new legal quorums automatically applying to listed companies, reference to priority dividend shares, which no longer exist under the law, has been removed, the Company's Chairman's assignment has been redefined to include the legal wording, etc.

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We remain available to provide you with any further clarification you may wish.

We will now read the statutory auditors' reports regarding the delegations that require one.

Should you agree, we invite you to approve the resolutions with which you have been presented, except for that relating to the share capital increase in favor of employees of the Company or its Group investing in a corporate saving plan, for the reasons given above.

BOARD OF DIRECTORS