



*Nous concevons votre espace de vie*

ANNUAL SHAREHOLDERS' MEETING  
MAY 26, 2009

**NOTICE OF MEETING**



# INDEX

▪ Chairman's notice of meeting .....	Page 3
▪ How you can attend the Meeting .....	Page 4
▪ Overview of business over the last fiscal year .....	Page 7
▪ Table of financial results for the last five fiscal years .....	Page 18
▪ Meeting agenda .....	Page 19
▪ Resolutions .....	Page 21
▪ Request for documents .....	Page 36
▪ Meeting attendance form (all options) and pre-paid envelope (attached documents)	

The 2008 reference document can be accessed on the Company's website ([www.les-nouveaux-constructeurs.fr](http://www.les-nouveaux-constructeurs.fr)) or can be requested from our head office (LNC SA – Direction Juridique – Tour Montparnasse, 33 avenue du Maine – BP 18 – 75755 Paris Cedex 15)

Tel.: 00 33 (0)1 45 38 45 45  
Fax: 00 33 (0)1 45 38 67 49

Ladies and Gentlemen,

It is my pleasure to invite you to attend a:

**ANNUAL GENERAL SHAREHOLDERS' MEETING**

to be held on

**Tuesday May 26, 2009 at 9:30 a.m.**

**at  
Centre de Conférences  
Club Confair  
54 rue Lafitte  
75009 PARIS**

Please find enclosed information about the Meeting, its agenda and how you can attend.

If you are unable to attend, you can:

- vote by post,
- appoint your spouse or another shareholder to represent you,
- authorize the chairman of the Meeting to vote for you.

Yours faithfully,



The Chairman of the Management  
Board  
Olivier Mitterrand

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## **HOW YOU CAN ATTEND THE MEETING**

### **GENERAL**

#### **General Meeting of Shareholders**

LES NOUVEAUX CONSTRUCTEURS shareholders are invited to attend General Meetings of Shareholders of LES NOUVEAUX CONSTRUCTEURS and vote at those Meetings.

#### **Double voting rights**

Fully paid-up registered shares held by the same shareholder for over four years carry double voting rights at all General Meetings of Shareholders of LES NOUVEAUX CONSTRUCTEURS.

### **ATTENDANCE AT THE MEETING**

All LES NOUVEAUX CONSTRUCTEURS SA shareholders may attend the Company's Combined General Meeting of Shareholders.

### **INITIAL FORMALITIES**

In order to attend the Meeting in person or by proxy or to be able to vote by post, shareholders must identify themselves as such.

- By 00:00 a.m. Paris time on the third working day before the meeting, those holding registered shares must have been registered with SOCIETE GENERALE – Service des Assemblées – BP 81236, 32 rue du champ de Tir – 44312 Nantes Cedex 03, which handles the share service for LES NOUVEAUX CONSTRUCTEURS.
- Holders of bearer shares must by the same date and time be registered with an authorized intermediary and send SOCIÉTÉ GÉNÉRALE a declaration of attendance issued by the intermediary by the third working day before the Meeting. This will be sent as an attachment to applications for postal or proxy votes or to applications for admission card made in the name of the shareholder or on his account.

Declarations must also be made by shareholders wishing to attend the Meeting in person and who have not received their admission card by 00:00 a.m. Paris time on the third working day before the Meeting.

#### **Notice to shareholders attending the Meeting to facilitate proceedings**

As the meeting on May 26 begins promptly at 9:30 a.m., you are invited to:

- Reach Reception and Registration before that time with your admission card and sign the attendance register. Would you please get to the venue one hour before the Meeting begins to facilitate reception formalities.
- Please follow the voting instructions that will be given during the Meeting.

## HOW TO ATTEND

LES NOUVEAUX CONSTRUCTEURS hopes that as shareholder you will be able to attend this Meeting, for which you will need to obtain an admission card.

Even if you do not attend the Meeting you will still be able to vote either by proxy or by post.

The following information explains each of these two methods of taking part in the Meeting.

### 1. Personal attendance

**You must have an admission card** before you will be allowed into the Meeting or to vote. Please request one by crossing box A at the top of the form (attendance form attached to this invitation), dating and signing the box at the bottom of the form and then returning the form to us as quickly as possible so that we can send your admission pass in good time.

- **if you hold registered shares**

Your request must be sent to SOCIETE GENERALE – Service des Assemblées – BP 81236, 32 rue du champ de Tir – 44312 Nantes Cedex 03, in the pre-paid envelope attached.

- **if you hold bearer shares**

Make your request through the financial intermediary who manages your share account (bank, La Poste, stock broker etc.).

### 2. Representation

If you cannot attend the Meeting yourself, you can either:

- be represented by the Chairman of the Meeting. Fill in box B at the top of the form (attendance form attached to this invitation), date and sign the box at the bottom of the form and then return the form either to your financial intermediary (bearer shares) or put it into the pre-paid envelope enclosed and send it to SOCIETE GENERALE (registered shares) ; or
- you can be represented by an agent (your spouse or another shareholder). In this case fill in box B at the top of the form (attendance form attached to this invitation), giving full identification details on your agent in the box created for these details, which you should fill in, date and sign the box at the bottom of the form and then give it to your agent or, if appropriate, return it either to your financial intermediary (bearer shares) or put it into the pre-paid envelope enclosed and send it to SOCIETE GENERALE (registered shares).

Shareholders may send any written questions to the following address on the fourth working day before the date of the Meeting: LES NOUVEAUX CONSTRUCTEURS – Service Juridique – Tour Maine Montparnasse – 33 avenue du Maine – BP 18 – 75755 Paris Cedex 15, France, by the fourth working day before the Meeting. Questions should be accompanied by a statement of share deposit.

### 3. Postal votes

You can vote by post using the form (attendance form attached to this invitation) and returning it in the pre-paid envelope enclosed.

If you wish to vote by post you must first cross box B at the top of the form, then cross the box marked *Je vote par correspondance* (I am voting by post) and then, if necessary, cross the boxes of resolutions you wish to vote against. Do not forget to complete the section entitled *amendements ou résolutions nouvelles présentés en séance* (amendments/new resolutions presented at the Meeting) by crossing the boxes of resolutions for which you want to vote. Finally, date and sign the box at the bottom of the form.

Please note that the law requires postal vote forms to be returned to the financial intermediary managing your shares (bearer shares), to SOCIETE GENERALE (registered shares) or to the Company's head office at least 3 days before the date of the Meeting. Forms received after that date will be invalid.

Once you have returned a postal vote form you will be unable to attend the Meeting personally or by proxy.

Shareholders completing any of the above formalities may nevertheless sell all or any of their shares. However, if the sale takes place more than three working days before 00:00 a.m. Paris time on the Meeting day, the Company will invalidate or amend, as appropriate, postal votes, proxies, admission pass and attendance declarations. The authorized intermediary holding the account will inform the Company or its agent of the sale, providing all necessary information. No sale or other transaction completed by whatever method after 00:00 Paris time on the third working day before the Meeting will be notified by authorized intermediaries or taken into account by the Company, agreements to the contrary notwithstanding.

# OVERVIEW OF BUSINESS OVER THE LAST FISCAL YEAR

(Drawn up on 03/25/09)

## 1 – BUSINESS OPERATIONS AND RESULTS

### 1.1. LNC SA business and results.

LNC was listed on the Paris Bourse on November 16 , 2006, and is quoted on Euronext B.

It directs, coordinates and supervises all its subsidiaries in France and abroad. Service provision agreements describe in detail the nature of the services supplied: administrative, accounting, taxation, legal monitoring and management of all subsidiary activity, and project management for performance and marketing of property transactions.

During the 2008 fiscal year, LNC SA achieved revenue of €24.4m. In 2007 it reached €34.5m. This was mainly from revenue on provisions of services at its subsidiaries in France and abroad.

The dividends received by LNC from its own subsidiaries during the 2008 fiscal year totalled €10.8m. In 2007, the amount reached €9.7m.

The net profit or loss for the fiscal year was a loss of -€19.2m compared to a profit of €9.9m in 2007. In fact, the international slump in the property market led the subsidiaries of LES NOUVEAUX CONSTRUCTEURS SA to record in their financial statements the following main items:

- impairment in the termination margins of property programs
- depreciation in plots of land on hold given the standstill in the Spanish market
- decision to stop the activity in Portugal
- decision to put on hold the activity of the Polish subsidiary

In this unfavourable climate, LES NOUVEAUX CONSTRUCTEURS SA:

- agreed to waive the debts of its Portuguese and Polish subsidiaries for a total of €1,500,000 and €1,787,355 respectively.
- and, in accordance with current accounting principles and methods, assessed its stake and/or debts in its subsidiaries at 12/31/2008, and noted provisions for the difference between the gross book value of each stake and/or debt and its recoverable value.

The amount of the dividends distributed in 2008 for the 2007 fiscal year totalled €8.7m.

The Company's shareholders' equity totalled €95.6m at December 31, 2008.

Lastly, on March 31, 2008, LES NOUVEAUX CONSTRUCTEURS SA formed a company in Romania. In light of events, no operation could be developed in this country in 2008.

## 1.2. Activity and income of the LNC Group

The annual revenue for the LNC group fell slightly by €15m, i.e. 2.8% compared to 2007. This fall mainly occurred in the second half-year of 2008 (-17.4% compared to the second half-year 2007). An analysis by location shows the strong contribution of France in 2008, offset by a substantial drop in sales in Germany and in Spain.

Most of the fall in reservations recorded in 2008 was in the Spanish market, practically at a standstill, and in which the number of withdrawals exceeded that of new reservations. On the other hand, reservations on the French market rose by 10% between 2007 and 2008, buoyed by strong growth in block sales to corporate lessors.

The LNC order book is slightly down compared to the end of 2007. It represents 13 months of activity based on the revenue of the past 12 months, compared to 15 months at the end of 2007.

LNC's land portfolio now represents 1.8 years of activity compared to 3.3 years at the end of 2007. In a slowing market, LNC has abandoned a certain number of projects in France, put the development of ten plots of land in Spain on hold and suspended the activity of its Polish subsidiary.

### Main performance indicators

KEY INDICATORS – in millions of euros	2008	2007	Change
<b>Revenue (excluding taxes)</b>	<b>520.5</b>	<b>535.6</b>	<b>- 2.8%</b>
Reservations (incl. tax)	424	490	- 14%
Order book (excluding taxes)	544	668	- 18%
Property portfolio (excluding taxes)	918	1,733	- 47%

#### a) Slight drop in revenue of 2.8% compared to 2007

At December 31, 2008, LNC revenue totalled €520.5m, down overall by 2.8% compared to December 31, 2007. In the 4<sup>th</sup> quarter 2008, revenue totalled €160.3m, down €74m compared to that of the 4<sup>th</sup> quarter 2007, mainly due to the fall in activity in Spain.

### Distribution of revenue by countries

In millions of euros excl. tax	2008	2007	Change
<b>France</b>	<b>314.2</b>	<b>258.1</b>	<b>+21.7%</b>
<b>Spain</b>	<b>64.0</b>	<b>78.8</b>	<b>-18.8%</b>
<b>Germany</b>	<b>134.9</b>	<b>185.7</b>	<b>-27.4%</b>
<b>Other</b>	<b>7.5</b>	<b>12.9</b>	<b>-41.9%</b>
Total	520.5	535.6	-2.8%

In France, revenue for the 2008 fiscal year rose by approximately 22% compared to 2007, in line with the increase, between the 2 fiscal years, of the average number of construction programs underway. CFH, acquired in October 2007, contributed €52.8m to the revenue for the period compared to €12.8m in 2007. Commercial property represented €23.2m in 2008 compared to €32.3m in 2007.

In Spain, 279 homes were completed during the 2008 fiscal year compared to 300 in 2007. As a precaution, LNC decided to register, during the 4<sup>th</sup> quarter a certain number of potential withdrawals on future projects. For the whole of 2008, the withdrawal rate on projects totalled 31%.

German revenue is broken down into €37m for Concept Bau and €98m for Zapf (50% base), compared to €46m and €140m respectively in 2007. In this country, 389 projects were completed during 2008 compared to 582 in 2007. Zapf completed the third and last phase of the Netzaberg program. This last phase contributed €32m to the revenue compared to €64m for the 2007 revenue.

The project completions corresponding to the LNC activity in Munich and in Berlin totalled 113 homes in 2008, compared to 153 homes in 2007. This fall is notably due to the technical delay in a 40-home phase for a program in Munich, with completion moved forward to the start of 2009.

For the other locations, the 42% fall is entirely due to halting the activity in Portugal, which had contributed €5.3m to the revenue in 2007. Furthermore, business in Indonesia remained stable at €7.5m.

#### **b) A 14% fall in reservations**

In 2008, net reservations fell overall by 14% compared to 2007.

#### **Reservations (residential)**

<b>In millions of euros excl. VAT</b>	<b>2008</b>	<b>2007</b>	<b>Change</b>
France	322	293	+10%
Spain	- 4	76	-105%
Germany	87	98	-11%
Other	19	23	-17%
<b>Total</b>	<b>424</b>	<b>490</b>	<b>-14%</b>

In France, reservations increased by 10% between 2007 and 2008 due to sharp growth in block sales to corporate and institutional investors. At 31 December 2008, these block sales represented 677 homes, i.e. 45% of volume sales, compared to 179 homes in 2007. They were mainly built for corporate lessors, including SNI for 223 homes. The private market considerably tightened throughout 2008: the rate of sales was cut in two compared to 2007 and the average rate of withdrawal reached the historically high level of 37%. Despite this climate, the average pre-marketing rate of 19 sites started in 2008 remained at the high level of 47%.

In Spain, the fall in reservations continued in a market virtually at a standstill. Net reservations became negative due to the major withdrawals that occurred in the 4<sup>th</sup> quarter, mainly for reservations dating from the 2006 and 2007 fiscal years. To date, LNC has fourteen programs in the marketing stage in Spain (seven for which the work is completed, four at the site stage and three where the site has not been started) and ten plots of land put on hold given the slump in the local market. It is the commercial priority of the subsidiary to sell the 249 homes completed and unsold at the end of 2008.

In Germany, the total amount of reservations fell by 11% in 2008. This change is due to the 33% fall in Zapf reservations in a lifeless market. LNC activity in Munich and Berlin (Concept Bau – Premier) rose by 7% notably thanks to a positioning towards a more top-of-the-range clientele, a market segment which is currently growing.

### c) An 18% fall in the value of the order book

At December 31, 2008, the LNC order book totaled €544m (excl. tax), down 18% in one year. It represents 13 months of activity based on revenue over the past 12 months compared to 15 months at December 31, 2007.

#### Order book at December 31

<i>In millions of euros excl. tax</i>	<b>31-12-2008</b>	<b>31-12-2007</b>	<b>Change</b>
<b>France</b>	402	433	-7%
<b>Spain</b>	49	121	-59%
<b>Germany</b>	81	101	-19%
<b>Other</b>	12	13	-10%
<b>Total</b>	<b>544</b>	<b>668</b>	<b>-18%</b>

In France, the order book fell by €31m, in line with the drop in residential activity. The order book for commercial property rose by €29m at 31 December 2008. The France order book corresponds to 74% of LNC's entire order book compared to 65% for the previous year.

In Spain, the order book totaled €49m at December 31, 2008, i.e. a 59% fall compared to the end of 2007. The continuous fall in the order book is due to both the continuation of deliveries, and the increase in old reservations withdrawals.

In Germany, the order book reached €81m at December 31, 2008, after completion of the third phase of the Netzaberg program. LNC activity in Berlin and in Munich now represents two thirds of this order book compared to only 30% at the end of 2007.

### d) Land portfolio down 47%

#### Land portfolio at December 31

<i>In millions of euros excl. tax</i>	<b>31-12-2008</b>	<b>31-12-2007</b>	<b>Change</b>
<b>France</b>	451	825	-45%
<b>Spain</b>	184	377	-51%
<b>Germany</b>	261	259	+1%
<b>Other</b>	22	272	-92%
<b>Total</b>	<b>918</b>	<b>1733</b>	<b>-47%</b>

At December 31, 2008, LNC's land portfolio totaled €918m, i.e. 1.8 years of activity, based on revenue over the past twelve months. At December 31, 2007, it represented 3.3 years of activity.

In France, the 45% fall in the land portfolio in 2008 was due to the decision to withdraw from a certain number of projects and to drastically cut back the new land developments following the commercial slowdown, which became more pronounced throughout the past year. Furthermore, several plots of land under option were renegotiated during the year in order to adjust their prices to the new market conditions.

In Spain, the sharp fall of 51% between the end of 2007 and the end of 2008 is due to the halt in any new land development since June 2007 and the putting on hold of ten none marketed plots of land, with these being removed from the land portfolio.

In other locations, the fall is due to the suspension of operations in Poland, the land portfolio of which represented €168m at the end of 2007, and to the halting of operations in Portugal, where the land portfolio totaled €49m at the end of 2007.

#### e) Income

##### Simplified consolidated profit and loss account

(In millions of euros excluding taxes)	2008 *	2007 (published)*	Change
Revenue	520.5	535.6	-15.1
Gross margin	105.7	155.2	-49.5
<b>% of revenue</b>	20.3%	28.9%	-8.6%
Current operating income	18.9	62.6	-43.7
<b>% of revenue</b>	3.6%	11.7%	-8.1%
<b>Non-recurring items</b>	<b>-35.1</b>	<b>-0.2</b>	<b>-35</b>
Operating income	-16.2	62.4	-78.6
<b>% of revenue</b>	-3.1%	11.7%	-14.8%
<b>Financial income</b>	<b>-22.8</b>	<b>-17.4</b>	<b>-5.4</b>
Pre-tax profit	-39.0	45.0	-84
Result share in companies consolidated according to equity method	-0.3	-0.2	NS
<b>Income/loss on abandoned activity</b>	<b>-5.9</b>	<b>-</b>	<b>-5.9</b>
<b>Profits tax</b>	<b>0.8</b>	<b>-13.9</b>	<b>14.7</b>
Net profit	-44.4	30.9	-75
<b>% of revenue</b>	-8.5%	5.8%	-14.3%
<b>Minority shareholders</b>	<b>-1.1</b>	<b>-4.5</b>	<b>-3.4</b>
Attributable net profit, Group portion	-45.5	26.4	-71.9
<b>% of revenue</b>	-8.7%	4.9%	-13.6%

\*CFH has been included as of October 1, 2007. The revenue included in the financial statements totals €52.8m in 2008 compared to €12.8m for the 4<sup>th</sup> quarter 2007.

Gross margin fell sharply by €49.5m, representing 32%, and a loss of 8.6 points.

However, this major change is due to two methodology factors:

- a difference in classifying Zapf's production payroll costs, represented as operating expenses in 2007 and sales costs in 2008, a variance equal to €11.6m in 2007,
- treatment of Premier Portugal under IFRS 5 standard in 2008 (operations abandoned), where this subsidiary represented a gross margin of €1.2m in 2007.

After restatement of these two effects, the gross margin fell from €142.5m in 2007 to €105.7m in 2008, representing a real fall of €36.8m and a drop in the margin ratio of 26.9% to 20.3%, i.e. 6.6 points.

This margin loss is mainly distributed as follows:

- ✓ Spain: -€18m. The gross margin ratio fell from 41.7% in 2007 to 23.4% in 2008, mainly due to the unfavorable change in price and mix effects (recap: very high contribution of the PAU Vallecas operation in 2007 which had a margin ratio close to 50%) and the necessity to approve provisions related to withdrawals of operations and/or termination losses (€3.8m).
- ✓ Zapf: -€10m. The Zapf margin ratio remains stable at approximately 21-22%; nevertheless, revenue has fallen sharply by €42m (LNC proportion 50%), due mainly to fewer deliveries relating to Netzaberg, with this program having been two thirds completed in 2007.
- ✓ France: -€6m. This drop in margin for French entities is broken down into -€13m for the LNC portion and +€6m due to the integration of CFH over four quarters in 2008 instead of one quarter in 2007. The gross margin level for LNC operations was greatly affected by the necessity to make provisions for termination losses totaling €7m in 2008, due to commercial difficulties encountered and the fall in the price inherent in the market in general and the increase in block sales in particular.
- ✓ Germany (excl. Zapf): -€2m. The Concept Bau margin ratio fell slightly from 21% to 19%, with the drop in margin resulting mainly from the fall in revenue in 2008, together with a lower level of completions (113 units in 2008 compared to 153 in 2007).

#### Allocation of current operating income by country

(In millions of euros)	2008	Contribution	2007	Contribution	Change
<b>France</b>	22.2	117%	31.4	50%	<b>-9.2</b>
% of revenue	7.1%				
<b>Spain</b>	6.3	33%	22.5	36%	<b>-16.2</b>
% of revenue	9.8%				
<b>Germany</b>	-7.4	-39%	9.9	16%	<b>-17.3</b>
% of revenue	-5.5%				
<b>Other</b>	-2.2	-12%	-1.2	-2%	<b>-1</b>
% of revenue	NS		NS		
Current operating income	<b>18.9</b>	<b>100%</b>	<b>62.6</b>	<b>100%</b>	<b>-43.7</b>
% of revenue	3.6%		11.7%		

*Table shown excludes re-breakdown of head office costs, with the treatment abandoned in 2008 (restatement for 2007) given its negligible nature.*

Generally, the €37m drop in gross margin recorded above is entirely due to the -€44m fall in current operating income between 2007 and 2008.

In France, the consolidation of CFH over 12 months, instead of three months in 2007, led to a €3m increase in operating expenses, which are added to the €6m drop in gross margin recorded above.

Operating expenses in Germany increased whereas activity fell, partly due to the effect of provisions made to Zapf in line with its fall in activity and restructuring.

Lastly, the increase in importance of Poland in 2008, before the decision to shelve the subsidiary in the 4<sup>th</sup> quarter 2008, led to a €1m increase in operating expenses.

Non-recurring operating expenses were very high in 2008, totaling €35m over the fiscal year, and distributed as follows:

- Depreciation of Comepar/SNDB (Mandelieu) goodwill: €1.4m
- Depreciation of CFH goodwill: €4.3m
- Depreciation of plots of land on hold in Spain: €23m
- Depreciation of Polish stocks: €6.5m

After taking these exceptional items, operating income for 2008 totaled -€16.2m

Financial income fell from -€17.4m in 2007 (-€19.4m after IFRS 5 restatement for Portugal) to -€22.8m in 2008, i.e. a real rise in financial expenses of €3.5m, which is due to the increase in the average consolidated indebtedness, increasing from €288m in 2007 to €332m in 2008. Between the two fiscal years, the average cost of indebtedness has not changed significantly, compared to the average Euribor increasing from 4.3% in 2007 to 4.6% in 2008.

The cost of the shutdown in Portugal in 2008 totaled €5.9m, corresponding largely to stock depreciations and funding for termination losses.

The negative tax expense on profits totaled +€0.8m in 2008, broken down into +€4.6m corporate tax due (including €5m carryback in France) and -€3.8m deferred corporate tax resulting mainly from entry under deferred tax assets.

Minority interests represent an expense of -€1.4m in 2008 compared to -€4.8m in 2007. This amount is mainly broken down into minority interests in joint property developments in France for -€4.6m, offset by a share in losses from the Polish joint venture for the Julianów project by its external partners, totaling +€3.2m.

Net income for the group portion for 2008 is a loss of -€45.5m, including €8.5m profit achieved in France and €54m losses achieved abroad (including Spain: -€26.5, Germany: -€15, Poland: -€6 and Portugal: -€6).

#### f) Working Capital Requirement

(In millions of euros)	2008	2007	Change
<b>Stock</b>	498.6	536.7	<b>-38.1</b>
<b>Clients and other receivables</b>	100.1	132.2	<b>-32.1</b>
<b>Traders and other debt</b>	208.5	258.7	<b>-50.2</b>
<b>TOTAL WCR</b>	<b>390.2</b>	<b>410.3</b>	<b>-20.1</b>

The WCR fell by €20m at the end of December 2008 compared to the end of 2007, with €38m of this improvement coming from the fall in stocks, after taking into account +€44m in depreciation expenses, i.e. a change of -€6m excluding depreciation, showing an increase in the amount of gross stocks from the slowdown in sales. The €32m decrease in clients and other receivables and the €50m decrease in traders and other debt are due to a contraction in activity in this property crisis period.

### g) Financial structure at December 31, 2008

(In millions of euros)	2008	2007	Change
<b>Non-current financial debt</b>	111.4	144.0	<b>-32.6</b>
<b>Current financial debt</b>	209.2	161.7	<b>47.5</b>
<b>TOTAL</b>	<b>320.6</b>	<b>305.7</b>	<b>14.9</b>
<b>Share of contributions from minority partners</b>	-10.5	-9.4	<b>-1.1</b>
Gross debt	<b>310.1</b>	<b>296.3</b>	<b>13.8</b>
<b>Cash position*</b>	84.6	113.9	<b>-29.3</b>
Net indebtedness	<b>225.5</b>	<b>182.4</b>	<b>43.1</b>
<b>Net debt over shareholders' equity</b>	131%	81%	<b>50pts</b>

\* At the end of 2008, the cash position included €34m which were unavailable and left at the SCIs' level throughout the construction period (compared to €46m at the end of 2007).

LNC SA's consolidated net debt at December 31, 2008 was €226m. This financial statements for 131% of consolidated equity. Expressed under current operating income, it reached a 11.9 multiple compared to 2.9 at the end of 2007. Total Group debt of €321m is distributed geographically as follows:

- France: €111m (35%)
- Spain: €127m (40%)
- Germany: €62m (19%)
- Poland: €11m (3%)
- Portugal: €9m (3%)
- Indonesia: €1m (0%)

As recorded below, the €43m increase in net indebtedness in 2008 is mainly due, for €32m of it, to negative cash flow from the operating cash position and, for €11m of it, to dividends paid during the fiscal year.

### h) Cash flow

(In millions of euros)	2008	2007	Change
Opening cash position	<b>111.9</b>	<b>91.5</b>	<b>20.4</b>
<b>Internally generated funds</b>	-51.9	30.3	<b>-82.2</b>
<b>Change in WCR*</b>	19.5	-81.8	<b>101.3</b>
Operating cash flows	<b>-32.4</b>	<b>- 51.4</b>	<b>19</b>
<b>Capital increase net of issue expenses</b>	-	-	<b>0</b>
<b>Change in debt (inc. contributions by promoters)</b>	18.5	91.1	<b>-72.6</b>
<b>Dividend paid out to parent company shareholders</b>	-8.4	- 8.4	<b>0</b>
<b>Other flows</b>	-7	-10.9	<b>3.9</b>
Closing cash position**	<b>82.5</b>	<b>111.9</b>	<b>-29.4</b>
<b>Cash variation</b>	<b>-29.3</b>	<b>20.4</b>	<b>-49.7</b>

\*The WCR in the cash flow table does not take into account changes in the scope or reclassifications.

\*\*The closing cash position is different to the cash position shown in the balance sheet. The €2m difference corresponds to the creditor receivables registered under liabilities.

The €29.3m cash position fell during the 2008 fiscal year, mainly consumed by the operating activities and payment of dividends, as part of a recourse to very reduced indebtedness compared to 2007.

**1.3. RESULTS OF LNC SA, ITS SUBSIDIARIES AND CONTROLLED COMPANIES**

Companies	Business	% holding at 12/31/08	Currency	Capital	Shareholders' equity at December 31, 2008 (*)	Book value of stake at December 31, 2008	Share provisions at December 31, 2008	Dividends received in 2008	Rev excluding tax last period	Net profit after tax during last period	Year-end date	Loans/ advances granted
<b>A/ France</b> LNC Investissement SA	Holding company with stakes in French property concerns	99.24	EUR	16,072,245	52,296,728	52,801,278	none	4,785,233	none	9,313,910	31.12.08	none
CFHI	Holding company with stakes in French property concerns	100	EUR	10,653,600	11,318,107	34,149,563	986,190	none	6,007	3,140,936	31.12.08	none
<b>B/ Foreign</b>												
<b>Germany</b> Concept Bau-Premier GmbH (Munich)	Residential building development projects	99.24	EUR	51,129	303,966	48,000	none	none	21,741,432	2,234,979	31.12.08	1,640,233
Premier Concept Bau 2 GmbH (Berlin)	Promotion, construction and sale of homes	99.32	EUR	1,000,000	(405,631)	368,000	none	none	10,627,283	1,347,128	31.12.08	none
ZAPF GmbH (Beirut)	Fabrication, construction and development of prefabricated buildings (private houses and garages)	50.00	EUR	732,110	18,095,713	291,300	1,521	none	120,770,886	(21,297,540)	31.12.08	14,858 317
Premier Deutschland GmbH (Frankfurt)	Promotion, construction and sale of homes	100	EUR	25,000	(151,929)	54,801	27,000	none	none	(426,750)	31.12.08	690,124
<b>Spain</b> Premier España (Barcelona)	Promotion, construction and sale of homes	99.90	EUR	5,312,994	28,777,000	6,407,678	5,000,000	5,609,982	63,826,000	(26,145,000)	31.12.08	none
<b>Portugal</b> LNC Premier Portugal Lda (Lisbon)	Promotion, construction and sale of homes	99.99	EUR	1,000,000	(477,206)	1,037,130	1,037,130	none	5,558,500	(1,591,660)	31.12.08	3,289,213
<b>Indonesia</b> PT Les Nouveaux Constructeurs Premier Real Property Indonesia (Jakarta)	Co-promotion property development of villages and individual homes	99.00	EUR	181,040	(802,591)	353,721	353,721	none	311,992	(55,583)	31.12.08	4,462,799
<b>Poland</b> Premier Polska (Warsaw)	Promotion, construction and sale of homes	99.99	EUR	963,043	(852,245)	1,053,691	1,053,691	none	395,973	(4,821,801)	31.12.08	10,048,306
<b>Romania</b> Premier LNC Romania	Promotion, construction and sale of homes	100	EUR	924,848	none	1,000,000	118,910	none	none	(43,757)	31.12.08	none
<b>Singapore</b> Premier LNC Singapour	Holding	100	EUR	NS	92,191	NS	none	none	none	229,777	31.12.08	2,531,638

(\*) excludes share capital and income for the period.

## **2 - PROGRESS AND PROBLEMS**

This issue has been dealt with in the paragraph above.

## **3 - R&D**

Group activities are not dependent on trademarks, patents or licenses since the Group uses the LES NOUVEAUX CONSTRUCTEURS and PREMIER brands owned by LNC, and also the CONCEPT BAU München brand in Munich owned by its subsidiary, CONCEPT BAU GmbH. ZAPF GmbH owns the brand of the same name.

All LNC subsidiaries except Concept Bau and ZAPF are authorized to use LNC brands in their business.

The Group has no significant R&D expenses.

Since its foundation the Company has developed a strong, well-known brand. LES NOUVEAUX CONSTRUCTEURS is a brand associated with its logo and the slogan "We design spaces for living", both of which are filed as part of the brand name.

The Company has also created the PREMIER brand for innovative, luxury property development programs and to accompany its international growth.

The purchase of CONCEPT BAU and ZAPF in Germany has contributed two new brands to the Group.

Following its purchase of the CFH Group on 18 October, 2007, the Company is the owner of the CFH brand associated with its logo.

Since 19 March 2008 the Company has held the "Les Nouveaux Constructeurs Financement" trademark. This trademark is licensed to a brokerage company, which provides financing for customers of the Company's property programs.

The Group owns all its own brands, and the renewal and protection of these copyrights is managed by the head office Legal Department with the assistance of specialist consultants.

## **4 - OUTLOOK**

In order to confront the severe downturn in its markets, in 2008 LNC took a series of measures to greatly reduce its operating expenses. It also geographically streamlined its activities by closing the Valencia office in Spain, shutting down operations in Portugal, suspending activity in Poland and postponing the startup in Romania.

In the current context, the ongoing management of the Company's financing is a priority. Therefore, in Spain, the Premier España subsidiary initiated talks with its bankers to ensure the refinancing of programs underway and the plots of land on hold. Furthermore, in Germany, discussions are nearing conclusion concerning the renewal of the Zapf banking pool. In France, the Company has not encountered, to date, any major difficulty in financing its programs.

The paralysis of the market in Spain, the commercial difficulties encountered by Zapf in Germany, as well as the shutdown in Portugal and the suspension of activity in Poland significantly affected the results for the 2008 fiscal year. In 2009, however, LNC is determined to continue its development by focusing on new programs with a controlled risk (institutional block sales, public housing and programs that can be completed by phase, etc) as well as a good profitability level.

At the end of February 2009 net reservations at the group level totaled 441 units compared to 419 for the same period one year earlier, i.e. a 5% increase.

In France, the number of reservations for the first two months of the year totaled 263 units, compared to 288 for the same period in 2008. Given the particularly low level of activity observed on the French market in the 4<sup>th</sup> quarter 2008, these figures show signs of a recovery in the market in the first quarter 2009, due to the combined effect of the fall in interest rates and the first measures of the stimulus plan, the Scellier plan for private rental investment and the doubling of the zero-rate loan for first-time buyers.

Outside France, the number of reservations for the first two months of the year totaled 178 units, compared to 131 for the same period in 2008. Among the 178 reserved units, 145 were in Germany, 21 in Indonesia, 11 in Spain and 1 in Portugal.

Among the German reservations, 91 lots in Munich were subject to block sales in an AXA group investment fund, as part of a voluntary initiative by the Group to increase its sales to institutional investors.

Given the high volatility in current market conditions, LNC is not providing a forecast for the 2009 – 2010 results.

## **5 – MAJOR POST-BALANCE SHEET EVENTS**

### **Spain**

At March 17, 2003, negotiations started in Spain with the banking pool to re-schedule the financing lines of Premier España maturing at the end of 2008 or 2009, ended favorably for 63% of the subsidiary's loans, with a favorable outcome being expected for the balance.

### **Zapf**

Zapf was in talks for several months with its banking pool to renew its lines of credit maturing at the end of December 2008. The aim was to obtain €24m in project financing, as well as an additional line of €6m to meet the working cash flow requirements. With negative Zapf results in 2008, and the same forecast for 2009, the banking pool has demanded that the Company puts forward a restructuring plan in line with continuing activity compatible with financing risks. Zapf has thus drawn up a restructuring plan with the progressive shutdown of the property development activity (Zapf Wohnen) and the streamlining of construction and garage activities. An agreement was reached with the banking pool on February 26, 2009 confirming the availability of the financing requested for a two-year period.

**COMPANY FINANCIAL RESULTS FOR THE LAST FIVE FISCAL YEARS**

(Art. 133, 135 and 148 of the decree on commercial companies)

NATURE OF INDICATIONS	2004	2005	2006	2007	2008
<b><u>I- FINANCIAL POSITION AT YEAR-END (in euros)</u></b>					
a) Share capital	7,816,842	10,659,330	14,802,169	14,802,169	14,802,169
b) Number of shares issued	1,421,244	1,421,244	14,802,169	14,802,169	14,802,169
c) Sum of convertible bonds	0	0	0	0	0
d) Number of convertible bonds	0.00	0.00	0.00	0.00	0.00
<b><u>II- OVERALL RESULT OF OPERATIONS CARRIED OUT (in euros)</u></b>					
a) Revenue excluding taxes	23,398,263	27,951,223	26,725,615	34,474,766	24,405,039
b) Income before tax, amortizations and provision	4,420,632	11,875,005	5,391,771	9,182,671	1,347,216
c) Profits tax	0	913,772	(771,208)	(1,213,841)	(11,958,668)
d) Income after tax, amortizations and provision	5,575,818	12,193,376	9,555,763	9,866,448	(19,222,104)
e) Sum of profit distributed	5,540,976	6,215,598	8,699,978	8,711,951	
<b><u>III- RESULT OF OPERATIONS REDUCED TO A SINGLE SHARE (in euros)</u></b>					
a) Income after tax and before amortizations and provision	3.11	7.71	0.42	0.70	0.90
b) Income after tax, amortizations and provision	3.92	8.58	0.65	0.67	(1.30)
c) Dividend paid out on each share for the year	4.00	4.50	0.60	0.60	
<b><u>IV- STAFF</u></b>					
a) Number of staff (average workforce)	142	148	163	183	200
b) Total payroll	10,518,855	10,324,219	11,366,767	13,406,339	12,586,442
c) Total amounts paid out as social benefits (social security, social work etc.)	4,179,114	4,395,465	5,237,175	5,614,891	5,753,102

## Meeting agenda

- The Management Board's report on the results and the Company and group's activity during the fiscal year ended December 31, 2008.
- Supervisory Board's report.
- Statutory Auditors' reports on (i) the annual Company financial statements for the fiscal year ended December 31, 2008 and the Chairman of the Supervisory Board's report pursuant to Article L. 225-68, paragraph 7 of the French Commercial Code, (ii) the consolidated financial statements for the fiscal year ended December 31, 2008, (iii) the agreements under Article L. 225-86 of the French Commercial Code, (iv) the renewal of the terms of office of members of the Supervisory Board (v) the authorizations to grant to the Management Board for the purpose of: reducing share capital by canceling purchased shares; increasing share capital with or without pre-emptive rights; increasing share capital with no pre-emptive subscription rights reserved for employees on a Company savings plan; allocating share subscription or purchase options; free allocation of shares either existing or to be issued to the benefit of employees and corporate officers.

### **Resolutions to be put to the Ordinary General Meeting of Shareholders**

1. Approval of the financial statements for the fiscal year ended December 31, 2008; management report; discharge to the Management Board and the Supervisory Board
2. Approval of the consolidated financial statements for the fiscal year ended December 31, 2008
3. Allocation of net income for the fiscal year
4. Approval of an agreement entered into indirectly with Premier Investissement
5. Approval of agreements pursuant to Article L. 225-86 of the French Commercial Code
6. Renewal of the term of office of Philippe POINDRON
7. Renewal of the term of office of Louis David MITTERRAND
8. Authorization for the Management Board to allow the Company to operate on its own shares

### **Resolutions to be put to the Extraordinary General Meeting of Shareholders**

9. Authorization for the Management Board to reduce share capital by canceling shares
10. Delegating powers to the Management Board to decide to increase share capital, maintaining pre-emptive rights
11. Delegating powers to the Management Board to decide to increase share capital, removing pre-emptive rights
12. Delegating powers to the Management Board to increase the number of shares to issue in the event of a capital increase with or without a pre-emptive subscription right within the limits stipulated in the 10<sup>th</sup> and 11<sup>th</sup> resolutions
13. Delegating powers to the Management Board to issue ordinary Company shares and securities giving access to ordinary Company shares in the event of a security-exchange takeover bid by the Company

14. Delegating powers to the Management Board to increase share capital by issuing ordinary Company shares or securities giving access to capital, to a limit of 10% of share capital, for remuneration via contributions in kind in relation to shares or securities giving access to capital
15. Authorization for the Management Board to decide to increase share capital through capitalization of premiums, reserves, gains and other items
16. Delegating powers to the Management Board to decide to increase share capital in favor of employees on a Company savings plan and foreign employees, removing pre-emptive subscription rights in favor of the latter
17. Authorization for the Management Board to extend the period for exercising Company share purchase or subscription options
18. Delegating powers to the Management Board to allow Company share purchase or subscription options
19. Delegating powers to the Management Board to allocate free shares
20. Setting an overall delegation limit
21. Powers for formalities.

## RESOLUTIONS

### ORDINARY

#### **First resolution – Approval of the financial statements for the fiscal year ended December 31, 2008 – Management report – Discharge to members of the Management Board and the Supervisory Board**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Company's annual financial statements ended December 31, 2008 including the balance sheet, profit and loss account and appendix, Management Board, Supervisory Board and Statutory Auditors' reports, approves the financial statements for the fiscal year ended December 31, 2008 as presented showing a loss of -€19,222,104.05, as well as the transactions presented in these financial statements and summarized in these reports.

The General Meeting of Shareholders also approves the expenses that are non-deductible fiscally and reintegrated pursuant to Article 39-4 of the French General Tax Code, for a total sum of €64,956 (corresponding to the private car leasing quota).

Consequently, the General Meeting of Shareholders discharges members of the Management Board and Supervisory Board from their management duties for the fiscal year ended December 31, 2008.

#### **Second resolution – Approval of the consolidated financial statements for the fiscal year ended December 31, 2008**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board, Supervisory Board and Statutory Auditors' reports, approves in all their parts and consequences, the consolidated financial statements ended December 31, 2008, as presented showing net income of -€44.4m, as well as the transactions presented in these financial statements and summarized in these reports.

#### **Third resolution – Allocation of net income for the fiscal year**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' general report, noting that the result for the 2008 fiscal year shows a loss of -€19,222,104.05 decides to allocate it and the retained earnings brought forward, as follows:

- Retained earnings brought forward	-€7,289,987.79
- Loss for the fiscal year	-€19,222,104.05
<b>Total to be allocated</b>	<b>-€11,932,116.26</b>
Allocation to the "Other Reserves" item:	-€11,424,168.00
Allocation to the "Statutory or Contractual Reserves" item:	-€507,948.26

Pursuant to Article 243 of the French General Tax Code, the amount of dividends distributed for the previous three fiscal years, and the French amount of revenue eligible or not eligible for the allowance stated in paragraphs two and three of Article 158 of the General Tax Code, broken down if required by share categories, are the following, it being specified that the 2005 figures are shown before the nominal division of the shares by 7.5:

	<b>Amount</b>	<b>Tax credit</b>	<b>Eligible for allowance</b>	<b>Amount to be declared</b>
2005	4.50 euro	none	yes	4.50 euro
2006	0.60 euro	none	yes	0.60 euro
2007	0.60 euro	none	yes	0.60 euro

#### **Fourth resolution – Approval of an agreement concluded indirectly with Premier Investissement**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Statutory Auditors' special report on agreements governed by L. 225-86 of the French Commercial Code, approves the following agreement concluded indirectly with Premier Investissement:

- "LNC FINANCEMENT" trademark licensing agreement granted to the A2L France company.

#### **Fifth resolution – Approval of agreements pursuant to Article L. 225-86 et seq. of the French Commercial Code**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Statutory Auditors' special report on agreements governed by Article L. 225-86 of the French Commercial Code, approves the agreements made or maintained during the 2008 fiscal year and the operations therein.

The General Meeting of Shareholders also notes the list and subjects of current agreements made under normal circumstances and relating to the 2008 fiscal year, as reported to the Statutory Auditors by the Chairman of the Supervisory Board.

#### **Sixth resolution – Renewal of the term of office of Philippe POINDRON**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report, decides to renew the term of office of:

- **Philippe POINDRON**, born on January 6, 1946 in Sevran (93), residing at 31, avenue de la Source, 94130 Nogent sur Marne

in his capacity as member of the Supervisory Board for a three-year period, expiring at the end of the Ordinary General Meeting of Shareholders which will be called to rule on the financial statements for the fiscal year ended in 2011.

### **Seventh resolution – Renewal of the term of office of Louis David MITTERRAND**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report, decides to renew the term of office of:

- **Louis David MITTERRAND**, born on March 21, 1965 in Neuilly sur Seine (92), residing at 31 Bis Boulevard Suchet, 75016 Paris

in his capacity as member of the Supervisory Board for a three-year period, expiring at the end of the Ordinary General Meeting of Shareholders which will be called to rule on the financial statements for the fiscal year ended in 2011.

### **Eighth resolution – Authorization for the Management Board to allow the Company to operate on its own shares**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report, authorizes the Management Board, with powers to sub-delegate as stipulated by law, to operate with Company shares on the stock market or on other facilities, as per Articles L. 225-209 *et seq.* of the French Commercial Code and Articles 241-1 *et seq.* of general AMF regulations, with the following specific objectives:

- manage the shares under a liquidity agreement drawn up in accordance with a Charter of Ethics recognized by the AMF and concluded with an independent investment service provider,
- issue shares or share purchase options to Company and/or Group employees and executives in compliance with the law,
- set aside shares to be given in exchange or payment for external growth,
- acquire shares during the fiscal year with rights attached to negotiable securities granting the right, now or in the future, to the allocation of Company shares,
- implement any Company share purchase options plan under the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code,
- the free allocation of shares under the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code,
- cancel all or part of the shares to improve cash flow management or the yield on equity and income per share, subject to the General Meeting of Shareholders specifically voting in favor of such action;
- generally, carry out any other operation permitted under current regulations.

This program is also intended to enable the Company to operate for any other purpose that is authorized now or in the future by the law and regulations in force. In such a case, the Company will inform its shareholders by means of a notification.

Such operations will be carried out under the following conditions :

- The number of shares that the Company may purchase cannot exceed 10% of the number of shares comprising the share capital on the date of the completion of these purchases, it being specified that:
  - The number of shares that the Company may purchase cannot exceed 5% of the share capital if the shares have been purchased by the Company with a view to retaining them and their subsequent release in payment or exchange as part of a merger, demerger or contribution.
  - When shares are repurchased for liquidity purposes under the conditions stipulated by the AMF's General Regulations, the number of shares taken into account to calculate the 10% limit corresponds to the number of shares purchased, after deducting the number of shares resold during the authorization period.
- The maximum purchase price per share is set at €21.75. The maximum amount allocated to this program is €35m.
- Shares may be bought, assigned, exchanged or transferred as stipulated by law, by any means, inside or outside the market, over the counter, and with derivative financial instruments including use of options or warrants, or in a more general sense securities providing entitlement to Company shares, or as part of takeover bids, with no particular share block restrictions, at the times deemed appropriate by the Management Board or the person acting on the authorization of the Management Board.
- In the event of subsequent operations on Company capital, the amounts mentioned above will be adjusted by applying a multiplier coefficient equal to the ratio between the number of shares forming share capital prior to the operation and the number of shares forming share capital after the operation.

During a public offering, these transactions can only be continued if:

- the public offering is paid in full in cash and if,
- the repurchase transactions are not likely to adversely affect the offer, it being specified that failing this, implementation of the program must be approved or confirmed by the General Meeting of Shareholders.

The General Meeting of Shareholders confers all powers on the Management Board, with the power to delegate under the conditions stipulated by law, to decide and implement this authorization in order to establish the methods and terms of same, to carry out purchase programs, and draw up any stock market orders, draw up any agreement in relation to holding share purchase and sale registers, make any statements to the AMF market authority, make any other arrangements and, in general, do all that is required to implement this resolution.

This authorization will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

## EXTRAORDINARY

### **Ninth resolution – Authorization for the Management Board to reduce share capital by cancelling shares**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special reports, ruling pursuant to Articles L.225-209 *et seq.* of the French Commercial Code:

1. Authorizes the Management Board to reduce share capital by cancelling, one or more times, up to a limit of 10% of the share capital on the date of this General Meeting of Shareholders and by 24-month periods, all or part of the shares that the Company holds or acquires under the share purchase programs authorized by the General Meeting of Shareholders.
2. Decides that the surplus on the purchase price of the shares cancelled over their nominal value will be booked to any available reserve, including the legal reserve, and in this case to a limit of 10% on the capital reduction performed.
3. Delegates powers to the Management Board, with the power to sub-delegate for the material performance of this cancellation and completion of subsequent formalities, under the conditions stipulated by law, all powers to complete, solely under its decisions, the cancellation(s) of the shares acquired, share capital reductions and allocation to the reserves, with the Management Board, with the power to sub-delegate under the conditions stipulated by law, authorized to record the completion and proceed with correlative amendment to the articles of association, complete all formalities, procedures and declarations with all organizations and generally, do all that is required.

This delegation of powers will expire after the General Meeting of Shareholders that will receive the financial statements for the year ended 2009, and at the latest 18 months after this Meeting.

### **Tenth resolution – Delegating powers to the Management Board to decide to increase share capital, maintaining pre-emptive rights**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report, and in accordance with Articles L.225-129 to L.225-129-6, L.228-92 and L.228-93 of the French Commercial Code:

1. Delegates powers to the Management Board, with the power to sub-delegate to any person thus authorized by law, one or more times, in France or abroad, in the proportions and at the times it deems appropriate, to issue, maintaining shareholders' pre-emptive subscription rights, Company shares and any securities of any kind providing access by all means, now and/or in the future, to Company share capital or providing entitlement to debt securities. Subscription may be carried out in cash or by compensation, issue of preferred shares is excluded, and these delegated powers may permit an issue or issues, pursuant to Article L.228-93 of the French Commercial Code.
2. Decides that the maximum nominal amount of share capital increases to be carried out now and/or in the future by virtue of these delegated powers may not exceed fifteen (15) million euros plus, as the case may be, the nominal amount of additional shares to be issued, in order to preserve, as per current laws and regulations, the rights of holders of securities giving access to share capital – this amount will be attributed to the global limit mentioned in the 20<sup>th</sup> Resolution.

3. Decides that securities giving access to Company share capital can consist of debt securities or be associated with their issue, or permit issue as intermediary securities. They may take the form of subordinated or unsubordinated securities, fixed-term or open-ended, be issued in euros or in foreign currencies, or in any monetary units established with reference to several currencies.

The nominal amount of the debt securities thus issued may not exceed fifteen (15) million euros or the exchange value in euros at the date of the decision to issue. This amount is common to all debt securities the issue of which is delegated to the Management Board in accordance with this document; it is independent of the amount of the debt securities the issue of which is decided or authorized by the Management Board in accordance with Article L. 228-40 of the French Commercial Code.

4. Decides that shareholders may exercise, under the conditions stipulated in current laws and regulations, their pre-emptive subscription right without trading rights. The Management Board will also be empowered to confer on shareholders the right to subscribe with trading rights to a greater number of securities than they could subscribe to without trading rights, in proportion to their rights, and in any case within the scope of demand.

If subscriptions without trading rights and, if applicable, subscriptions with trading rights have not absorbed the entire issue of securities as defined above, the Management Board may avail itself, in accordance with Article L.225-134 of the French Commercial Code, in the order decided by it, of one and/or more of the powers set out below:

- limit issue to the number of subscriptions on the condition that issue attains at least three quarters of the issue as decided;
  - freely share out all or part of the unsubscribed shares;
  - offer all or part of the unsubscribed shares to the public.
5. Records that, if applicable, the exercising of the aforementioned delegation automatically entails in favor of the holders of securities giving access to Company capital, that may be issued, a waiver by shareholders of their pre-emptive subscription rights on shares or securities to which the securities may grant the right.
  6. The Management Board, with the power to sub-delegate to any authorized person as stipulated by law, will determine the category of the shares issued, and in due accordance with the indications of its report will set their subscription price, with or without premium, paying-up conditions, the ex date, which may be retrospective, and the ways in which securities issued in accordance with this resolution will provide access to ordinary Company shares.

In a more general sense, the Management Board will determine all the characteristics, the amount and procedures in relation to any share issue and the shares issued and, when the securities are debt securities or are associated with debt securities, whether they are fixed-term or open-ended, and their remuneration.

The Management Board will have the broadest possible powers to implement this resolution, including the power to draw up any agreements to this effect, particularly with the aim of ensuring the successful completion of any issue, and the power to carry out one or more issues as described above, in any proportion and at any time it sees fit, in France and/or, if applicable, abroad and/or on the international market, as well as the power to stay such issues. It will be authorized to record completion of such issues and proceed with correlative amendment to the articles of association, allocation of the expenses involved in increasing share capital to premiums, and deduction of the required sums from this amount to bring the legal reserve to one tenth of share capital, as well as undertake any formalities, make any statements and call for any authorizations that may be required for the successful completion of such issues.

This delegation of powers will expire after the General Meeting of Shareholders that will receive the financial statements for the year ended December 31, 2008 and at the latest eighteen (18) months after this Meeting.

## **Eleventh resolution – Delegating powers to the Management Board to decide to increase share capital, removing pre-emptive rights**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report, and in accordance with Articles L.225-129 to L.225-129-6, L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code:

1. Delegates powers to the Management Board, with the power to sub-delegate to any person thus authorized by law, one or more times, in the proportions and at the times it deems appropriate, in France or abroad, via a public offering, in euros or in any other currency, to issue, with removal of shareholders' pre-emptive subscription rights, Company shares and securities of any kind providing access by all means, now and/or in the future, to Company share capital or giving the right to debt securities. Subscription may be carried out in cash or by compensation, and issue of preferred shares is excluded.
2. Delegates powers to the Management Board, with the power to sub-delegate to any person thus authorized by law, to decide, in addition to any issues that may be carried out through these powers, to issue shares or securities giving access to Company capital following the issue of securities giving access to Company capital by the company or companies in which it holds, directly or indirectly, more than half the share capital.

The decision by the Management Board automatically entails, if applicable, in favor of the holders of securities that may be issued by Company subsidiaries, a waiver by shareholders of their pre-emptive subscription rights on shares or securities giving access to Company capital to which the securities may give the right.

3. Decides that securities giving access to Company share capital may consist of debt securities or be associated with their issue, or permit their issue as intermediary securities.

The nominal amount of debt securities that may be issued within the context of these powers may not exceed fifteen (15) million euros or the exchange value in euros on the date of the decision to issue – the amount will be attributed over the limit set in the 20<sup>th</sup> Resolution. These negotiable securities can take on the same forms and characteristics as those stipulated by the 10<sup>th</sup> resolution.

4. Decides that the maximum nominal amount of share capital increases to be carried out now and/or in the future by virtue of these delegated powers may not exceed fifteen (15) million euros plus, if applicable, the nominal amount of additional shares to be issued, in order to preserve, as per current laws and regulations, the rights of holders of securities giving access to share capital – this amount will be attributed to the global limit mentioned in the 20<sup>th</sup> Resolution.
5. Decides to remove shareholders' pre-emptive subscription rights to securities to be issued by virtue of these delegated powers, on the understanding that the Management Board may, pursuant to the stipulations of Article L.225-135 of the French Commercial Code, confer on shareholders priority subscription rights over all or part of the issue, over a period of minimum duration set by decree, and under the conditions it will establish. Subscription priority will not give rise to the creation of negotiable rights, but may, should the Management Board deem this appropriate, be exercised with and also without trading rights.

If the subscriptions have not absorbed the entire issue of securities in relation to these delegated powers, the Management Board may avail itself, in the order decided by it, of one and/or more of the powers set out below:

- limit issue to the number of subscriptions on the condition that issue attains at least three quarters of the issue as decided;
- freely share out all or part of the unsubscribed shares;
- offer all or part of the unsubscribed shares to the public.

6. Records that, if applicable, the exercising of the aforementioned delegation automatically entails in favor of the holders of securities giving access to Company capital, that may be issued under this delegation, a waiver by shareholders of their pre-emptive subscription rights on shares or securities to which these securities may grant the right.
7. Decides that the portion returning, or which ought to return to the Company, for each of the shares issued in relation to the above delegated powers, after consideration, in the case of an issue of securities giving access to share capital, of the issue price of these securities, will be determined by the Management Board.

The share issue price must be at least equal to the average price weighted over the last three trading days preceding its determination, subject to a maximum discount of 5%. However, to a limit of 10% of share capital at the date of issue and per year, the issue price will be set by the Management Board and will be at least equal to the average price weighted by the share quote on the trading day preceding announcement of the launch of the operation, subject to a maximum discount of 10%.

8. Decides that the Management Board will establish the characteristics, amounts and procedures for any issues, and the shares issued. In particular it will determine the category of the shares issued, and in due accordance with the indications of its report will set their subscription price, with or without premium, paying-up conditions, the ex date, which may be retrospective, and the ways in which securities issued in accordance with this resolution will give access to ordinary Company shares.

In a more general sense, the Management Board will determine all the characteristics, the amount and procedures in relation to any share issue and the shares issued and, when the securities are debt securities or are associated with debt securities, whether they are fixed-term or open-ended, and their remuneration.

The Management Board will have the broadest possible powers to implement this resolution, including the power to draw up any agreements to this effect, particularly with the aim of ensuring the successful completion of any issue, and the power to carry out one or more issues, in any proportion and at any time it sees fit, in France and/or, if applicable, abroad and/or on the international market, as well as the power to stay such issues, if applicable. It will be authorized to record completion of such issues and proceed with correlative amendment to the articles of association, allocation of the expenses involved in increasing share capital to premiums, and deduction of the required sums from this amount to bring the legal reserve to one tenth of share capital.

The Management Board may sub-delegate the powers conferred on it in this resolution.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

**Twelfth resolution – Delegating powers to the Management Board to increase the number of shares to issue in the event of a capital increase with or without a pre-emptive subscription right within the limits stipulated in the 10<sup>th</sup> and 11<sup>th</sup> resolutions**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report, ruling in accordance with Article L.225-135-1 of the French Commercial Code:

Delegates powers to the Management Board, with the power to sub-delegate under the conditions stipulated by law, to decide to increase the number of shares to issue in the event of a capital increase by the Company with or without a pre-emptive subscription right determined pursuant to the 10<sup>th</sup> and/or 11<sup>th</sup> resolutions within 30 days of terminating the initial issue, at the same price as that chosen for the initial issue, and within the limit of 15% of the initial issue, subject to the upper limit stipulated for the initial issue in the 10<sup>th</sup> and 11<sup>th</sup> resolutions.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

**Thirteenth resolution – Delegating powers to the Management Board to issue ordinary Company shares and securities giving access to ordinary Company shares in the event of a security-exchange takeover bid by the Company**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report, and in accordance with current legal provisions, particularly those in Articles L.225-129 to L.225-129-6, L.225-148 and L.228-92 of the French Commercial Code:

1. Delegates powers to the Management Board, with the power to sub-delegate under the conditions stipulated by law, to decide, under the conditions fixed by this resolution and on the basis and under the conditions stipulated by the preceding 12<sup>th</sup> resolution, to issue ordinary Company shares or negotiable securities granting access by all means, now or in the future, to the Company's capital, or granting a right to the allocation of debt securities in payment for the shares from a public offering with an exchange component initiated in France or abroad, pursuant to local regulations, by the Company for the shares of a company permitted to trade on a regulated market pursuant to Article L. 225-148 of the French Commercial Code, and to decide, as and when required, to remove, for holders of these shares, the pre-emptive subscription right of shareholders to these shares and negotiable securities.
2. Decides that the maximum nominal amount of share capital increases to be carried out now or in the future by virtue of these delegated powers is set at eight (8) million euros plus, if applicable, the nominal amount of additional shares to be issued, in order to preserve, as per current laws and regulations, the rights of holders of securities giving access to share capital – this amount will be attributed to the global limit mentioned in the 20<sup>th</sup> Resolution.
3. States that these delegated powers entail waiver by shareholders of their pre-emptive subscription rights on shares to which securities to be issued in accordance with these delegated powers may give the right.
4. Decides that the Management Board will have the broadest powers to implement takeover bids covered by this Resolution, particularly in order to:
  - fix the exchange parity and, if applicable, the amount of the cash payment to be made;
  - state the number of shares for exchange;
  - determine the dates, conditions of issue, particularly the price and the ex date, which may be retrospective, of the new shares or, if applicable, of securities giving access now or in the future to Company shares;
  - register in the balance sheet liabilities a "Share premium", which will be subject to the rights of all the shareholders, the difference between the issue price of the new shares and their nominal value;
  - if required, attribute to the said "Share premium" all the fees and duties resulting from the authorized operation;
  - generally, take up all relevant stipulations and draw up any agreements to bring the operation as authorized to a successful conclusion, record the capital share increase(s) arising, and correlatively amend the articles of association.

This delegation of powers will expire after the General Meeting of Shareholders, which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

**Fourteenth resolution – Delegating powers to the Management Board to increase share capital by issuing ordinary Company shares or securities giving access to capital, to a limit of 10% of share capital, for remuneration via contributions in kind in relation to shares or securities giving access to capital**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report, ruling in accordance with Article L.225-147 of the French Commercial Code:

1. Delegates power to the Management Board, with powers to sub-delegate as stipulated by law, to receive the Statutory Auditors' report covered by sections 1 and 2 of the abovementioned Article L. 225-147 to issue ordinary Company shares or securities giving access by all means, now and/or in the future, to existing Company shares or Company shares to be issued, to remunerate contributions in kind permitted to the Company and consisting of shares or securities giving access to share capital, when the stipulations of Article L. 225-148 concerning exchange takeover bids are not applicable.

The limit on the nominal amount of the capital increase, now or in the future, arising from all issues carried out by virtue of this delegation of powers is set at 10% of Company share capital at the date of issue, and the maximum nominal amount of this share capital increase may not exceed the limit envisaged by the 20<sup>th</sup> Resolution to which it is attributed, which is set with no consideration given to the nominal amount of ordinary shares to be issued, if applicable, as adjustments performed to preserve, as stipulated by law, the rights of holders of securities giving access to Company share capital.

2. Decides that the Management Board will have the broadest powers to implement this delegation of authority, particularly to receive the Statutory Auditors' report covered by sections 1 and 2 of the abovementioned Article L. 225-147, on assessment of contributions and remuneration of any non-cash contributions, record the final performance of share capital increases carried out by virtue of this delegation of authority, and proceed with all arrangements and statements, and call for any authorization required for these contributions to be made.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen 18 months after this Meeting.

**Fifteenth resolution – Authorization for the Management Board to decide to increase share capital through capitalization of premiums, reserves, gains and other items**

The General Meeting of Shareholders, constituting the quorum and majority required for Ordinary General Meetings of Shareholders, having received the Management Board's report, ruling in accordance with Articles L.225-129, L.225-129-2 and L.225-130 of the French Commercial Code:

1. Delegates authority to the Management Board, one or more times, in the proportions and at the times it deems appropriate, to increase share capital by capitalization of premiums, reserves, gains or any other items that may be capitalized legally and in accordance with the articles of association, as an allocation of free shares or an increase in the nominal value of existing shares, or by a combination of both procedures.
2. Decides that the maximum nominal amount of share capital increases performed by virtue of this delegation of authority may not exceed five (5) million euros, and this amount will be attributed to the global limit mentioned in the 20<sup>th</sup> Resolution.
3. Decides that, should the Management Board decide to avail itself of this delegation of authority, the Management Board will have the broadest powers, with the power to sub-delegate under the conditions stipulated by law, to implement the delegation of authority to carry out the following tasks in particular:

- set the amount and the nature of the sums to be added to share capital, set the number of new shares to be issued and/or the amount by which the nominal value of existing shares forming share capital will be increased, set the ex date, which may be retrospective, as of which the new shares will take effect, or at which uplift of the nominal value will take effect;
- decide, if free shares are allocated:
  - that rights forming odd lots will not be negotiable or assignable, and that the corresponding shares will be sold; sums arising from the sale will be allocated to the holders of rights under the conditions stipulated in current regulations and in law;
  - that allocations of these shares to be allocated in proportion with old shares holding double voting rights will benefit from this right as of their issue;
- to proceed with any adjustments to take account of the incidence of operations on Company share capital, particularly in relation to modification of the share's nominal value, share capital increase by addition of reserves, allocation of free shares, share splitting or consolidation, distribution of reserves or any other assets, amortizations on capital, or any other operations in connection with shareholders' equity, and to establish procedures, if applicable, to preserve the rights of holders of securities giving access to share capital;
- to record performance of each capital increase, and proceed with correlative modifications to the articles of association;
- generally, draw up any agreement, take all measures and complete all formalities for the issue, listing and financial service of the shares issued under this delegation as well as exercising the rights attached therein.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

**Sixteenth resolution – Delegating powers to the Management Board to decide to increase share capital in favor of employees on a Company savings plan and foreign employees, removing pre-emptive subscription rights in favor of the latter**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the special report by the Statutory Auditor, ruling in accordance with Article L.225-129-2, L.225-129-6 and L. 225-138-1 of the French Commercial Code and Articles L3332-1 *et seq.* of the Employment Code:

1. Delegates powers to the Management Board to allow it, one or more times, in the proportions and at the times it deems appropriate, to increase share capital by issue of shares or securities giving access to Company share capital reserved for employees and former employees on a Company or Group savings plan or plans, or by capitalization of reserves, gains or premiums and free allocation of shares or other securities giving employees access to share capital;
2. Decides that the maximum nominal amount of share capital increases to be carried out now and/or in the future by virtue of these delegated powers may not exceed one million five hundred thousand (1,500,000) euros plus, if applicable, the nominal amount of additional shares to be issued, in order to preserve, as stipulated by law, the rights of holders of securities giving access to share capital – this amount will be attributed to the global limit mentioned in the 20<sup>th</sup> Resolution.

3. Decides that this delegation of powers entails the removal of shareholders' pre-emptive subscription rights in favor of the persons on a Company savings plan, in relation to shares and securities to be issued, if applicable by free allocation, within the framework of this Resolution, and waiver of their pre-emptive subscription rights to ordinary shares to which securities issued by virtue of this delegation of powers could give the right.
4. Decides that the Management Board will determine the share subscription price pursuant to the provisions of Articles L3332-19 *et seq.* of the French Labor Code.
5. Decides that the characteristics of the other securities giving access to Company share capital will be set by the Management Board, under the conditions established by current regulations and the law.
6. Gives the Management Board, within the limits and under the conditions stipulated above, the broadest powers to determine all conditions and procedures for operations, particularly the following:
  - to decide that issues may take place directly in favor of the beneficiaries or via collective security investment entities;
  - to establish the conditions and procedures for issues to be carried out by virtue of this delegation of powers, and in particular those relating to the ex date, paying-up conditions, and subscription price of shares or securities giving access to share capital under conditions currently set out in law and regulations;
  - to establish the subscription opening and closing dates;
  - to set the period assigned to subscribers to pay up their shares or securities giving access to share capital;
  - record performance of the share capital increase in relation to the amount of shares or securities giving access to share capital that will actually be subscribed;
  - at its own discretion and should it deem this appropriate, to allocate the cost of capital share increases to the premiums in connection with the increases, and deduct from this amount the sums required to bring the legal reserve to one tenth of the new share capital after each increase;
  - take all measures to carry out share capital increases proceed with all arrangements to this end, in particular in connection with the listing of the shares created, and make modifications to the articles of association concerning the share capital increases.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

**Seventeenth resolution – Authorization for the Management Board to extend the period for exercising Company share purchase or subscription options**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the current option plans, the Management Board's report and the Statutory Auditors' special report, authorizes the Management Board to extend, up to a limit of 12 additional months from the end of the financial period initially conferred, the term for exercising the options stipulated within the Company share purchase or subscription option plans granted by the Management Board by virtue of the previous authorizations of the General Meeting of Shareholders.

## **Eighteenth resolution – Delegating powers to the Management Board to allow Company share purchase or subscription options**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report and pursuant to the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code:

1. Authorizes the Management Board to permit, one or more times, Company share subscription and/or purchase options, under the following conditions:
  - Each option will grant the right to subscription or purchase of a new or existing ordinary share, as applicable. The total number of options that can be granted under this resolution cannot grant a right to subscribe to or acquire a number of shares above 400,000, it being specified that this number will be charged to the overall limit stipulated in the 20<sup>th</sup> resolution and that it is determined taking into account the nominal sum of the ordinary shares to be issued, where applicable, under the adjustments made to retain, in accordance with the law, the rights of the holders of subscription options.
  - The beneficiaries will be employees and/or corporate officers eligible according to the Law, or certain of them, the Company or companies or groups associated with it pursuant to Article L. 225-180 of the French Commercial Code, with it being recalled that if options are granted to persons referred to in the fourth paragraph of Article L. 225-185 of the French Commercial Code, the Company must fulfil one of the three conditions stipulated in Article L. 225-186-1 of the same code, for the fiscal year during which these options are allocated.
  - Shares that may be obtained by exercise of share purchase options permitted by virtue of this Resolution must be acquired by the Company within the framework of Article L. 225-208 of the French Commercial Code or Article L. 225-209 of the French Commercial Code.
  - Options will not be permitted to persons individually holding a portion of share capital in excess of the maximum envisaged by current laws and regulations.

No subscription or purchase option may be permitted less than twenty stock market trading days following the detachment from shares of a coupon giving the right to a dividend or a share capital increase, and during the period of ten stock market trading days preceding and following the date on which either the consolidated financial statements or the annual financial statements are made public.

The Management Board will establish the subscription or purchase price for the shares within the limitations and to the procedures set by current regulations and laws.

The share subscription price, in the case of subscription options, may not be less than 80% of the average price listed over the twenty trading days preceding the day on which the Management Board decides to permit the options.

The share purchase price, in the case of purchase options, will be set on the day when the options are permitted by the Management Board, and may not be less than 80% of the average purchase price of shares held by the Company, as per Articles L.225-208 and L.225-209 of the French Commercial Code.

The price may not be modified over the period during which the options may be exercised, unless the Company carries out a financial operation or operations or on shares as envisaged by the provisions of current regulations and laws. Under this hypothesis, the Management Board, under the conditions set out in current regulations and the law, will take the required measures to protect the interests of beneficiaries of the options permitted, to take account of the incidence of the operation carried out, and may decide, if applicable, to temporarily suspend the right to take up the options in the event of a financial operation giving rise to an adjustment in accordance with section 2 of Article L.225-181 of the French Commercial Code, or any other financial operation in relation to which it may deem it necessary to suspend this right.

- The share subscription or purchase options must be exercised within a period determined by the Management Board but before expiry of a maximum period of five years from their allocation date. The Management Board will have the option to extend, one or more times, the term of the options granted, within the limit of one additional year.
2. Officially notes, where applicable, that the exercising of this delegation will entail, for beneficiaries of the subscription options, the express waiver of the shareholders of their pre-emptive subscription right to shares that will be issued during the exercising of these options.
  3. Gives the Management Board the broadest powers to implement this authorization, particularly for the following tasks:
    - to set, under the conditions and limitations of the stipulations of current regulations and laws, the dates on which the options will be permitted;
    - to determine the list of option beneficiaries, the number of options allocated to each, and the procedures for allocation and exercise of the options;
    - to set the conditions for exercise of the options, and in particular to limit, restrict or prohibit (a) exercise of options or (b) transfer of shares obtained through exercise of the options, over certain periods or as of certain events, and its decision may (i) cover all or part of the options and (ii) concern all or some of the beneficiaries;
    - establish the ex date, which may be retrospective, of the new shares arising from exercise of the subscription options;
    - to take, in cases envisaged by the stipulations of current regulations and the law, the necessary measures to protect the interests of the beneficiaries of the options under the conditions set out in articles L. 225-181 and L. 228-99 of the French Commercial Code;
    - in a more general sense, to draw up any agreements or documents, record share capital increases after options have been taken up, modify, if necessary, the articles of association as a result, make all arrangements required to list the shares thus issued, make any statements to any bodies, and do all that may be required in addition.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

### **Nineteenth resolution – Delegating powers to the Management Board to allocate free shares**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report and the Statutory Auditors' special report, ruling in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code:

1. Authorizes the Management Board, one or more times, to allocate existing or future free shares or to issue, to members of the Company's salaried staff or certain of them or to members of the salaried staff of companies and/or groups that are associated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code as well as to corporate officers of the Company and corporate officers of companies associated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, given that if the shares are allocated to persons referred to in the first and second paragraphs of heading II of Article L. 225-197-1 of the French Commercial Code, the Company must fulfil one of the three conditions stipulated in Article L. 225-197-6 of the same Code, for the fiscal year during which these shares are allocated.

2. Decides that the Management Board will determine the identity of the beneficiaries of attributions, the number of shares that may be allocated to each beneficiary, and the dates and conditions and, if applicable, the criteria for allocation of the shares, and will have the power to subject allocation of shares to certain individual or collective performance criteria.
3. Decides that the total number of shares that may be allocated free by virtue of this authorization may not exceed 10% of share capital, and this number will be attributed to the global limit envisaged in the 20<sup>th</sup> Resolution, and authorizes the Management Board to carry out, if applicable, over the acquisition period defined below, adjustments of the number of free shares allocated in accordance with any operation on Company share capital, in order to preserve the rights of beneficiaries.
4. Decides that the allocation of shares to their beneficiaries will be final at the end of a minimum period of two years. Furthermore, beneficiaries can only sell the shares allocated to them under this authorization at the end of a lock-up period of a minimum period of two years from the final allocation of the shares. However, in the event of the disablement of the beneficiary corresponding to classification in the second or third of the categories stipulated in Article L. 341-4 of the French Social Security Code, the shares will be allocated before the end of the acquisition period.
5. Decides that the Management Board will have the option to increase the minimum terms of the acquisition period and the lock-up obligation.
6. Notes that the free shares allocated may be existing shares or new shares. In the latter case, share capital will be duly increased by capitalization of reserves, gains or premiums in favor of the beneficiaries of these shares, with correlative waiver by shareholders in favor of the recipients to the portion of reserves, gains or premiums thus added.
7. Decides that the Management Board will have the broadest powers, in particular in the event of allocation of shares to be issued, to set the amount and the nature of the reserves, gains and premiums to be added to share capital, to constitute, in the event of allocation of shares to be issued, the unavailable reserve by a deduction from premiums or reserves, record the dates of final allocations, and the dates as of which the shares may be freely transferred, record any share capital increase carried out pursuant to this authorization, modify the articles of association as a result and, in general, do all that is required.

This delegation of powers will expire after the General Meeting of Shareholders which will decide on the financial statements for the year ended 2009, and at the latest eighteen (18) months after this Meeting.

#### **Twentieth Resolution – Setting an overall delegation limit**

The General Meeting of Shareholders, constituting the quorum and majority required for Extraordinary General Meetings of Shareholders, having received the Management Board's report, and as a consequence adopted the above resolutions, decides to fix at €15,000,000 the maximum nominal amount of the share capital increases, now and/or in the future, likely to be realized by virtue of the delegations and authorizations granted by the previous resolutions, given that this nominal amount may be added to the nominal amount of shares to be issued additionally to retain, in accordance with current legislative and regulatory provisions, the rights of holders of negotiable securities granting access to the capital.

#### **Twenty-first resolution – Powers for formalities**

The bearer of a copy of or extract from this Agenda shall be empowered to comply with any formality.



**REQUEST FOR DOCUMENTS AND INFORMATION**

pursuant to Article R. 225-83 of the French Commercial Code

**Annual Shareholders' Meeting on May 26, 2009**

I the undersigned \_\_\_\_\_

Surname or company name \_\_\_\_\_

Forename \_\_\_\_\_

Address \_\_\_\_\_

Town, if different from the  
distribution office \_\_\_\_\_

Postcode/Distribution office \_\_\_\_\_

Holding \_\_\_\_\_ registered shares

And/or \_\_\_\_\_ bearer shares

request documents and information on the Annual Shareholders' Meeting, pursuant to Article R. 225-83 of the French Commercial Code.

Drawn up in \_\_\_\_\_ on \_\_\_\_\_ 2009

Signature

**NOTE:** Pursuant to Article R. 225-88 of the French Commercial Code, registered shareholders can, upon a single request, obtain documents and information from the Company under Articles R. 225-81 and R. 225-83 of the aforementioned French Commercial Code for each of the subsequent General Meetings of Shareholders. Should the shareholder wish to avail himself of this entitlement, he must specify this on the present application.

**This request must be returned to the bank  
or financial intermediary managing your shares**

*Nous concevons votre espace de vie*

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