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Consolidated Financial Statements  
as at December 31, 2008



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# CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2008

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# 1. Consolidated financial statements

## ► Consolidated balance sheet

<i>(in thousands of euros)</i>		31.12.08	31.12.07	31.12.06
<b>ASSETS</b>				
Goodwill	<i>(note 1)</i>	238,390	221,176	187,277
Other intangible assets	<i>(note 2)</i>	28,180	18,499	13,243
Property, plant and equipment	<i>(note 3)</i>	11,252	10,264	9,368
Financial investments	<i>(note 4)</i>	3,967	5,164	4,479
Deferred tax assets	<i>(note 21)</i>	1,133	4,307	4,192
Other financial assets	<i>(note 5)</i>	0	1,446	1,393
<b>Non-current assets</b>		<b>282,922</b>	<b>260,856</b>	<b>219,952</b>
Goods purchased for resale held in inventory		3,403	2,951	5,900
Trade receivables	<i>(note 6)</i>	312,979	304,893	259,434
Other receivables	<i>(note 7)</i>	33,854	29,812	20,838
Prepaid expenses		6,152	7,869	5,708
Cash and cash equivalents		22,206	29,434	25,174
<b>Current assets</b>		<b>378,594</b>	<b>374,959</b>	<b>317,054</b>
<b>TOTAL ASSETS</b>		<b>661,516</b>	<b>635,815</b>	<b>537,006</b>
<b>EQUITY AND LIABILITIES</b>				
<i>(in thousands of euros)</i>				
<b>EQUITY AND LIABILITIES</b>				
Share capital		108,588	108,588	92,680
Capital reserves		86,178	86,178	59,818
Consolidated reserves		26,616	25,418	15,447
Profit for the year		14,327	14,037	18,637
Other		(4,403)	(1,932)	(2,441)
Translation reserve		(2,463)	1,743	881
<b>Equity attributable to the Group</b>		<b>228,843</b>	<b>234,032</b>	<b>185,022</b>
Minority interests		2,389	3,052	2,341
<b>TOTAL EQUITY</b>		<b>231,232</b>	<b>237,084</b>	<b>187,363</b>
Non-current borrowings	<i>(note 8)</i>	67,864	45,190	33,539
Deferred tax liabilities	<i>(note 21)</i>	371	1,854	1,284
Non-current provisions	<i>(note 9)</i>	15,599	15,917	16,921
Other non-current financial liabilities	<i>(note 10)</i>	1,652	2,860	3,743
<b>Non-current liabilities</b>		<b>85,486</b>	<b>65,821</b>	<b>55,487</b>
Current provisions	<i>(note 11)</i>	7,782	8,032	9,158
Current borrowings	<i>(note 12)</i>	46,593	49,610	45,340
Current financial liabilities	<i>(note 13)</i>	3,295	2,190	1,633
Other current financial liabilities	<i>(note 10)</i>	9,306	7,321	3,560
Trade payables		73,923	77,446	72,713
Tax and social security	<i>(note 14)</i>	152,807	148,059	130,265
Other current liabilities	<i>(note 15)</i>	16,107	10,529	9,231
Deferred income		34,985	29,723	22,256
<b>Current liabilities</b>		<b>344,798</b>	<b>332,910</b>	<b>294,156</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>661,516</b>	<b>635,815</b>	<b>537,006</b>



## ► Consolidated income statement

<i>(in thousands of euros)</i>		2008	2007	2006
<b>Revenue</b>	<i>(note 16)</i>	<b>768,062</b>	<b>688,496</b>	<b>633,103</b>
Purchases and external charges		(223,911)	(206,523)	(190,967)
Taxes (other than income tax)		(15,389)	(14,429)	(12,168)
Employee benefits expense	<i>(note 17)</i>	(474,736)	(417,670)	(385,774)
Depreciation and amortization expense		(9,562)	(7,255)	(6,174)
Other operating income and expenses not related to ordinary activities		434	2,133	2,260
<b>OPERATING PROFIT ON ORDINARY ACTIVITIES</b>		<b>44,898</b>	<b>44,752</b>	<b>40,280</b>
Restructuring costs		(5,022)	(2,869)	(6,164)
Gains (losses) on disposals		936	11	1,988
Goodwill impairment losses		(6,000)	(10,323)	(1,800)
Other operating income and expenses not related to ordinary activities		(2,826)	(4,976)	(577)
<b>OPERATING PROFIT</b>	<i>(note 18)</i>	<b>31,986</b>	<b>26,595</b>	<b>33,727</b>
Income from cash and cash equivalents		397	124	48
Gross finance costs		(6,982)	(4,746)	(3,798)
<b>NET FINANCE COSTS</b>	<i>(note 19)</i>	<b>(6,585)</b>	<b>(4,622)</b>	<b>(3,750)</b>
Other financial income (expenses)	<i>(note 20)</i>	(703)	(1,027)	(1,790)
Income tax expense	<i>(note 21)</i>	(9,992)	(6,167)	(9,217)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>14,706</b>	<b>14,779</b>	<b>18,970</b>
Profit (loss) for the year from discontinued operations		0	0	
Share of loss of associates		0	368	(26)
<b>PROFIT FOR THE YEAR</b>		<b>14,706</b>	<b>15,147</b>	<b>18,944</b>
<b>Attributable to the Group</b>		<b>14,327</b>	<b>14,037</b>	<b>18,637</b>
<b>Attributable to minority interests</b>		<b>379</b>	<b>1,110</b>	<b>307</b>

		2008	2007	2006
<b>BASIC EARNINGS*</b>				
Weighted average number of ordinary shares in issue		54,293,742	49,508,003	46,074,375
Earnings per share attributable to equity holders of the parent (in euros)		0.26	0.28	0.40

		2008	2007	2006
<b>DILUTED EARNINGS*</b>				
Weighted average number of ordinary shares in issue		54,293,742	49,508,003	46,074,375
Average number of shares that could be issued in connection with exercise of OBSAR and BSAR		0	4,681,912	7,854,375
Average number of bonus shares that could be allocated		0	0	0
<b>AVERAGE NUMBER OF DILUTED SHARES</b>		<b>54,293,742</b>	<b>54,189,916</b>	<b>53,928,750</b>
Diluted earnings per share attributable to equity holders of the parent (in euros)		0.26	0.26	0.35

\* Profit for the year attributable to the equity holders of the parent before the profit or loss for the year from discontinued operations.



## ► Consolidated cash flow statement

<i>(in thousands of euros)</i>	2008	2007	2006
Profit for the year	14,706	15,147	18,944
Share of profit and loss of associates	0	(368)	26
Depreciation, amortization and provisions	14,613	15,546	9,518
Gains and losses arising from changes in fair value	(472)	1,242	1,606
Gains and losses on asset disposals	60	215	(2,274)
Dilution gains and losses	(948)	(28)	0
<b>Operating cash flows after finance costs and income tax expense</b>	<b>27,959</b>	<b>31,754</b>	<b>27,820</b>
Net finance cost (restated from changes in fair value)	6,500	4,190	3,014
Cost of swaps	790	274	650
Income tax expense	9,992	6,167	9,217
<b>Operating cash flows before finance costs and income tax expense</b>	<b>45,241</b>	<b>42,385</b>	<b>40,701</b>
Tax paid	(6,833)	(7,404)	(9,515)
Change in working capital used in the operations	(3,245)	(21,386)	(6,233)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>35,163</b>	<b>13,595</b>	<b>24,953</b>
- Acquisition of intangible assets	(8,701)	(4,226)	(4,203)
- Acquisition of property, plant and equipment	(4,606)	(4,189)	(4,245)
+ Proceeds on disposal of intangible assets and property, plant and equipment	342	405	4,343
- Acquisition of financial investments		(1)	(634)
+/- Impact of changes in consolidation scope	(40,348)	(38,294)	(8,489)
+/- Changes in loans and advances	58	(312)	250
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(53,255)</b>	<b>(46,617)</b>	<b>(12,978)</b>
+ Proceeds on issue of shares			
• Subscribed to by the equity holders of the parent	0	41,885	1
• Subscribed to by the minority interests of consolidated subsidiaries	12,840	42	0
+/- Repurchases and sales of treasury shares	(1,531)	(213)	(29)
- Dividends paid			
• to the equity holders of the parent	(11,855)	(9,251)	(4,620)
• to the minority interests of consolidated subsidiaries	0	0	0
+/- Net repayments of borrowings	1,988	13,759	(2,541)
+/- Change in factoring drawdowns	4,575	(181)	(9,906)
- Interest paid	(6,675)	(4,366)	(2,903)
- Cost of swaps	(790)	(274)	(650)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,448)</b>	<b>41,401</b>	<b>(20,648)</b>
+/- Effect of changes in foreign exchange rate	(585)	206	(368)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(20,125)</b>	<b>8,585</b>	<b>(9,041)</b>

A total of €32.4 million in cash investments was dedicated to the Canadian businesses (see § Consolidating the Group's position in Canada on page 14).



The change in cash and cash equivalents and net borrowings is analyzed below:

<i>(in thousands of euros)</i>	31.12.07	Changes	31.12.08
Marketable securities	1,720	1,334	3,054
Cash at bank and in hand	27,714	(8,562)	19,152
Bank overdrafts	(note 12) (4,132)	(12,897)	(17,029)
<b>Net cash and cash equivalents</b>	<b>25,302</b>	<b>(20,125)</b>	<b>5,177</b>
Non-current borrowings	(note 8) (45,190)	(22,674)	(67,864)
Currently due portion of bond borrowings	(note 12) (23,644)	23,644	0
Bank loans due within 1 year	(note 12) (16,517)	(3,173)	(19,690)
Other current borrowings	(note 12) (5,317)	(4,557)	(9,874)
<b>Gross borrowings</b>	<b>(90,668)</b>	<b>(6,760)</b>	<b>(97,428)</b>
<b>Net borrowings</b>	<b>(65,366)</b>	<b>(26,885)</b>	<b>(92,251)</b>



## ► Consolidated statement of changes in equity

<i>(in thousands of euros)</i>	Share capital	Issue premium	Consolidated reserves	Profit for the year	Shares of the consolidating enterprise	Recognized income and expense	Translation reserve	Equity attributable to the Group	Minority interests	Total equity
<b>Situation on December 31, 2005</b>	<b>86,308</b>	<b>46,679</b>	<b>7,567</b>	<b>10,959</b>	<b>(736)</b>	<b>(899)</b>	<b>2,794</b>	<b>152,672</b>	<b>2,456</b>	<b>155,128</b>
Appropriation of 2005 profit			10,959	(10,959)				0		0
Dividends paid			(4,620)					(4,620)		(4,620)
Capital increase	6,372	13,139						19,511		19,511
2006 profit				18,637				18,637	307	18,944
Shares of the consolidating enterprise			27		(56)			(29)		(29)
Changes in consolidation scope								0	(143)	(143)
Cost of acquisition of Adeliour shares at fair value			1,514					1,514		1,514
Changes in actuarial differences						(750)		(750)		(750)
Change in translation reserve							(1,913)	(1,913)	(279)	(2,192)
<b>Situation on December 31, 2006</b>	<b>92,680</b>	<b>59,818</b>	<b>15,447</b>	<b>18,637</b>	<b>(792)</b>	<b>(1,649)</b>	<b>881</b>	<b>185,022</b>	<b>2,341</b>	<b>187,363</b>
Appropriation of 2006 profit			18,637	(18,637)				0		0
Dividends paid			(9,251)					(9,251)		(9,251)
Capital increase	15,908	26,360						42,268		42,268
2007 profit				14,037				14,037	1,110	15,147
Shares of the consolidating enterprise			198		(411)			(213)		(213)
Changes in consolidation scope								0	(556)	(556)
Cost of acquisition of Algorgel shares at fair value			387					387		387
Changes in actuarial differences						847		847		847
Variation of hedging instruments						73		73		73
Change in translation reserve							862	862	157	1,019
<b>Situation on December 31, 2007</b>	<b>108,588</b>	<b>86,178</b>	<b>25,418</b>	<b>14,037</b>	<b>(1,203)</b>	<b>(729)</b>	<b>1,743</b>	<b>234,032</b>	<b>3,052</b>	<b>237,084</b>
Appropriation of 2007 profit			14,037	(14,037)				0		0
Dividends paid			(11,855)					(11,855)		(11,855)
2008 profit				14,327				14,327	379	14,706
Shares of the consolidating enterprise			(984)		(547)			(1,531)		(1,531)
Changes in consolidation scope								0	(570)	(570)
Changes in actuarial differences						(298)		(298)		(298)
Variation of hedging instruments						(1,626)		(1,626)		(1,626)
Valuation of share-based payments			0			0		0		0
Change in translation reserve							(4,206)	(4,206)	(472)	(4,678)
<b>Situation on December 31, 2008</b>	<b>108,588</b>	<b>86,178</b>	<b>26,616</b>	<b>14,327</b>	<b>(1,750)</b>	<b>(2,653)</b>	<b>(2,463)</b>	<b>228,843</b>	<b>2,389</b>	<b>231,232</b>



## Changes in capital

At December 31, 2008, the capital was composed of 54,293,742 shares with a nominal value of €2 and thus amounted to €108,587,484. The breakdown of capital has remained unchanged since December 31, 2007.

A total of 168,364 shares were held in treasury on December 31, 2007 and valued at €1,203,000. In 2008, 1,403,418 treasury shares were repurchased for €3.78 per share on average and 1,002,536 shares were sold, as a result of which 569,246 shares were held in treasury on December 31, 2008 (1.0% of the total number of shares in circulation at that date).

At December 31, 2008, the total number of shares authorized by the Shareholders' General Meeting but not issued amounted to 21,193,988, for a total potential capital of 75,487,730 shares.

## Recognized income and expense

The income and expenses booked under equity capital in 2008 totaled -€1,924,000, net of deferred taxes.

## 2. General information

GFI Informatique SA is the parent company of an international group providing IT services. GFI Informatique shares are listed in compartment C of Euronext Paris.

GFI Informatique places its expertise at the service of its customers with four strategic offerings: Consulting, System Integration, Infrastructures and Production and Solutions. GFI Informatique works primarily with large companies, administrations and regional authorities. In the context of its industrialization, the Group

possesses 11 expertise centers, 2 national service centers and 3 offshore centers.

The Group has over 40 branch offices in France and operations in 9 countries in Southern Europe, Northern Europe, Morocco and Canada.

On March 17, 2009, the Board of Directors closed the consolidated financial statements of GFI Informatique. These financial statements will only be definitive after their approval by the General Meeting of shareholders on May 20, 2009.

## 3. Accounting policies and methods

Significant accounting methods used for the preparation of the consolidated financial statements are described hereunder. Unless indicated otherwise, these methods were applied consistently

in all the financial periods for which information is given in these statements.

### ▶ Basis of preparation of the financial statements

The accounting principles applied in preparing the consolidated financial statements in compliance with IFRS and IFRIC interpretations as they were adopted by the European Union on December 31, 2008 and are available on the website:

[http://ec.europa.eu/internal\\_market/accounting/ias\\_fr.htm#adopted-commission](http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission).

These accounting principles are in line with those used in preparing the consolidated financial statements for the fiscal year ended December 31, 2007, except for the adoption of the following new standards and interpretations:

- IFRIC 11 - IFRS 2 Group and Treasury Share Transactions;



- amendments to IAS 39 and IFRS 7 Reclassification of financial assets.

The application of these standards and interpretations did not have a significant impact on the financial statements.

These principles do not differ from the IFRS as published by the IASB, insofar as the application of the following standards and interpretations, required as of January 1, 2008, does not impact the financial statements of GFI Informatique Group:

- IFRIC 12 Service Concession Arrangements;
- IFRIC 14 - IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - endorsed by the European Union in December 2008 with required application deferred to fiscal years starting after December 31, 2008.

GFI Informatique Group decided against the early application of the following standards and interpretations adopted by the European Union, whose application was not mandatory as of January 1, 2008:

- amendment to IAS 1 Presentation of Financial Statements (revised);
- amendment to IAS 23 Borrowing Costs;
- IFRS 8 Operating Segments;
- IFRIC 13 Customer Loyalty Programmes;
- amendment to IFRS 2 Share-based Payment: vesting conditions and cancellations;
- IFRIC 14 - IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The Group does not apply the following standards and interpretations, which were not adopted by the European Union as of December 31, 2008:

- IFRS 3 (Revised) - Business Combinations;
- amendments to IAS 27 Consolidated and Separate Financial Statements;
- amendments to IAS 39 Financial Instruments: Recognition and Measurement: eligible hedged items;
- IFRIC 15 Agreements for the Construction of Real Estate;
- IFRIC 16 - Hedges of a Net Investment in a Foreign Operation;
- IFRIC 17 - Distributions of Non-cash Assets to Owners;
- amendments to IAS 32 and IAS 1 Financial Instruments: Presentation – Disclosure provisions;
- improvements to IFRS.

The Group is currently in the process of determining the potential impact of the application of these new standards on its consolidated financial statements. At this point in its analysis, GFI Informatique considers that it cannot determine the impact of the application of these standards with sufficient accuracy.

Estimates as well as critical judgments must be used in preparing the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The management may be required to use its judgment in the application of Group accounting methods (see “Valuation Methods” below). The areas in which assumptions and estimates may have a significant impact on the consolidated financial statements notably include the measurement of pension obligations, testing of goodwill for impairment and provisions for liabilities and charges.

## ▶ Basis of consolidation

### Consolidation methods and scope

The consolidated financial statements incorporate the financial statements of GFI Informatique and its subsidiaries. Subsidiaries are consolidated as from the date of acquisition, which corresponds to the date on which the Group took control, and until such time as control ceases.

Control is achieved when GFI Informatique has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of companies over which GFI Informatique exercises direct or indirect joint control are consolidated under the proportional method.

Joint control arises when control over an economic activity is shared, that is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Intra-group transactions are eliminated on consolidation.

Valuation methods applied by Group companies are aligned with those used by the Group.

Minority interests represent the share of the profit or loss and the share of the net assets that do not accrue to the equity holders of the parent company. Minority interests are identified separately in the income statement. In the balance sheet, minority interests in the net assets of consolidated subsidiaries are identified separately from the interests attributable to the equity holders of the parent company.

### Closing date of the financial statements

Companies included in the consolidation scope were consolidated on the basis of the financial statements for the same reference period as the parent company.



## Translation of foreign currency financial statements

The Group's consolidated financial statements are prepared in euros.

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

All the assets and liabilities of consolidated entities whose functional currency is not the euro are translated into euro, which is the Group's reporting currency, using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the closed fiscal year. Resulting exchange differences and exchange differences arising from the application of closing exchange rates to the subsidiaries' opening equity are recognized directly to equity under Translation reserve.

Exchange differences arising on the translation of net investments in foreign operations are recognized directly to equity.

On the disposal of foreign operations, these translation differences are reversed to profit and loss and treated as a component of the profit or loss on disposal.

## Foreign currency transactions

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. All exchange differences are recognized to profit or loss except for exchange differences on items that, in substance, form part of the net investment in foreign operations that are recognized directly to equity.

## ► Presentation

Assets linked to the Group's normal operating cycle, assets held for sale within 12 months of the balance sheet date and cash and cash equivalents are reported under current assets. All other assets are reported under non-current assets.

Liabilities falling due within the Group's normal operating cycle or within 12 months of the balance sheet date are reported under current liabilities.

## ► Valuation methods

### Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are stated at cost less any accumulated amortization, depreciation and possible impairment losses.

Amortization and depreciation are charged so as to write off the cost of these assets over their estimated useful lives, using the straight-line method.

The carrying value of each of these assets is reviewed at each balance sheet date to identify possible impairment losses of each of the assets in question (see "Subsequent measurement of non-current assets").

### Goodwill

Business combinations are accounted for under the purchase method.

- The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

- Possible price adjustments, which do not represent employee benefits expense, are included in the cost of the acquisition, the offsetting entry being the recognition of a debt under "Other financial liabilities" as from the date of acquisition if said adjustments are probable and can be measured reliably. Possible price adjustments include all payments that are contingent on future events, notably on the acquiree maintaining or achieving a specified level of performance. After the date of acquisition, if the adjustment becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the acquisition. The cost and resulting goodwill are adjusted independently of the expiration of the period for allocating fair value adjustments. If the future events expected to give rise to a possible price adjustment do not occur or if the estimated impact of possible price adjustments is revised, goodwill is modified accordingly, independently of the date on which these changes occur.
- The acquiree's identifiable assets and liabilities, as well as contingent liabilities assumed in connection with a business combination, are recognized at their fair values at the acquisition date.



- Resulting fair value adjustments are recognized on the same line as the asset or liability concerned. Residual goodwill being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets and liabilities, it is recognized as an asset under "Goodwill". This residual goodwill is allocated to the cash generating unit (CGU), expected to benefit from the business combination.

Subsequently, goodwill is valued at deemed cost reduced by impairment losses determined in accordance with the method described in the paragraph "Subsequent measurement of non-current assets".

### Computer software

Computer software purchased and computer software internally developed are amortized from the date they were brought into service so as to write off the cost of these assets over their estimated useful lives, using the straight-line method.

Software purchased	1 to 5 years
Software developed internally	10 years

In the case of internally developed computer software, development costs capitalized by GFI Informatique comprise all costs directly attributable to software development and parameterization.

### Development costs

The development costs incurred in connection with the creation of software applications (new projects and development of existing modules) are entered into the accounts as intangible assets, because the Group can demonstrate the feasibility of the intangible asset in view of its bringing into service or its sale, its intention to complete this asset and its ability to use it or to sell it, the fact that this asset will generate future financial benefits, the existence of available resources to complete the development and its ability to reliably value the expenses incurred in respect of the development project.

These development costs are amortized from the in-house date of acceptance of the project so as to write off these costs over the expected market life of the software, not exceeding eight years.

Development costs not meeting criteria for capitalization set out in IAS 38 are recognized as an operating expense as and when committed.

### Research costs

Research costs are recognized as an expense in the period when incurred.

### Client relations

The client relationships acquired in the context of the consolidation of the enterprise are entered into the accounts at their fair value on the acquisition date. Subsequent to their initial entry into the accounts, they are valued at cost less the cumulative amortization. Amortization periods are generally 5 years.

### Property, plant and equipment

The amortizations are charged so as to write off the cost of the assets, other than land, using the straight-line method over their estimated useful lives. These useful lives are principally as follows:

Land	not depreciated
Buildings	20 to 40 years
Computer equipment	1 to 5 years
Motor vehicles	5 years
Office equipment and other assets	5 to 10 years

Maintenance and repair costs are recognized as an expense in the period when incurred.

Non-current assets made available to the Group under finance leases are accounted for in the same way as non-current assets purchased outright. They are depreciated in accordance with the methods described above over the shorter of the lease term and their estimated useful value. The corresponding lease obligation is recognized as a liability in the balance sheet.

### Subsequent measurement of non-current assets

The carrying value of non-current assets is reviewed at least annually, more frequently if events occur or there is internal or external evidence suggesting that their value might have been impaired. If performances are significantly below the budgets used as a basis for determining carry values in the past, this is considered as evidence of a possible impairment in the value.

In particular, the carrying value at which goodwill is stated on the balance sheet is compared to the recoverable value. The recoverable value is the higher of the fair value less costs to sell and the value in use. To determine value in use, assets are regrouped into cash generating units when it is not possible to determine cash inflows generated independently from assets or groups of assets. The cash generating units correspond to the homogeneous units generating identifiable cash flows.

The value in use of the cash generating units is determined using the discounted cash flow method (DCF), applying the following principles:

- cash flows are based on the operating budgets drawn up by management for the coming year and on growth forecasts for the next four years;
- the discount rate used corresponds to the weighted average cost of capital of the sector;
- the terminal value represents the present value of cash flows out to infinity, determined by reference to normative cash flow and to the estimated growth rate to infinity. This growth rate is consistent with the development potential of the markets in which the entity concerned operates and with its competitive positioning.

The recoverable amount of the cash generating unit determined in this way is then compared to the carrying value of the non-current assets (goodwill included) as reported in the consolidated balance sheet. An impairment loss is recognized if the carrying value of the cash generating unit exceeds its recoverable amount, with the offsetting credit entry being against goodwill in priority.



## Goods purchased for resale held in inventory

The inventory is composed of IT hardware and licenses. They are valued at their cost or at their net realizable value if the latter is lower.

## Deferred taxes

Deferred taxes are recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are calculated using the balance sheet liability method at the tax rates known at the balance sheet date.

Deferred tax assets relating to timing differences and to tax loss carry-forwards are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow these assets to be recovered.

Deferred tax assets and liabilities are offset at the level of the tax entity or tax group if one exists.

Deferred tax assets and liabilities are not discounted to their present value and are therefore reported at the nominal value.

## Financial assets and liabilities

The Group defines its financial assets according to the following categories: assets valued at their fair value with the offsetting entry to profit or loss, assets held until maturity, loans and debts, assets available for sale, and debts at amortized cost. The classification depends on the reasons motivating the acquisition of the financial assets. The Management determines the classification of its financial assets during the initial entry into the accounts.

### Financial assets at their fair value with the offsetting entry in the income statement

The financial assets valued at their fair value with the offsetting entry to profit or loss are the financial assets held for transaction purposes. A financial asset is classified in this category if it was principally acquired for the purpose of short-term resale. Derivative financial instruments are also designated as being held for transaction purposes except if they are qualified as hedging instruments. They are classified among non-current liabilities.

### Assets held until maturity

Non-derivative financial assets associated with determined or determinable payments and a fixed maturity are classified as investments held until maturity, provided that the Group has the manifest intention and the ability to retain them until their maturity. The profits or losses are entered into the income statement when these investments are removed from the accounts or depreciated.

### Loans and debts

Loans and debts are non-derivative financial assets with fixed or determinable payment which are not listed on an active market. They are included in current assets, except those with a maturity greater than twelve months after the closing date.

On each closing, the Group evaluates whether an objective depreciation indicator exists for a financial asset or a group of financial assets.

A financial asset and a financial liability are offset if, and only if, the Group has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## Trade receivables

### Factoring

GFI Informatique and two of its subsidiaries in Spain factor part of their receivables. Depending on the type of contract, the factoring company is responsible or not for collection of the accounts receivable, and assumes part of the related credit risks. GFI Informatique and its subsidiary have drawing rights within the limit of the amount assigned. The receivables transferred continue to be reported under "Trade receivables", while amounts drawn down are reported under "Current borrowings".

### Trade receivables

Amounts disputed by customers are provisioned in full.

## Derivative financial instruments and hedge accounting

The Group's current policy is to enter into transactions on the financial markets only for the purpose of hedging commitments arising from its activity. The Group does not use financial instruments for speculative purposes.

The Group uses derivative financial instruments such as interest-rate swaps to cover itself against the risks associated with interest-rate variations. These derivative financial instruments are initially entered into the accounts at their fair value at the time when the contract is negotiated and later valued at their fair value. The derivatives are entered into the accounts as assets when the fair value is positive and as liabilities when the fair value is negative.

The profits or losses resulting from the variations in the market value of hedge instruments, taken out to hedge future cash flows and for which the Group chose to apply hedge accounting, are recorded as equity capital. When the Group chose not to apply hedge accounting, the profits or losses resulting from the variations in market value were entered into the income statement.

## Cash and cash equivalents

Cash and cash equivalents reported in the balance sheet comprise cash in hand, cash at bank and short-term deposits for less than three months as well as short-term highly liquid investments that are subject to an insignificant risk of changes in value.



Marketable securities are considered as being held for trading and are therefore measured at fair value on the balance sheet date. Changes in fair value are recognized to profit or loss. These securities being adjusted to fair value with the offsetting entry to profit or loss, no impairment losses are recognized. Fair value of these securities is determined mainly by reference to listed prices.

In the consolidated cash flow statement, cash and cash equivalents comprise the items indicated above, from which are deducted current bank overdrafts.

## Shares of the consolidating enterprise

Treasury shares are deducted from equity on the basis of the consideration paid. When these shares are sold to unrelated parties, the gain or loss on disposal net of taxation is recognized directly in "Consolidated reserves".

## Borrowings

### Borrowings other than bonds

Loans are initially measured at fair value less transaction costs that can be allocated directly to their issue.

Costs and premiums on the issue of loans and premiums on their redemption are not included in initial cost but are taken into account when determining amortized cost by applying the effective rate method and are therefore recognized actuarially over the life of the liability.

### Bonds

GFI Informatique issued bonds with redeemable share warrants (*Obligations à Bons de Souscription d'Actions Remboursables* – OBSAR) and redeemable share warrants (*Bons de Souscription d'Actions Remboursables* – BSAR) in 2003. These bonds were redeemed in full in 2008.

## Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that the Group will be required to settle that obligation, and when the amount can be estimated reliably.

Provisions for disputes are analyzed on an individual basis. Provisions reported in the balance sheet under "Provisions for disputes" correspond to the risk as estimated by the management of GFI Informatique and may differ from the amounts sought by the other party.

As regards provisions for restructuring, the estimated cost of the restructuring measure is recognized to profit or loss when these measures are the object of a detailed plan that has been announced or has started to be implemented.

Contingent liabilities are not recognized but are described in the annexes if they are significant, except for business combinations where they are identifiable.

## Retirement benefit plans

In the case of defined contribution plans, contributions paid by the Group to these plans are recognized to profit or loss in the period to which they relate.

In the case of defined benefit plans covering post-employment benefits, the costs of these benefits are estimated using the projected unit credit method. The projected unit credit sees each period of service as giving rise to an additional unit of benefit entitlement applying the plan's vesting formula, taking into account the linearization effect when the rights do not vest uniformly over subsequent vesting periods.

Future payments corresponding to the benefits granted to employees are determined using various assumptions (rate of increase in salaries, retirement age, mortality, etc.) and these defined benefit obligations are then discounted to their present value using as discount rate the market yields on high quality corporate bonds.

When assumptions are revised, this results in actuarial differences that are recognized in the period in which they arise, not to profit or loss but directly to equity under "Recognized income and expense".

Following negotiations with the trade unions, Article 16 of the Syntec National Collective Bargaining Agreement (*Convention collective nationale*) relating to retirement was amended in July 2004. The cost of past services arising from this amendment is recognized to profit or loss on a straight-line basis over the average remaining vesting period for the staff concerned.

The Interprofessional National Agreement (*Accord National Interprofessionnel*) of January 11, 2008, extended by the French Order of July 23, 2008, has no impact on the Group's obligations in terms of retirement indemnities.

## Termination benefits

Termination benefits are due in Italy, under the TFR or *Trattamento di Fine Rapporto*. These benefits represent a proportion of the gross annual salary and are indexed to the ISTAT price index. The benefits are paid to the employees on termination of their employment contract.

These benefits are governed by two different schemes:

- benefits acquired by employees until December 31, 2006 fall under a defined benefit plan;
- benefits acquired by employees as of January 1, 2007 fall under a defined contribution plan;

For the defined benefit plan, termination benefits are provisioned in accordance with the requirements of IAS 19.

In the case of a defined contribution plan, contributions paid by the Group to these plans are recognized to profit or loss in the period to which they relate.

Excluding retirement and termination benefits, the Group does not operate any other defined benefit plan in respect of post-employment benefits.



## Revenue

Rules for the recognition of revenues are summarized below:

### Technical assistance, consulting and systems integration billed at cost plus

Revenue arising from these services is recognized as and when the services are rendered. Revenue is determined by reference to the contractually agreed price and to billable chargeable hours spent on the job. Invoices to be raised or deferred income are recognized when billing is out of phase with the stage of completion.

### Services invoiced for a fixed amount

Revenue arising from these services is recognized by reference to the stage of completion on the basis of costs incurred to date and costs that will be incurred subsequently. When it is probable that costs will exceed revenue, the expected loss is recognized immediately. Invoices to be raised or deferred income are recognized when billing is out of phase with the stage of completion.

### Systems integration provided in connection with sales of software applications or hardware

That part of the revenue arising from the sale of software applications and hardware is recognized upon the transfer of the risks and rewards of ownership to the buyer. This transfer generally occurs on delivery, except when projects are of an unusually complex nature and may present particular completion risks, in which case projects are considered in their entirety and revenue is recognized according to the stage of completion. In this case, the project is considered as a whole and the revenue is recorded in advance.

The share of revenue relating to services is recorded in advance on the basis of the costs incurred and the costs remaining to be incurred.

### Sales of software and hardware

Revenue from the sale of software packages and hardware independently of rendering any services is recognized when risks have been transferred to the buyer. This transfer occurs on delivery.

### Maintenance

Revenue arising from maintenance is recognized prorata temporis over the length of the contract.

## Operating profit

For the sake of legibility and pursuant to the recommendations issued by the French National Accounting Board (*Conseil National de la Comptabilité – CNC*) and French Financial Markets Authority (*Autorité des Marchés Financiers – AMF*), the Group has elected to isolate significant non-recurring items at operating level, and accordingly it reports on separate lines – the “Operating profit on ordinary activities” and “Other operating income and expenses not related to ordinary activities”. The latter comprises a limited number of items of income and expenditure that are unusual and

particularly material. As a rule, these items are highlighted in the Group’s financial communications.

## Employee benefits expense

Amounts distributed to employees under compulsory and discretionary profit-sharing schemes are reported under “Employee benefits expense” in the income statement.

## Bonus shares

The fair value of bonus shares allocated to employees is recognized under other operating income and expenses over the vesting period.

Bonus shares are valued at the price on the day the share was allocated.

## Profit (loss) for the year from discontinued operations

Income and charges relating to discontinued operations are reported as a single amount on a separate line of the income statement.

## Earnings per share

At group level, earnings per share are calculated by reference to the weighted average number of shares in issue during the fiscal year.

Diluted earnings per share are calculated by reference to the weighted average number of shares in issue during the fiscal year increased by the number of shares that would be issued if all BSAR in issue at the balance sheet date and the number of bonus shares that could be allocated were to be exercised.

Earnings per share are calculated by reference to the consolidated profit for the year excluding profit or losses from discontinued operations.

## Segment reporting

A geographical segment is a component (group of assets or transactions) that provides products and services within a particular economic environment and that is subject to risks and returns that are different from those of other group components operating in different economic environments.

A business segment is a component (group of assets or transactions) that provides a product or service (or a group of related products and services) and that is subject to risks and returns that are different from those of other business segments.

For segment reporting purposes, GFI Informatique Group has defined geographical segments as the primary segment reporting format and business segments as the secondary reporting format.



## 4. Significant events and scope of consolidation

### Financial crisis

Vast uncertainty arose in the second half of 2008 due to a number of macroeconomic events. It remains difficult to ascertain the magnitude of their impact on the economy.

The objectives and policies involving the management of credit risk, liquidity risk and modified duration are discussed in more detail in Note 28: "Goals and policy for the management of financial risks".

The estimates used by management in preparing the financial statements as at December 31, 2008 were determined in a period of high market volatility and a certain degree of difficulty in assessing the economic outlook. In this particular market environment, more thorough tests of the sensitivity of goodwill were run and are presented in Note 1: "Goodwill".

### Consolidating the Group's position in Canada

In order to consolidate its position in Canada, the Group restructured its shareholdings to acquire, through its subsidiary GFI Conseils owned by GFI Solutions Group, all outstanding shares of Bell Business Solutions.

This acquisition was financed in part by the following factors:

- GFI Solutions Group agreed to terms whereby FTQ would acquire C\$20 million of its common stock;
- GFI Conseils took out a C\$13 million loan with the Royal Bank of Canada.

### Purchase of additional shareholdings

The Group acquired all of the shares of its Canadian subsidiaries Accovia and GFI Logiciels. Previously accounted for by the equity method, these subsidiaries have been consolidated using the acquisition method since January 1, 2008.

These acquisitions have been paid for in cash.

### Dissolution

The holding company, GFI Logiciels, was dissolved on July 30, 2008 by the transfer of its assets to its sole shareholder, GFI Canada.

### Purchase of minority interests

On May 31, 2008, the Group acquired all of the shares held by minority shareholders of the Canadian subsidiary, GFI Conseils, thus increasing the Group's stake by 22.6%, resulting in full ownership of the capital as of this date.

### Dilutive transaction

The *Fonds de solidarité des Travailleurs Québécois* (FTQ) purchased a 26.54% stake in the capital of the Canadian subsidiary, GFI Solutions Group, on July 31, 2008. This dilutive transaction generated €936,000 in operating income for the Group.

### Acquisitions

The Group acquired all of the shares of the Canadian company Bell Business Solutions, renamed GFI Business Solutions. This company and its subsidiary ProfitMaster Canada have been consolidated since July 31, 2008 under the acquisition method.

## ▶ Other acquisitions

The following acquisitions have been paid in cash.

### Acquisition of a French company

The Group purchased a full stake in the French company Optimeus on June 30, 2008. It has been consolidated since July 1, 2008 under the acquisition method.

### Acquisition of banking computer solutions business in France

The Group acquired Viveo's Engineering business division. This acquisition was integrated by the subsidiary GIFI 1, renamed GFI BFA, on April 1, 2008.



## ▶ Other legal transactions

- The following subsidiaries were dissolved, resulting in the complete transfer of all their assets and liabilities:

- January 1, 2008: Infogen Systems, on decision of its sole shareholder GFI Infogen Systems,
- September 1, 2008: Alliance SI, on decision of its sole shareholder Alliance Ingénierie,
- September 1, 2008: BBS One Ingénierie, on decision of its sole shareholder BBS One,
- October 1, 2008: BTD Clearviews, on decision of its sole shareholder Elites Consulting,
- December 31, 2008: SRM Business Consulting, on decision of its sole shareholder GFI Consulting;

The Group purchased the shares of SRM Business Consulting owned by individuals prior to this dissolution.

- Merger of EMD (Belgium) with Adeliior Benelux;

- Liquidation of Italian subsidiary Soluzioni;
- Liquidation of Belgian subsidiary BWM;
- Change of corporate name of the following companies:
  - French company Gifi 1 was renamed GFI BFA,
  - Belgian company Adeliior Benelux was renamed GFI NV,
  - Portuguese company Bull Portuguesa computadores was renamed GFI Solutions,
  - Portuguese company GFI Portugal was renamed GFI Services,
  - Canadian company GFI Solutions was renamed GFI Solutions Group;
- Set-up of the European Economic Interest Grouping (EEIG) European Software and Services Group on October 21, 2008;
- Set-up of the company GIF I 4 on December 8, 2008;
- Set-up of the company GIF I 5 on December 11, 2008.

## ▶ Awarding bonus shares

On May 21, 2008, the Board of Directors allocated bonus shares to employees and directors of the Group's companies. The shares will be acquired by beneficiaries following a minimum vesting period of two years based on Group performance conditions. A maximum of 476,000 of bonus shares will be allocated.

The fair value of shares at the allocation date was €4.37. No expense will be booked for the year given the likelihood that the performance conditions will be met.

## ▶ Impact of changes in consolidation scope

Contributions made by companies consolidated for the first time in 2008 are summarized in the table below:

<i>(in thousands of euros)</i>	Revenue	Operating profit on ordinary activities	Profit for the year
Arising from first-time consolidation	30,539	2,291	1,292

VThe impact of the above transactions on the consolidated financial statements being less than the 25% threshold defined by AMF, no pro-forma statements were prepared.



## ▶ List of consolidated companies

Company	Registered office	Postal code/City	Registration number	Method of consolidation	% of voting rights	% held	Country
<b>FRANCE</b>							
GFI Informatique SA	15, rue Beaujon	75008 Paris	385 365 713		Parent company		France
GEIE European Software and Services Group	15, rue Beaujon	75008 Paris	508 402 179	PC	75%	75%	France
GFI Elios Informatique SA	11, rue Louis de Broglie	22300 Lannion	327 753 448	FC	100%	100%	France
Informatique et Services SAS	158, avenue de Verdun	92130 Issy Les Moulineaux	413 460 072	FC	100%	100%	France
SCI Gifimo	158, avenue de Verdun	92130 Issy Les Moulineaux	350 934 139	FC	100%	100%	France
Financière Sinorg SA	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	384 875 159	FC	100%	100%	France
Gifi 4 SAS	24, rue Martre	92110 Clichy	509 339 081	FC	100%	100%	France
Gifi 5 SASU	24, rue Martre	92110 Clichy	509 440 079	FC	100%	100%	France
GFI Progociels SAS	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	340 546 993	FC	100%	100%	France
GIE Anis	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	389 285 784	FC	100%	100%	France
Némausic SA	151, rue Gilles Roberval	30900 Nîmes	329 936 876	FC	100%	100%	France
SCI Via Domitia	151, rue Gilles Roberval	30900 Nîmes	418 871 166	FC	100%	100%	France
GFI Consulting SAS <sup>(1)</sup>	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	433 940 145	FC	100%	100%	France
GFI Chrono Time SAS	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	433 940 574	FC	100%	100%	France
SCBF SAS	6, boulevard du Général Leclerc	92110 Clichy	433 940 079	FC	100%	100%	France
GFI BFA (formerly GIFI 1) SASU	15, rue Beaujon	75008 Paris	493 687 644	FC	100%	100%	France
GIFI 2 SASU	15, rue Beaujon	75008 Paris	493 686 653	FC	100%	100%	France
GIFI 3 SASU	15, rue Beaujon	75008 Paris	493 687 446	FC	100%	100%	France
Infogen Systems SA*	3, rue Collange	92300 Levallois	343 025 615	FC	100%	100%	France
GFI Infogen Systems SAS	3, rue Collange	92300 Levallois	387 554 710	FC	100%	100%	France
GFI Monetic SAS	59, rue de Billancourt	92100 Boulogne Billancourt	434 749 719	FC	100%	100%	France
SRM Business Consulting SAS*	12, rue Rouget de Lisle	92130 Issy Les Moulineaux	380 968 966	FC	100%	100%	France
Optimeus SAS	8, rue Boudreau	75009 Paris	482 249 976	FC	100%	100%	France
GFI Groupe Infrastructures et Production SA	158, avenue de Verdun	92130 Issy Les Moulineaux	410 773 758	FC	100%	100%	France
GFI Infrastructures et Production SA	158, avenue de Verdun	92130 Issy Les Moulineaux	428 286 496	FC	100%	100%	France
Adelior France SAS	59, rue de Billancourt	92100 Boulogne Billancourt	315 930 578	FC	100%	100%	France
GFI Euvoxa SA	47, rue du Leinster	44240 La Chapelle sur Erdre	429 027 337	FC	100%	100%	France
Groupe BTd SA	24, rue Martre	92110 Clichy	439 189 721	FC	100%	100%	France
Alliance Ingénierie SAS	24, rue Martre	92110 Clichy	414 677 005	FC	100%	100%	France
Alliance SI SAS*	24, rue Martre	92110 Clichy	438 424 855	FC	100%	100%	France



Company	Registered office	Postal code/City	Registration number	Method of consolidation	% of voting rights	% held	Country
BTD Consulting SAS <sup>(1)</sup>	24, rue Martre	92110 Clichy	351 630 231	FC	100%	100%	France
Elites Consulting SAS <sup>(1)</sup>	24, rue Martre	92110 Clichy	408 621 209	FC	100%	100%	France
BTD Clearviews SAS*	24, rue Martre	92110 Clichy	477 936 827	FC	100%	100%	France
BBS One SAS	10, square du Chêne Germain	35510 Cesson Sevigne	421 404 823	FC	100%	100%	France
BBS One Ingenierie*	10, square du Chêne Germain	35510 Cesson Sevigne	432 077 709	FC	100%	100%	France
Accovia France SARL	5, Place du Colonel Fabien	75010 Paris	400 375 507	FC	100%	73%	France
<b>EUROPE</b>							
GFI Benelux	Avenue A. Einstein, 6	13000 Wavre	0 427 608 266	FC	100%	100%	Belgium
BWM SPRL*	Haasrode Research Park Technologielaan 11	3001 Heverlee	0 861 117 401	FC	100%	100%	Belgium
GFI NV (formerly Adeliior Benelux)	Haasrode Research Park Technologielaan 11	3001 Heverlee	0 450 798 491	FC	100%	100%	Belgium
EMD Belgique*	Haasrode Research Park Technologielaan 11	3001 Heverlee	0 466 107 566	FC	100%	100%	Belgium
Team Village	Haasrode Research Park Technologielaan 11	3001 Heverlee	0 463 930 610	FC	100%	100%	Belgium
GFI Luxembourg*	Route de Luxembourg, 183	8077 Bertrange	2000.22.24608	FC	100%	100%	Luxembourg
GFI Consulting Netherland BV	WTC Schiphol Airport B Tower, Schiphol Boulevard 231	1118 BH Amsterdam Schiphol	34181929	FC	100%	100%	The Netherlands
GFI International	19, chemin des Champs des Filles	1228 Plan-les-Ouates	CH-660 0 703 000-2	FC	100%	100%	Switzerland
Calléo Switzerland AG	27, Im. Chrummenacher	8315 Lindau	CH-020 4 000 451-4	FC	100%	100%	Switzerland
Calléo Group AG	27, Im. Chrummenacher	8315 Lindau	CH-020 3,021,601-1	FC	100%	100%	Switzerland
Grupo Corporativo GFI Informatica	C/Serrano Galvache, 56	28033 Madrid	A-82206400	FC	100%	100%	Spain
Ibérix	C/Serrano Galvache, 56	28033 Madrid	B-81154148	FC	100%	100%	Spain
GFI Levante	C/Los Monegros S/N	03006 Alicante	B-53096749	FC	100%	100%	Spain
Arcitel	C/Serrano Galvache, 56	28033 Madrid	A-81958449	FC	100%	100%	Spain
GFI Cataluña	C/Urgell, 240 - 7ªA	08036 Barcelona	A-82673542	FC	100%	100%	Spain
Grupo Corporativo GFI Norte	C/Licenciado Poza, 55	48013 Bilbao-Vizcaya	B-48301865	FC	100%	100%	Spain
Euskal Soft Desarrollo y Consultoria SL	Portuetxe, 16 - Oficina 205	20018 San Sebastian-Guipuzcoa	B-20482295	FC	100%	100%	Spain
Advanced Software Technologies	C/Serrano Galvache, 56 - Edificio Olmo	28033 Madrid	A-78897964	FC	100%	100%	Spain
Savac Consultores SL	Máximo Aguirre, 18-Bis 3º	48011 - Bilbao (Vizcaya)	B-48989990	FC	100%	100%	Spain
Instituto Informatico de la Rioja SL	Lope Toledo, 6 1º F 26003	26003 - Logroño (La Rioja)	B-26219865	FC	100%	100%	Spain
Alhena Tecnologia SL	Máximo Aguirre, 18-Bis 3º	48011 - Bilbao (Vizcaya)	B-95111803	FC	100%	100%	Spain
Ois com	Via Mosca, 52	00142 Roma	5576691009	FC	90%	90%	Italy
GFI Italia	Via Mosca, 52	00142 Roma	3735050159	FC	100%	100%	Italy
Soluzioni*	Corso Svizzera 185	10149 Torino	8286310019	FC	100%	100%	Italy



## Significant events and scope of consolidation

Company	Registered office	Postal code/City	Registration number	Method of consolidation	% of voting rights	% held	Country
Theta Sistemi	Via Isonzo N.2/M	87100 Consenza	2723310781	FC	100%	100%	Italy
Sirfin	Via Isonzo N.2/M	87100 Cosenza	330260787	EM	23%	23%	Italy
Sintra Spa	Via Sant'Atonino 28	29100 - Piacenza- PC	1282370335	EM	49%	49%	Italy
GFI Services SA (ex-GFI Portugal)	Av 5 de Outubro, 35-6°	1050-047 Lisboa	PT502726890	FC	100%	100%	Portugal
Netual	Rua Joao Afonso	3800-198 Aveiro	PT504047752	FC	100%	100%	Portugal
GFI Solutions (formerly Bull Portuguesa Computadores)	Av 5 de Outubro, 35-6°	1050-047 Lisboa	PT500268134	FC	100%	100%	Portugal
GFI Informatique Holding GmbH	Heilbronner Str., 86	70191 Stuttgart	HRB20548	FC	100%	100%	Germany
GFI Informatik Management Holding AG	Heilbronner Str., 86	70191 Stuttgart	HRB 21063	FC	100%	100%	Germany
GFI Informatik Deutschland AG&Co.KG	Heilbronner Str., 86	70191 Stuttgart	HRA 13026	FC	100%	100%	Germany
UBS Software - Service GmbH	Heilbronner Str., 86	70191 Stuttgart	HRB 9600	FC	100%	100%	Germany
GFI-iT Media Consult GmbH	Heilbronner Str., 86	70191 Stuttgart	HRB 17899	FC	100%	100%	Germany
SKR Systemberatung Konzepte Realisierung GmbH	Am Hampfberg 9	21224 Rosengarten - Ehestorf	HRB 5357	FC	100%	100%	Germany
<b>OUTSIDE EUROPE</b>							
Ixi Canada	666 Sherbrooke Ouest Bureau 300	H3A 1E7 Montréal	1148933022	FC	100%	100%	Canada
GFI Canada Inc.	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	1149422595	FC	100%	100%	Canada
GFI Conseils Inc.	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	1142666875	FC	100%	73%	Canada
Conceptum	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	1149074370	PC	49%	36%	Canada
Groupe GFI Solutions (formerly GFI Solutions Inc.)	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	1162631056	FC	73%	73%	Canada
GFI Logiciels*	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	820 593 747	FC	100%	100%	Canada
Accovia Inc.	75, rue Queen, Bureau 5100	H3C 2N6 Montréal	887 104 768	FC	100%	73%	Canada
Profimaster Canada Inc.	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	886 084 623	FC	100%	73%	Canada
GFI Solutions d'Affaires Inc.	75, rue Queen, Bureau 4700	H3C 2N6 Montréal	853 849 008	FC	100%	73%	Canada
GFI Informatique Maroc	140, Bd d'Anfa	2000 Casablanca	50 877	FC	100%	100%	Morocco
Holding GFI Informatique Maroc	140, Bd d'Anfa	2000 Casablanca	113 607	FC	100%	100%	Morocco
GFI Maroc Offshore	140, Bd d'Anfa	2000 Casablanca	163 083	FC	100%	100%	Morocco

(1) Transfer of the headquarters to 15, rue Beaujon, 75008 Paris as of January 1, 2009.

\* Deconsolidated in 2008.

FC = Full consolidation. EM = Equity Method. PC = Proportional consolidation.



## 5. Notes to the consolidated balance sheet

### NOTE 1: Goodwill

<i>(in thousands of euros)</i>	Total	Impairment losses	Carrying amount
<b>December 31, 2006</b>	<b>204,656</b>	<b>17,379</b>	<b>187,277</b>
Acquisitions	44,095		44,095
Additional purchase consideration	(528)		(528)
Eliminated on disposals	(341)	(256)	(85)
Depreciation in the period		10,323	(10,323)
Reclassifications	(1,562)	(1,562)	0
Exchange differences	637	(103)	740
<b>December 31, 2007</b>	<b>246,957</b>	<b>25,781</b>	<b>221,176</b>
Acquisitions	32,152		32,152
Additional purchase consideration	203		203
Eliminated on disposals	(5,018)		(5,018)
Depreciation in the period		6,000	(6,000)
Reclassifications			0
Exchange differences	(3,702)	421	(4,123)
<b>December 31, 2008</b>	<b>270,592</b>	<b>32,202</b>	<b>238,390</b>

Goodwill arising on acquisitions corresponds mainly to the goodwill recognized in respect of:

- Canadian companies Accovia and GFI Logiciels;
- Canadian companies GFI Business Solutions and ProfitMaster Canada;
- the engineering business of Viveo,  
according to the details below.

<i>(in thousands of euros)</i>	Group Accovia	Group GFI Business Solutions Inc.	Viveo
Amount paid in cash (or to be paid)	15,231	18,381	8,611
Costs directly attributable to the acquisition		364	286
<b>Fair value of consideration given plus costs</b>	<b>15,231</b>	<b>18,745</b>	<b>8,897</b>
Fair value of the assets and liabilities acquired	5,664	2,094	500
Attributable to minority interests		(4,419)	
<b>Goodwill</b>	<b>9,567</b>	<b>12,232</b>	<b>8,397</b>

The price of the Canadian acquisitions includes a variable portion. The price of Viveo's Engineering business division is final.

The fair value of the identifiable assets and liabilities relating to these acquisitions made over the year, notably GFI Business Solutions and ProfitMaster Canada, is currently being analyzed. It will be finalized within the period for allocating fair value adjustments.

On December 31, 2008, amounts due in respect of firm commitments to buy additional shares or to pay additional purchase considerations amounted to €10,958,000 and are reported as "Current financial liabilities" and "Non-current financial liabilities", according to their maturities (see Note 10: "Other non-current and current financial liabilities").



Goodwill is tested for impairment using the discounted cash flow method (DCF). Business forecasts are based on the 2009 budgets of the main operating entities drawn up by management and on growth rates of between 1% and 10% depending on the entity for the period 2010 to 2013. The growth rate to infinity has been set at 3%.

The discount rate of 10.0% corresponds to the weighted average cost of capital of the sector. The value of the discount rate applied is the same as that for 2007.

The execution of these tests with respect to 2008 has given rise to a €6,000,000 impairment loss on the goodwill of the Italian cash generating unit. A total of €8,400,000 in impairment was recorded in 2007.

An overall sensitivity test was established on the following calculation parameters:

- a 0.5 percentage point increase in the discount rate would reduce the carrying amount of the goodwill as reported on the balance sheet on December 31, 2008 by 2%;
- a 0.5 percentage point decrease in the growth rate to infinity would reduce the carrying amount of the goodwill as reported in the 2008 balance sheet by 1%;

- a 0.5 percentage point decrease in the assumptions concerning annual margin for all of the periods in question would reduce the carrying amount of the goodwill as reported in the 2008 balance sheet by 4%.

More specifically, based on the same parameters, the Italian CGU presents the following sensitivity:

- a 0.5 percentage point increase in the discount rate would further reduce the carrying amount of goodwill of the Italian CGU as reported on the balance sheet on December 31, 2008 by €2.0 million;
- a 0.5 percentage point decrease in the growth rate to infinity would further reduce the carrying amount of goodwill of the Italian CGU as reported on the balance sheet on December 31, 2008 by €1.4 million;
- a 0.5 percentage point decrease in the assumptions concerning annual margin for all of the periods in question would further reduce the carrying amount of goodwill of the Italian CGU as reported on the balance sheet on December 31, 2008 by €4.9 million.

The geographical breakdown of goodwill is provided in Note 22: "Segment reporting".

## NOTE 2: Other intangible assets

<i>(in thousands of euros)</i>	Total	Amortization and impairment losses	Carrying amount
<b>December 31, 2006</b>	<b>24,326</b>	<b>11,083</b>	<b>13,243</b>
Assets purchased	672		672
Assets developed internally	3,554		3,554
Assets sold	(820)	(820)	0
Depreciation in the period		3,788	(3,788)
Arising from first-time consolidation	5,443	626	4,817
Exchange differences	(20)	(21)	1
<b>December 31, 2007</b>	<b>33,155</b>	<b>14,656</b>	<b>18,499</b>
Assets purchased	1,473		1,473
Assets developed internally	7,228		7,228
Assets sold	(773)	(767)	(6)
Depreciation in the period		5,623	(5,623)
Arising from first-time consolidation	10,113	2,423	7,690
Exchange differences	(1,493)	(412)	(1,081)
<b>December 31, 2008</b>	<b>49,703</b>	<b>21,523</b>	<b>28,180</b>

Software purchased corresponds to the cost of the operating licenses of the software applications in question.

Software developed internally corresponds to the cost of the rollout of ERP software within the Group (Theseus project).



Changes in intangible assets are analyzed in the table below:

<i>(in thousands of euros)</i>	31.12.08			31.12.07	31.12.06
	Total	Amortization and impairment losses	Carrying amount	Carrying amount	Carrying amount
Software purchased	11,010	8,477	2,533	1,872	2,041
Software developed internally	6,935	1,343	5,592	4,193	2,691
Development costs	17,667	7,715	9,952	6,714	6,858
Client relations	14,091	3,988	10,103	5,720	1,653
<b>TOTAL</b>	<b>49,703</b>	<b>21,523</b>	<b>28,180</b>	<b>18,499</b>	<b>13,243</b>

The fixed assets generated internally include software development costs capitalized within the Group (€5,235,000 in gross value during the fiscal year), as well as the software applications created.

The development costs amounting to €1,952,000 were incurred by the Group's French entities that do not comply with criteria defined by IAS 38 and are therefore included in the operating costs of the fiscal year.

### NOTE 3: Property, plant and equipment

<i>(in thousands of euros)</i>	31.12.08			31.12.07	31.12.06
	Total	Depreciation and impairment losses	Carrying amount	Carrying amount	Carrying amount
Land and buildings	676	433	243	293	549
Buildings held under finance leases	1,918	1,905	13	65	161
Plant and equipment	5,652	3,371	2,281	2,004	1,286
Plant and equipment held under finance leases	184	184	0	0	0
Other assets	42,447	34,579	7,868	7,060	6,517
Other assets held under finance leases	1,787	940	847	842	855
<b>TOTAL</b>	<b>52,664</b>	<b>41,412</b>	<b>11,252</b>	<b>10,264</b>	<b>9,368</b>

Changes in property, plant and equipment are analyzed in the table below:

<i>(in thousands of euros)</i>	Gross value	Depreciation and impairment losses	Carrying amount
<b>December 31, 2006</b>	<b>40,529</b>	<b>31,161</b>	<b>9,368</b>
Assets purchased	4,295		4,295
Assets developed internally	0		0
Assets sold	(3,343)	(2,743)	(600)
Depreciation in the period		3,467	(3,467)
Arising from first-time consolidation	2,942	2,280	662
Exchange differences	17	11	6
<b>December 31, 2007</b>	<b>44,440</b>	<b>34,176</b>	<b>10,264</b>
Assets purchased	4,458		4,458
Assets developed internally			0
Assets sold	(5,582)	(5,176)	(406)
Depreciation in the period		3,942	(3,942)
Arising from first-time consolidation	11,397	10,320	1,077
Exchange differences and reclassification	(2,049)	(1,850)	(199)
<b>December 31, 2008</b>	<b>52,664</b>	<b>41,412</b>	<b>11,252</b>

The Group does not generate property, plant and equipment internally.



## NOTE 4: Financial investments

Non-current financial assets are analyzed below:

(in thousands of euros)	31.12.08			31.12.07	31.12.06
	Total	Impairment losses	Carrying amount	Carrying amount	Carrying amount
Housing and staff loans	831	0	831	771	828
Deposits and other forms of collateral	2,415	0	2,415	2,480	1,900
Investments in associates	676	89	587	1,792	1,651
Participating interests	194	60	134	121	100
<b>TOTAL</b>	<b>4,116</b>	<b>149</b>	<b>3,967</b>	<b>5,164</b>	<b>4,479</b>

## NOTE 5: Other financial assets

In the first half of 2008, the crossed options to buy Conceptum shares and sell GFI Conseils shares, taken out as part of the acquisition of Conceptum in Canada, were exercised. As the exercise of these options was recorded in the consolidated financial statements when they were closed in 2004, it had no impact on the 2008 financial statements.

The amounts receivable and payable recognized for these transactions in the consolidated financial statements since December 31, 2004 under "Other non-current financial assets" and "Other non-current financial liabilities" respectively were cleared in May 2008. Their value stood at €1,446,000 at December 31, 2007.

## NOTE 6: Trade receivables

All the trade receivables below are due within one year.

(in thousands of euros)	31.12.08	31.12.07	31.12.06
Trade receivables	158,012	165,909	143,869
Receivables ceded to Factors	103,059	83,103	73,784
Provisions for doubtful debts	(7,809)	(7,561)	(6,243)
	<b>253,262</b>	<b>241,451</b>	<b>211,410</b>
Bills receivable	2,933	1,997	2,089
Invoices to be raised	56,784	61,445	45,935
<b>TOTAL NET TRADE RECEIVABLES</b>	<b>312,979</b>	<b>304,893</b>	<b>259,434</b>

The non-depreciated debts are analyzed in the table below:

(in thousands of euros)	31.12.08	Debts not expired	Debts expired in the last		
			less than 6 months	6 to 12 months	more than 12 months
Net trade receivables*	253,262	165,859	71,661	5,132	10,610

\* Excluding Bills receivable and Invoices to be raised.

A significant portion of the receivables that expired over 12 months ago are receivables held involving Italian clients.



The impairment of customer debts developed as follows during the fiscal year:

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
<b>Accumulated impairment losses on January 1</b>	<b>7,561</b>	<b>6,243</b>	<b>4,659</b>
New impairment losses	2,189	2,013	2,301
Reversals of impairment losses	(373)	(205)	(876)
Amortization used (removal of the debt from the accounts)	(1,568)	(600)	(461)
Changes in consolidation scope	0	110	620
<b>ACCUMULATED IMPAIRMENT LOSSES ON DECEMBER 31</b>	<b>7,809</b>	<b>7,561</b>	<b>6,243</b>

## NOTE 7: Other receivables

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
Tax	21,449	22,746	13,440
Other receivables	12,307	6,577	6,905
Payments on account	655	694	502
<b>Gross value</b>	<b>34,411</b>	<b>30,017</b>	<b>20,847</b>
Accumulated impairment losses	(557)	(205)	(9)
<b>NET VALUE</b>	<b>33,854</b>	<b>29,812</b>	<b>20,838</b>

“Other receivables” comprise mainly amounts recoverable from social security bodies as well as the amount due with regard to the dispute described in Note 24: “Miscellaneous risks”.

## NOTE 8: Non-current borrowings

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06	Maturity		
				2010	2011	2012 and +
OBSAR	0	0	23,484	0	0	0
Bank loans	67,382	44,586	9,522	26,350	30,083	10,949
Finance lease obligations	482	604	533	231	156	95
<b>TOTAL</b>	<b>67,864</b>	<b>45,190</b>	<b>33,539</b>	<b>26,581</b>	<b>30,239</b>	<b>11,044</b>

The long-term financial debts are subject to interest-rate hedges, the characteristics of which are presented in Note 13: “Current financial liabilities”.

A tranche of €23 million was drawn in July 2008, prior to the repayment of the balance of the bonded debt. Two additional tranches were drawn in May 2008 in the amount of €15 million.

### Refinancing of bonded debt

In 2007, with its banking pool meeting in a club deal, the Group signed a financing contract including the refinancing of its bonded debt (OBSAR, *obligation à bon de souscription d'action remboursable*) as well as the financing of its external growth.

At December 31, 2008, the financing contract relates to a total amount of €95 million in the form of a variable-rate medium-term loan repayable over 5 years.

The first tranches of this loan were drawn in 2007 in the amount of €57 million.

### Other financing

The Canadian subsidiary GFI Conseils took out a C\$13 million loan with the Royal Bank of Canada, repayable over four years (see 4 “Significant events and scope of consolidation”).

The conventional default clauses associated with this contract are presented in Note 28: “Goals and policy for the management of financial risks”.



## Breakdown of non-current borrowings

The geographic breakdown of non-current borrowings at December 31, 2008, which are denominated in euros and Canadian dollars, is provided in the table below:

Distribution by country (in thousands of euros)	31.12.08	31.12.07	31.12.06	Maturity		
				2010	2011	2012 et +
France	59,920	43,281	31,498	25,173	24,247	10,500
Spain	956	1,210	1,463	254	253	449
Portugal	482	670	533	231	156	95
Canada	6,506	29	45	923	5,583	0
<b>TOTAL</b>	<b>67,864</b>	<b>45,190</b>	<b>33,539</b>	<b>26,581</b>	<b>30,239</b>	<b>11,044</b>

The breakdown of these non-current borrowings between fixed and variable interest rates is provided in the table below:

Fixed rate and variable rate distribution (in thousands of euros)	31.12.08	31.12.07	31.12.06	Maturity		
				2010	2011	2012 et +
Variable interest rates	60,402	43,698	32,031	25,404	24,403	10,595
Fixed interest rates	7,462	1,492	1,508	1,177	5,836	449
<b>TOTAL</b>	<b>67,864</b>	<b>45,190</b>	<b>33,539</b>	<b>26,581</b>	<b>30,239</b>	<b>11,044</b>

## NOTE 9: Non-current provisions

Non-current provisions comprise provisions for retirement benefits and for termination benefits relating to operations in France and Italy, details of which are provided in the table below:

(in thousands of euros)	31.12.07	Changes in consolidation scope	Increases	Decreases	Changes in actuarial differences	31.12.08
Italy	8,837		1,316	(2,768)	476	7,861
France	7,080	255	1,206	(531)	(272)	7,738
<b>TOTAL</b>	<b>15,917</b>	<b>255</b>	<b>2,522</b>	<b>(3,299)</b>	<b>204</b>	<b>15,599</b>

(in thousands of euros)	31.12.06	Changes in consolidation scope	Increases	Decreases	Changes in actuarial differences	31.12.07
Italy	10,044	4	1,246	(2,191)	(266)	8,837
France	6,877	250	1,126	(287)	(886)	7,080
<b>TOTAL</b>	<b>16,921</b>	<b>254</b>	<b>2,372</b>	<b>(2,478)</b>	<b>(1,152)</b>	<b>15,917</b>

### Italy

In Italy, the provision corresponds to legal termination benefits (*Trattamento di Fine Rapporto – TFR*). These benefits represent a proportion of the gross annual salary and are indexed to the ISTAT price index. The benefits are paid to the employees on termination of their employment contract.

The reduction in the provision entirely corresponds to the benefits paid to the employees during the fiscal year.

### France

Legal and contractual benefits payable to employees are provisioned by the Group on the basis of each employee's theoretical length of service upon leaving on retirement as required by IAS 19.

Since the end of 2006, these commitments are based on the assumption that in all cases employees will leave at their own initiative. Due to this assumption, the Social security financing law for 2008 (law no. 2007-1786 of December 19, 2007) did not involve any new changes to the calculation assumptions. The average rate



of social security costs applied is 44%. The calculation is based on assumptions reflecting the expected staff turnover by age band as

well as the expected mortality by gender based on the INSEE 2002-2004 mortality tables. The discount rate used was 5.50%.

The present value of the Group's total obligations in respect of retirement indemnities payable in France is analyzed in the table below:

(in thousands of euros)

<b>Provision for retirement indemnities at December 31, 2006</b>	<b>6,877</b>
Arising from first-time consolidation	250
Cost of services rendered during the year	725
Interest expenses	355
Effect of curtailments and liquidations	(287)
Cost of past services recognized during the period	46
Change in actuarial differences	(886)
<b>Provision for retirement indemnities at December 31, 2007</b>	<b>7,080</b>
Arising from first-time consolidation	255
Cost of services rendered during the year	741
Interest expenses	419
Effect of curtailments and liquidations	(531)
Cost of past services recognized during the period	46
Change in actuarial differences	(272)
<b>Provision for retirement indemnities at December 31, 2008</b>	<b>7,738</b>

Modifications to the Syntec National Collective Bargaining Agreement (*Convention Collective Nationale*) in 2004 generated costs for past

services totaling €1,219,000. Costs for past services not recognized to profit or loss came to €1,011,000 on December 31, 2008.

Changes in the Group's obligations are analyzed in the table below:

(in thousands of euros)	31.12.08	31.12.07	31.12.06
Provision for retirement indemnities	7,738	7,080	6,877
Net cost of past services	1,011	1,057	1,103
<b>Total obligation in respect of retirement indemnities</b>	<b>8,749</b>	<b>8,137</b>	<b>7,980</b>

## NOTE 10: Other non-current and current financial liabilities

These non-current and current liabilities are related to the acquisition of additional shares in consolidated subsidiaries and comprise notably:

- provisions in respect of firm commitments to buy shares or to pay additional purchase considerations on December 31, 2008. These commitments to buy shares or to pay additional purchase considerations were valued on the basis of contractual

undertakings arising from relevant agreements signed when the companies were acquired and subsequent riders, when applicable. The payment of additional purchase considerations depends on the performances recorded by the companies concerned;

- the effects of discounting these liabilities to their present value by reference to the date on which it is expected these debts will be extinguished.

(in thousands of euros)	31.12.08	31.12.07	31.12.06	Maturity date		
				2009	2010	2011
Other non-current financial liabilities	1,652	2,860	3,743	N/A	826	826
Other current financial liabilities	9,306	7,321	3,560	9,306	N/A	N/A
	<b>10,958</b>	<b>10,181</b>	<b>7,303</b>	<b>9,306</b>	<b>826</b>	<b>826</b>



## NOTE 11: Current provisions

<i>(in thousands of euros)</i>	31.12.07	Changes in consolidation scope	Increases	Decreases	Other	31.12.08
Labor disputes	1,061		634	(421)	(36)	1,238
Restructuring and reorganization	1,864	6	1,505	(1,478)	8	1,905
Disputes	3,351		2,463	(2,571)	28	3,271
Tax and social security risks	1,575		37	(384)		1,228
Other	181		72	(113)		140
<b>TOTAL</b>	<b>8,032</b>	<b>6</b>	<b>4,711</b>	<b>(4,967)</b>		<b>7,782</b>

<i>(in thousands of euros)</i>	31.12.06	Changes in consolidation scope	Increases	Decreases	Other	31.12.07
Labor disputes	1,073	355	674	(1,091)	50	1,061
Restructuring and reorganization	2,596		405	(1,087)	(50)	1,864
Disputes	4,066		120	(777)	(58)	3,351
Tax and social security risks	912	467	478	(282)		1,575
Other	511	37	70	(437)		181
<b>TOTAL</b>	<b>9,158</b>	<b>859</b>	<b>1,747</b>	<b>(3,674)</b>	<b>(58)</b>	<b>8,032</b>

Amounts set aside and reversed are analyzed in the table below:

<i>(in thousands of euros)</i>	Increases				Decreases				Of which without defined purpose
	Operating, on ordinary activities	Operating, not related to ordinary activities	Financial provisions	Total	Operating, on ordinary activities	Operating, not related to ordinary activities	Financial provisions	Total	
Labor disputes		634		634		(421)		(421)	(57)
Restructuring and reorganization		1,505		1,505		(1,478)		(1,478)	
Disputes	19	2,444		2,463	(2,009)	(562)		(2,571)	(150)
Tax and social security risks		37		37	(126)	(258)		(384)	(138)
Other	72			72	(113)			(113)	
<b>TOTAL</b>	<b>91</b>	<b>4,620</b>		<b>4,711</b>	<b>(2,248)</b>	<b>(2,719)</b>		<b>(4,967)</b>	<b>(345)</b>

### Provisions for labor disputes, reorganizations and restructuring

The depreciation and provisions and reversals for labor risks and reorganizations essentially relate to France and Italy.

In Italy, the restructuring plan that was decided on in December 2006 was implemented. An €0.8 million provision was created given the disputes with certain employees following the implementation of the restructuring plan.

### Disputes

Following the legal proceedings initiated several years ago in a commercial dispute with a client, a sentence was issued in March 2009. A €2.0 million provision was recorded in the 2008 financial statements for this sentence (see Note 18: "Operating profit").

Following a breach of contract with a third party in 2004, a €2 million settlement difference in favor of GFI Informatique was recognized to profit or loss under "Other operating income". The matter being before the courts, a provision for the same amount was recognized in 2004. A settlement agreement was signed in July 2008, eliminating this dispute from the books without a significant impact for the Group, and the provision was reversed.



## NOTE 12: Current borrowings

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
OBSAR due within 1 year	0	23,644	23,484
Bank loans due within 1 year	19,690	16,517	7,768
Finance lease obligations, short-term portion	342	185	308
Bank overdrafts	17,029	4,132	8,457
Amounts drawn down from factors	9,387	4,812	4,993
Accrued interest	145	320	330
<b>TOTAL</b>	<b>46,593</b>	<b>49,610</b>	<b>45,340</b>

The interest rate risk to which the OBSAR and bank loans are exposed has been hedged using financial instruments whose characteristics are detailed in Note 13: "Current financial liabilities".

Loans with credit institutions as well as financial lease obligations and OBSARs are subscribed at fixed rates or variable rates, according to the following distribution:

<i>Fixed rate and variable rate distribution (in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
Variable interest rates	18,257	39,825	31,445
Fixed interest rates	1,775	521	115
<b>TOTAL</b>	<b>20,032</b>	<b>40,346</b>	<b>31,560</b>

## Bonds

On July 25, 2003, GFI Informatique issued bonds with redeemable share warrants (*Obligations à Bons de Souscription d'Actions Remboursables – OBSAR*) and redeemable share warrants (*Bons de Souscription d'Actions Remboursables – BSAR*) on the Euronext Paris Premier Marché.

The first tranche of this bonded debt was repaid in the second half of 2007 and the second tranche in the second half of 2008.

The main characteristics of the bonds with redeemable share warrants are summarized below:

Number of bonds issued	443,260
Par value <i>(in euros)</i>	107.00
Issue price <i>(in euros)</i>	107.00
Total amount issued in August 2003 <i>(in euros)</i>	47,428,820
Interest rate (paid quarterly in arrears)	3 months Euribor -0.25%
Number of bonds outstanding at December 31, 2007	221,539
Number of bonds redeemed in 2006	221,539
Number of bonds outstanding at December 31, 2008	0
Repayment date of first tranche	05.08.2007
Repayment date of second tranche	05.08.2008



## NOTE 13: Current financial liabilities

Current financial liabilities correspond to hedging instruments recognized at fair value, for a total of €3,295,000 at December 31, 2008.

Some interest-rate hedging instruments are for a constant amount until maturity, whereas others are for amounts that decline gradually until maturity. Details on these hedges, their breakdown by expiration and respective fair values are presented below as at December 31, 2008:

Type of instrument	Date of issue or restructuring	Date of expiration	Counterparty	Hedging on 31.12.08	Fair value (in thousands of euros)					Fair value
					2009	2010	2011	2012	2013	
Subsidized interest rate swap	05/08/05	05/08/09	Calyon	10,000	10,000					86
Fixed rate swap	17/03/06	06/03/11	BNP Paribas	2,925	1,300	1,300	325			(29)
Fixed rate swap	10/04/06	05/08/09	Calyon	5,000	5,000					(79)
Collar	07/08/06	05/08/09	Calyon	15,000	15,000					(148)
Progressive fixed rate swap	07/08/06	05/08/10	Calyon	10,000		10,000				(353)
Corridor	19/04/07	05/11/10	SG	20,000		20,000				(907)
Subsidized interest rate swap	17/09/07	15/12/11	Calyon	4,696	1,392	1,392	1,912			(189)
Fixed rate swap	15/06/07	15/12/11	Calyon	2,348	696	696	956			(11)
Subsidized interest rate swap	15/06/07	15/12/11	BNP Paribas	2,348	696	696	956			(112)
Collar	15/06/07	15/12/11	HSBC	2,348	696	696	956			(49)
Fixed rate swap	15/02/07	15/12/11	BNP Paribas	2,668	889	889	890			(68)
Fixed rate swap	03/10/07	15/12/12	BNP Paribas	4,000	1,000	1,000	1,000	1,000		(142)
Fixed rate swap	03/10/07	15/12/12	SG	4,000	1,000	1,000	1,000	1,000		(137)
Fixed rate swap	03/10/07	15/12/12	Calyon	4,000	1,000	1,000	1,000	1,000		(143)
Fixed rate swap	10/10/07	15/12/12	HSBC	4,000	1,000	1,000	1,000	1,000		(138)
Fixed rate swap	18/07/08	15/12/12	BNP Paribas	5,400	1,200	1,200	1,200	1,800		(270)
Fixed rate swap	18/07/08	15/12/12	HSBC	2,700	600	600	600	900		(132)
Fixed rate swap	02/10/08	15/12/11	SG	6,545	910	3,038	2,597			(240)
Fixed rate swap	02/10/08	15/12/11	Calyon	6,545	910	3,038	2,597			(234)
				<b>114,523</b>	<b>43,289</b>	<b>47,545</b>	<b>16,989</b>	<b>6,700</b>	<b>0</b>	<b>(3,295)</b>

## NOTE 14: Tax and social security

(in thousands of euros)	31.12.08	31.12.07	31.12.06
Staff	40,689	37,016	35,624
Value added taxation	56,418	52,473	41,126
Social security	45,585	42,493	38,115
Income tax	6,314	8,273	8,831
Other taxes	3,801	7,804	6,569
<b>TOTAL</b>	<b>152,807</b>	<b>148,059</b>	<b>130,265</b>



All the above amounts are payable within one year.

## NOTE 15: Other current liabilities

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
Due to fixed asset suppliers	509	725	624
Payments on account	8,215	8,602	6,919
Other	7,383	1,202	1,688
<b>TOTAL</b>	<b>16,107</b>	<b>10,529</b>	<b>9,231</b>

All the above amounts are payable within one year. This item includes the debt related to the dispute described in Note 24: "Miscellaneous risks".

# 6. Notes to the consolidated income statement

## NOTE 16: Revenue

### 1 – Breakdown of revenue by geographical segment

<i>(in thousands of euros)</i>	2008		2007		2006	
<b>France</b>	<b>514,414</b>	<b>67%</b>	<b>451,269</b>	<b>66%</b>	<b>417,556</b>	<b>66%</b>
<b>Southern Europe</b>	<b>168,132</b>	<b>22%</b>	<b>170,188</b>	<b>25%</b>	<b>154,063</b>	<b>24%</b>
Spain	76,532	46%	78,831	46%	76,095	49%
Italy	61,166	36%	64,848	38%	62,261	40%
Portugal	30,434	18%	26,509	16%	15,707	11%
<b>Northern Europe</b>	<b>45,081</b>	<b>6%</b>	<b>45,131</b>	<b>7%</b>	<b>40,966</b>	<b>6%</b>
Germany	24,930	55%	23,475	52%	20,695	51%
Benelux	18,482	41%	18,707	41%	17,765	43%
Switzerland	1,669	4%	2,949	7%	2,506	6%
<b>Outside Europe</b>	<b>40,435</b>	<b>5%</b>	<b>21,908</b>	<b>2%</b>	<b>20,518</b>	<b>4%</b>
Canada	36,319	90%	18,625	85%	17,641	86%
Morocco	4,116	10%	3,283	15%	2,877	14%
<b>TOTAL</b>	<b>768,062</b>	<b>100%</b>	<b>688,496</b>	<b>100%</b>	<b>633,103</b>	<b>100%</b>

### 2 – Breakdown of revenue by business segment

<i>(in thousands of euros)</i>	2008		2007		2006	
Systems integration and administration and consulting	698,955	91%	637,453	93%	584,847	92%
Software Publishing	88,723	12%	62,212	9%	59,849	9%
Intra-group	(19,616)	-3%	(11,169)	-2%	(11,593)	-1%
<b>TOTAL</b>	<b>768,062</b>	<b>100%</b>	<b>688,496</b>	<b>100%</b>	<b>633,103</b>	<b>100%</b>

As of 2008, the business sector "Software Publishing" includes the Canadian company Accovia.



## NOTE 17: Employee benefits expense

<i>(in thousands of euros)</i>	2008	2007	2006
Wages and salaries	336,312	296,233	274,461
Social security costs	136,422	119,816	109,467
Employee profit sharing	2,002	1,621	1,846
<b>TOTAL</b>	<b>474,736</b>	<b>417,670</b>	<b>385,774</b>

Average number of employees:

Average workforce	2008	2007	2006
Managerial staff	7,763	7,039	6,619
Employees, technicians and supervisory staff	1,370	1,242	1,168
<b>TOTAL</b>	<b>9,133</b>	<b>8,281</b>	<b>7,787</b>

Details of staff benefits provisioned by the Group are disclosed in Note 9: "Non-current provisions".

## NOTE 18: Operating profit

Restructuring charges deducted in arriving at the operating profit concerned mainly France, Spain, Italy and Benelux and amounted to €2,877,000, €894,000, €952,000 and €222,000 respectively.

Gains on disposals include the diluted earnings resulting from the stake taken by FTQ in the capital of the Canadian company GFI Solutions Group (see 4 "Significant events").

Goodwill impairment losses concern the Italian subsidiaries (see Note 1: "Goodwill").

Other operating costs not related to ordinary activities are comprised of a €2.0 million allowance recorded with regard to a commercial dispute with a client. Following the legal proceedings initiated several years ago, a sentence was issued in March 2009.

## NOTE 19: Net finance costs

<i>(in thousands of euros)</i>	2008	2007	2006
Gains on the sale of marketable securities	397	124	48
<b>Income from cash and cash equivalents</b>	<b>397</b>	<b>124</b>	<b>48</b>
Interest payable	(5,887)	(3,988)	(2,642)
Variation in the fair value of the loans and bonded debt	(85)	(432)	(736)
Interest payable in connection with factoring	(1,010)	(326)	(420)
<b>Finance costs</b>	<b>(6,982)</b>	<b>(4,746)</b>	<b>(3,798)</b>
<b>NET FINANCE COSTS</b>	<b>(6,585)</b>	<b>(4,622)</b>	<b>(3,750)</b>



## NOTE 20: Other financial income (expenses)

<i>(in thousands of euros)</i>	2008	2007	2006
Foreign exchange gains	346	299	116
Foreign exchange losses	(232)	(61)	(16)
Changes in the value of financial instruments	519	(629)	(735)
Discounting effects	38	(181)	(135)
Provisions relating to employees	(753)	(721)	(566)
Sundry financial income (swaps, etc.)	280	606	239
Sundry financial expenses (swaps, etc.)	(901)	(340)	(693)
<b>OTHER FINANCIAL INCOME (EXPENSES)</b>	<b>(703)</b>	<b>(1,027)</b>	<b>(1,790)</b>

## NOTE 21: Income tax expense

### Reconciliation of theoretical and actual income tax expense

The reconciliation between the tax expense and the product of the accounting profit multiplied by the applicable tax rate is as follows:

<i>(in thousands of euros)</i>	2008	2007	2006
Profit before tax*	24,698	20,946	28,187
<b>Theoretical tax</b>	<b>8,504</b>	<b>7,212</b>	<b>9,705</b>
Tax losses not recognized as deferred tax assets in application of the prudence concept	2,870	2,450	4,960
Relief for tax losses not recognized as deferred tax assets previously	(1,427)	(497)	(710)
Tax assets on non-recoverable consolidation adjustments	(2,988)	(1,994)	(1,058)
Impact of permanent tax differences	813	(214)	(3,877)
Impact of goodwill impairment losses	2,066	3,555	620
Impact of recognized tax losses carried forward		(4,011)	
Impact of changes in tax rates	(518)	(513)	(151)
Other	672	179	(272)
<b>TOTAL INCOME TAX EXPENSE</b>	<b>9,992</b>	<b>6,167</b>	<b>9,217</b>
Including:			
Current taxes	6,833	7,404	9,515
Deferred taxes	3,159	(1,237)	(298)
Effective tax rate	40.5%	29.4%	32.7%

\* Excluding share of profit and loss of associates.

In 2007, the item "Impact of recognized tax losses carried forward" included €4,011,000 in tax losses for Algoriel that were carried forward after becoming transferable to the results of the company GFI Informatique in respect of a tax ruling granted in 2007.

These tax deficits totaled €11,647,000 and were absorbed by GFI Informatique, of which:

- €7,045,000 in fiscal year 2007;
- €4,602,000 in fiscal year 2008.

### Tax group

As at December 31, 2008, GFI Informatique's tax group in France comprised the same companies as the tax group defined as at December 31, 2007 (GFI Informatique, Informatique et Services, GFI Progiciels, Financière Sinorg, GFI Chrono Time, Némausic, GFI Consulting, GFI Infogen Systems, GFI Monetic, SCBF, Adeliior France, GFI Groupe Infrastructures et Production, GFI Infrastructures et Production, GFI Euvoxa, GFI Elios Informatique, GFI BFA and GFI 2) as well as the following companies which were consolidated for the first time in 2008: BTD Group, Alliance Ingenierie, Alliance SI, BTD Consulting, Elites, BTD Clearviews, BBS One and BBS One Ingenierie.



The existence of this tax group resulted in tax savings of €2,153,000 for the Group over the year.

## Deferred taxes

On December 31, 2008, the sources of deferred taxes in France and abroad were as follows:

<i>(in thousands of euros)</i>	31.12.07	Changes in consolidation scope	Impact of changes in tax rates	Exchange differences	Recognized to profit or loss	31.12.08
<b>Deferred tax base of French companies</b>						
Tax timing differences						
• Employee profit sharing	2,088				(786)	1,302
• Construction tax	1,015				25	1,040
• Organic tax	908				45	953
• Other tax timing differences	2,120				1,048	3,168
Tax loss carry-forwards recognized	10,354				(6,143)	4,211
<b>Timing difference arising from the application of Group accounting policies and methods</b>						
• Development costs capitalized	(5,662)				(2,509)	(8,171)
• Provisions for retirement indemnities	6,293	256		(272)	533	6,810
• Client relations	(5,720)	(762)			1,482	(5,000)
• Restatement of finance leases	(65)				52	(13)
• Restatement of borrowings at amortized cost	108				(108)	
• Other	(3,117)	785			(2,313)	(4,645)
<b>Total deferred tax base – French companies</b>	<b>8,322</b>	<b>279</b>		<b>(272)</b>	<b>(8,674)</b>	<b>(345)</b>
<b>DEFERRED TAX – FRENCH COMPANIES</b>	<b>2,865</b>	<b>96</b>		<b>(91)</b>	<b>(2,988)</b>	<b>(118)</b>
<b>Deferred tax base of foreign companies</b>						
• Tax loss carry-forwards recognized	680	2,681		(82)	(967)	2,312
• Other tax timing differences	(244)	3,073		(463)	289	2,655
<b>Timing difference arising from the application of Group accounting policies and methods</b>						
• Development costs capitalized	(88)				84	(4)
• Other	(1,547)	(655)		63	33	(2,106)
<b>Total deferred tax base – Foreign companies</b>	<b>(1,199)</b>	<b>5,099</b>		<b>(482)</b>	<b>(561)</b>	<b>2,857</b>
<b>DEFERRED TAX – FOREIGN COMPANIES</b>	<b>(412)</b>	<b>1,611</b>	<b>7</b>	<b>(148)</b>	<b>(178)</b>	<b>880</b>
<b>TOTAL NET DEFERRED TAXES</b>	<b>2,453</b>	<b>1,707</b>	<b>7</b>	<b>(239)</b>	<b>(3,166)</b>	<b>762</b>
Including:						
Short-term	5,357					4,587
Medium and long-term	(2,904)					(3,825)
Including:						
Deferred tax assets	4,307					1,133
Deferred tax liabilities	(1,854)					(371)



## Tax losses carried forward

Future tax savings from relieving tax losses carried forward by subsidiaries that are not part of the French tax group are analyzed below:

<i>(in thousands of euros)</i>	Tax base December 31, 2007	Changes in consolidation scope	Tax losses utilized	Tax losses foregone, exchange differences and adjustments	New tax losses	Tax base December 31, 2008	Future tax savings	
							Recognized	Non- recognized
France	18,882		(9,809)	(246)	3	8,830	1,450	1,590
Spain	4,052			(203)	2,286	6,135	410	1,407
Italy	12,130		(278)	(4,411)	3,628	11,069		3,044
Portugal	487		(199)	(288)		0		0
Germany	32,354		0	(13,648)	532	19,238		2,800
Benelux	373			(312)	464	525		169
Switzerland	22,960			(106)	1,303	24,157		2,053
Canada	249	9,723	(2,180)	(1,438)	1,495	7,849	284	2,141
Morocco	146			(8)	112	250		75
<b>TOTAL</b>	<b>91,633</b>	<b>9,723</b>	<b>(12,466)</b>	<b>(20,660)</b>	<b>9,823</b>	<b>78,053</b>	<b>2,144</b>	<b>13,279</b>

The breakdown of these deficits which can be carried forward according to their maturities is as follows:

Expiring in	
2009	3,106
2010	197
2011	9,175
2012	16,074
2013	6,105
After 5 years	12,833
Indefinite	30,563
<b>TOTAL</b>	<b>78,053</b>



## 7. Segment information

### NOTE 22: Segment reporting

#### Income statement

Segment income and expenses are stated before eliminating intra-Group balances and transactions except when these intra-Group balances and transactions are within the same segment.

The segment income and the results for each geographical area are shown in the table below:

<i>(in thousands of euros)</i>	2008	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Morocco
Revenue	768,062	514,414	76,532	61,166	30,434	24,930	18,482	1,669	36,319	4,116
Depreciation and amortization of segment assets	(9,562)	(5,815)	(1,437)	(227)	(685)	(94)	(103)	0	(1,126)	(75)
<b>Operating profit on ordinary activities</b>	<b>44,898</b>	<b>32,256</b>	<b>5,038</b>	<b>(75)</b>	<b>1,700</b>	<b>758</b>	<b>613</b>	<b>(14)</b>	<b>4,314</b>	<b>308</b>
Other operating income and expenses not related to ordinary activities	(12,912)	(5,676)	(895)	(6,961)			(224)	(23)	871	(4)
<b>Operating profit</b>	<b>31,986</b>	<b>26,580</b>	<b>4,143</b>	<b>(7,036)</b>	<b>1,700</b>	<b>758</b>	<b>389</b>	<b>(37)</b>	<b>5,185</b>	<b>304</b>
Net finance costs	(6,585)	(2,312)	(1,073)	(769)	48	(778)	(256)	(723)	(703)	(19)
Other financial income (expenses)	(703)	(524)	(49)	(459)	20	37	17	6	253	(4)
Income tax expense	(9,992)	(6,071)	(1,254)		(553)	9	(352)	(404)	(1,247)	(120)
Profit (loss) for the year from discontinued operations	0									
Share of profits of associates	0									
<b>PROFIT FOR THE YEAR</b>	<b>14,706</b>	<b>17,673</b>	<b>1,767</b>	<b>(8,264)</b>	<b>1,215</b>	<b>26</b>	<b>(202)</b>	<b>(1,158)</b>	<b>3,488</b>	<b>161</b>
Attributable to the Group	14,327	17,713	1,767	(8,264)	1,215	26	(202)	(1,158)	3,069	161
Attributable to minority interests	379	(40)							419	

<i>(in thousands of euros)</i>	2007	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Morocco
Revenue	688,496	451,269	78,831	64,848	26,509	23,475	18,707	2,949	18,625	3,283
Depreciation and amortization of segment assets	(7,255)	(4,739)	(1,412)	(181)	(583)	(41)	(131)	(4)	(122)	(42)
<b>Operating profit on ordinary activities</b>	<b>44,752</b>	<b>34,123</b>	<b>6,797</b>	<b>(2,129)</b>	<b>1,522</b>	<b>638</b>	<b>938</b>	<b>161</b>	<b>2,562</b>	<b>140</b>
Other operating income and expenses not related to ordinary activities	(18,157)	(9,262)	12	(8,690)	(205)	(35)	23			
<b>Operating profit</b>	<b>26,595</b>	<b>24,861</b>	<b>6,809</b>	<b>(10,819)</b>	<b>1,317</b>	<b>603</b>	<b>961</b>	<b>161</b>	<b>2,562</b>	<b>140</b>
Net finance costs	(4,622)	(1,000)	(1,141)	(1,079)	85	(485)	(219)	(760)	(22)	(1)
Other financial income (expenses)	(1,027)	(12,040)	15	10,858	(8)	21	7	3	122	(5)
Income tax expense	(6,167)	(2,964)	(1,565)	(83)	(365)	1	(274)	(3)	(808)	(106)
Profit (loss) for the year from discontinued operations	0	0	0	0	0	0	0	0	0	0
Share of profits of associates	368								368	
<b>PROFIT FOR THE YEAR</b>	<b>15,147</b>	<b>8,857</b>	<b>4,118</b>	<b>(1,123)</b>	<b>1,029</b>	<b>140</b>	<b>475</b>	<b>(599)</b>	<b>2,222</b>	<b>28</b>
Attributable to the Group	14,037	8,102	4,118	(1,123)	1,029	140	475	(599)	1,867	28
Attributable to minority interests	1,110	755	0	0	0	0	0	0	355	0

In 2007, the item "Other financial income and costs" in Italy primarily consists of the profit from the abandonment of a current account of €11 million realized by GFI Informatique SA. The item "Other financial income and costs" in France is mutually impacted.



<i>(in thousands of euros)</i>	2006	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Africa	United Kingdom
Revenue	633,103	417,556	76,095	62,261	15,707	20,695	17,765	2,506	17,641	2,877	0
Depreciation and amortization of segment assets	(6,174)	(3,964)	(1,106)	(199)	(449)	(124)	(168)	(24)	(111)	(29)	0
<b>Operating profit on ordinary activities</b>	<b>40,280</b>	<b>30,509</b>	<b>6,198</b>	<b>(1,271)</b>	<b>1,386</b>	<b>114</b>	<b>991</b>	<b>(276)</b>	<b>2,370</b>	<b>117</b>	<b>142</b>
Other operating income and expenses	(6,553)	(3,413)	0	(4,783)	0	0	60	(400)	0	0	1,983
<b>Operating profit</b>	<b>33,727</b>	<b>27,096</b>	<b>6,198</b>	<b>(6,054)</b>	<b>1,386</b>	<b>114</b>	<b>1,051</b>	<b>(676)</b>	<b>2,370</b>	<b>117</b>	<b>2,125</b>
Net finance costs	(3,750)	(8,710)	(824)	(444)	81	(500)	262	(584)	(22)	(1)	6,992
Other financial income and costs	(1,790)	(1,814)	32	(190)	21	21	(50)	7	76	(1)	108
Income tax expense	(9,217)	(6,228)	(1,571)	76	(330)	57	(523)	(1)	(620)	(79)	2
Profit (loss) for the year from discontinued operations	0	0	0	0	0	0	0	0	0	0	0
<b>PROFIT FOR THE YEAR</b>	<b>18,944</b>	<b>10,344</b>	<b>3,835</b>	<b>(6,612)</b>	<b>1,158</b>	<b>(308)</b>	<b>740</b>	<b>(1,254)</b>	<b>1,778</b>	<b>36</b>	<b>9,227</b>
Attributable to the Group	18,637	10,399	3,835	(6,612)	1,158	(308)	738	(1,254)	1,418	36	9,227
Attributable to minority interests	307	(55)	0	0	0	0	2	0	360	0	0

In 2006, net finance costs reported in France include the impact of liquidating the British subsidiaries, notably recognition of the non-recoverability of the amounts due by these subsidiaries to GFI Informatique totaling €6.5 million. This caused an increase in net finance income reported by the UK.



## Segment information

## Balance sheet

<i>(in thousands of euros)</i>	31.12.08	Intra group	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Morocco
Goodwill	238,390		127,592	33,241	20,161	9,447	11,588	5,039	2,247	28,565	510
Other intangible assets	28,180		19,843	1,301	625		8	21		6,357	25
Property, plant and equipment	11,252		6,010	1,804	175	1,691	183	147	5	927	310
Financial assets not related to ordinary activities	3,967	(99,060)	88,376	963	895	6,197	574	15	5,919	0	88
Deferred tax assets	1,133		21	109		4				969	30
Other financial assets	0										
<b>NON-CURRENT ASSETS</b>	<b>282,922</b>	<b>(99,060)</b>	<b>241,842</b>	<b>37,418</b>	<b>21,856</b>	<b>17,339</b>	<b>12,353</b>	<b>5,222</b>	<b>8,171</b>	<b>36,818</b>	<b>963</b>
Goods purchased for resale held in inventory	3,403		238	87	1,923	778	0	101	0	153	123
Trade receivables	312,979	(2,255)	185,412	43,647	53,299	12,553	3,113	4,972	333	8,244	3,661
Other receivables	33,854	(1,229)	26,878	1,615	3,333	516	124	21	19	2,271	306
Prepaid expenses	6,152		3,708	472	733	435	27	363	7	342	65
Cash and cash equivalents	22,206		2,680	1,244	6,860	3,275	964	2,601	510	3,880	192
<b>CURRENT ASSETS</b>	<b>378,594</b>	<b>(3,484)</b>	<b>218,916</b>	<b>47,065</b>	<b>66,148</b>	<b>17,557</b>	<b>4,228</b>	<b>8,058</b>	<b>869</b>	<b>14,890</b>	<b>4,347</b>
Non-current borrowings	67,864	(99,060)	67,166	20,784	11,831	3,075	21,985	2,328	14,681	24,824	250
Deferred tax liabilities	371		137	117			3			113	1
Non-current provisions	15,599		7,738		7,861						
Other non-current financial liabilities	1,652									1,652	
<b>NON-CURRENT LIABILITIES</b>	<b>85,486</b>	<b>(99,060)</b>	<b>75,041</b>	<b>20,901</b>	<b>19,692</b>	<b>3,075</b>	<b>21,988</b>	<b>2,328</b>	<b>14,681</b>	<b>26,589</b>	<b>251</b>
Current provisions	7,782		6,017	211	1,197	72		239	20		26
Current borrowings	46,593		43,140	1,523	0	474			21	1,383	52
Current financial liabilities	3,295		3,295								
Other current financial liabilities	9,306		6,780	1,479		222				825	
Trade payables	73,923	(2,233)	37,075	4,218	23,208	2,970	1,440	2,809	197	2,702	1,537
Tax and social security	152,807		126,437	8,193	8,237	3,633	708	1,631	306	2,505	1,157
Other current liabilities	16,107	(1,251)	14,024	1,050	606	219	184	648	155	470	2
Deferred income	34,985		16,987	9,591	926	1,024	228	1,192	7	4,835	195
<b>CURRENT LIABILITIES</b>	<b>344,798</b>	<b>(3,484)</b>	<b>253,755</b>	<b>26,265</b>	<b>34,174</b>	<b>8,614</b>	<b>2,560</b>	<b>6,519</b>	<b>706</b>	<b>12,720</b>	<b>2,969</b>



<i>(in thousands of euros)</i>	31.12.07	Intra group	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Morocco
Goodwill	221,176		118,585	33,240	26,161	9,429	11,588	4,962	2,063	14,643	505
Other intangible assets	18,499		16,959	1,449	20	0	16	26	0	10	19
Property, plant and equipment	10,264		5,870	2,112	321	1,211	227	160	5	246	112
Financial investments	5,164	(91,059)	79,548	1,105	977	5,697	111	648	6,942	1,142	53
Deferred tax assets	4,307		4,011	175	0	4	0	1	0	84	32
Other financial assets	1,446		0	0	0	0	0	0	0	1,446	0
<b>NON-CURRENT ASSETS</b>	<b>260,856</b>	<b>(91,059)</b>	<b>224,973</b>	<b>38,081</b>	<b>27,479</b>	<b>16,341</b>	<b>11,942</b>	<b>5,797</b>	<b>9,010</b>	<b>17,571</b>	<b>721</b>
Goods purchased for resale held in inventory	2,951		207	413	1,118	1,096	0	0	0	0	117
Trade receivables	304,893	(1,922)	165,864	48,000	64,431	11,148	3,129	7,147	632	3,792	2,672
Other receivables	29,812	(2,007)	23,804	2,006	3,102	389	95	77	1,101	1,073	172
Prepaid expenses	7,869		4,252	1,170	1,739	185	39	420	17	11	36
Cash and cash equivalents	29,434		9,687	1,550	8,327	2,705	827	1,055	777	4,346	160
<b>CURRENT ASSETS</b>	<b>374,959</b>	<b>(3,929)</b>	<b>203,814</b>	<b>53,139</b>	<b>78,717</b>	<b>15,523</b>	<b>4,090</b>	<b>8,699</b>	<b>2,527</b>	<b>9,222</b>	<b>3,157</b>
Non-current borrowings	45,190	(91,044)	50,225	23,046	12,981	1,905	21,190	3,344	14,983	8,560	0
Deferred tax liabilities	1,854		1,147	533	0	0	3	0	0	171	0
Non-current provisions	15,917		7,080	0	8,837	0	0	0	0	0	0
Other non-current financial liabilities	2,860		0	1,414	0	0	0	0	0	1,446	0
<b>NON-CURRENT LIABILITIES</b>	<b>65,821</b>	<b>(91,044)</b>	<b>58,452</b>	<b>24,993</b>	<b>21,818</b>	<b>1,905</b>	<b>21,193</b>	<b>3,344</b>	<b>14,983</b>	<b>10,177</b>	<b>0</b>
Current provisions	8,032		5,751	84	2,027	99	0	18	18	0	35
Current borrowings	49,610		43,778	5,410	0	334	0	0	0	10	78
Current financial liabilities	2,190		2,190	0	0	0	0	0	0	0	0
Other current financial liabilities	7,321		6,720	0	0	204	0	0	0	397	0
Trade payables	77,446	(3,014)	38,015	5,885	26,993	3,086	1,488	2,496	547	1,048	902
Tax and social security	148,059		122,633	8,026	9,293	3,220	810	1,484	173	1,534	886
Other current liabilities	10,529	(930)	6,673	1,459	1,217	110	402	1,322	192	68	16
Deferred income	29,723		15,618	9,820	1,770	918	132	1,261	(6)	135	75
<b>CURRENT LIABILITIES</b>	<b>332,910</b>	<b>(3,944)</b>	<b>241,378</b>	<b>30,684</b>	<b>41,300</b>	<b>7,971</b>	<b>2,832</b>	<b>6,581</b>	<b>924</b>	<b>3,192</b>	<b>1,992</b>

## Consolidated financial statements as at December 31, 2008



### Segment information

<i>(in thousands of euros)</i>	31.12.06	Intra group	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Africa
Goodwill	187,277		80,268	33,738	34,560	5,987	11,588	4,924	2,111	13,586	515
Other intangible assets	13,243		11,491	1,659	29	(1)	14	38	0	6	7
Property, plant and equipment	9,368		4,877	2,005	399	1,311	254	201	3	226	92
Financial investments	4,479	(93,616)	82,784	1,106	797	5,097	133	124	7,003	978	73
Deferred tax assets	4,192		3,762	198	83	6	0	54	0	59	30
Other financial assets	1,393		0	0	0	0	0	0	0	1,393	0
<b>NON-CURRENT ASSETS</b>	<b>219,952</b>	<b>(93,616)</b>	<b>183,182</b>	<b>38,706</b>	<b>35,868</b>	<b>12,400</b>	<b>11,989</b>	<b>5,341</b>	<b>9,117</b>	<b>16,248</b>	<b>717</b>
Goods purchased for resale held in inventory	5,900		309	1,559	3,933	15	0	0	0	0	84
Trade receivables	259,434	(2,781)	136,184	41,777	61,993	6,492	2,665	7,300	619	2,857	2,328
Other receivables	20,838	(1,951)	14,757	1,511	3,894	229	64	126	1,103	1,037	68
Prepaid expenses	5,708		2,510	1,415	982	133	75	437	19	74	63
Cash and cash equivalents	25,174		1,897	4,787	8,649	2,001	605	2,885	317	3,605	428
<b>CURRENT ASSETS</b>	<b>317,054</b>	<b>(4,732)</b>	<b>155,657</b>	<b>51,049</b>	<b>79,451</b>	<b>8,870</b>	<b>3,409</b>	<b>10,748</b>	<b>2,058</b>	<b>7,573</b>	<b>2,971</b>
Non-current borrowings	33,539	(93,711)	37,243	23,989	16,329	1,308	21,054	3,615	15,503	8,208	1
Deferred tax liabilities	1,284		501	604	0	0	6	0	0	173	0
Non-current provisions	16,921		6,877	0	10,044	0	0	0	0	0	0
Other non-current financial liabilities	3,743		0	1,989	0	110	0	0	0	1,644	0
<b>NON-CURRENT LIABILITIES</b>	<b>55,487</b>	<b>(93,711)</b>	<b>44,621</b>	<b>26,582</b>	<b>26,373</b>	<b>1,418</b>	<b>21,060</b>	<b>3,615</b>	<b>15,503</b>	<b>10,025</b>	<b>1</b>
Current provisions	9,158		5,875	96	3,028	0	20	113	19	0	7
Current borrowings	45,340		42,204	2,739	0	308	54	0	0	35	0
Current financial liabilities	1,633		1,633	0	0	0	0	0	0	0	0
Other current financial liabilities	3,560		770	1,407	0	0	0	981	0	402	0
Trade payables	72,713	(3,762)	32,423	8,746	28,398	389	1,444	2,531	304	1,136	1,104
Tax and social security	130,265		103,546	9,262	11,149	2,083	455	1,601	117	1,431	621
Other current liabilities	9,231	(875)	5,056	2,186	849	98	158	1,515	171	34	39
Deferred income	22,256		11,555	7,414	1,062	104	279	1,605	28	105	104
<b>CURRENT LIABILITIES</b>	<b>294,156</b>	<b>(4,637)</b>	<b>203,062</b>	<b>31,850</b>	<b>44,486</b>	<b>2,982</b>	<b>2,410</b>	<b>8,346</b>	<b>639</b>	<b>3,143</b>	<b>1,875</b>

Segment assets and liabilities are stated before eliminating intra-Group balance and transactions except when these intra-Group balances and transactions are within the same segment.

When appropriate, intra-Group provisions on net transactions between segments which are eliminated in the consolidated financial statements are not reported in the tables overleaf.



## Segment investments and distribution of non-current assets

The breakdown of costs incurred during the fiscal year in connection with the acquisition of intangible assets and property, plant and equipment is provided below:

By geographical segment (in thousands of euros)	Total	France	Spain	Italy	Portugal	Germany	Benelux	Switzerland	Canada	Morocco
Intangible assets	8,701	6,023	635	767	0	1	8	0	1,252	15
Property, plant and equipment	4,458	2,115	365	100	1,214	106	79	0	199	280
<b>ACQUISITION OF SEGMENT ASSETS</b>	<b>13,159</b>	<b>8,138</b>	<b>1,000</b>	<b>867</b>	<b>1,214</b>	<b>107</b>	<b>87</b>	<b>0</b>	<b>1,451</b>	<b>295</b>

The breakdown of non-current assets by business line is provided in the table below:

By business segment (in thousands of euros)	Total	Integration and administration of systems and consulting	Software Publishing
Intangible assets	28,180	21,521	6,659
Property, plant and equipment	11,252	10,329	923
<b>TOTAL</b>	<b>39,432</b>	<b>31,850</b>	<b>7,582</b>

## 8. Additional information

### NOTE 23: Financial instruments

#### Financial instruments recorded on the balance sheet

(in thousands of euros)	31.12.08	Breakdown by category of instruments				
		Assets valued at their fair value by results	Instruments used to hedge future cash flows	Assets held until maturity	Loans and debts	Debts in amortized cost
Non-current financial assets excluding shares, by the equity method	3,380				3,380	
Other financial assets	0			0		
Trade receivables	312,979				312,979	
Other receivables	12,405				12,405	
Cash and cash equivalents	22,206	22,206				
<b>ASSETS</b>	<b>350,970</b>	<b>22,206</b>		<b>0</b>	<b>328,764</b>	<b>0</b>
Non-current borrowings	67,382					67,382
Other non-current financial liabilities	1,652			0		1,652
Current borrowings	46,251					46,251
Current financial liabilities	3,295	1,742	1,553			
Other current financial liabilities	9,306					9,306
Trade payables	73,923					73,923
Other current liabilities	16,107					16,107
<b>LIABILITIES</b>	<b>217,916</b>	<b>1,742</b>	<b>1,553</b>	<b>0</b>	<b>0</b>	<b>214,621</b>



<i>(in thousands of euros)</i>	31.12.07	Breakdown by category of instruments				
		Assets valued at their fair value by results	Instruments used to hedge future cash flows	Assets held until maturity	Loans and debts	Debts in amortized cost
Non-current financial assets excluding shares, by the equity method	3,372				3,372	
Other financial assets	1,446			1,446		
Trade receivables	304,893				304,893	
Other receivables	7,066				7,066	
Cash and cash equivalents	29,434	29,434				
<b>ASSETS</b>	<b>346,211</b>	<b>29,434</b>		<b>1,446</b>	<b>315,331</b>	<b>0</b>
Non-current borrowings	44,586					44,586
Other non-current financial liabilities	2,860			1,446	1,414	
Current borrowings	49,425					49,425
Current financial liabilities	2,190	2,190				
Other current financial liabilities	7,321					7,321
Trade payables	77,446					77,446
Other current liabilities	10,529					10,529
<b>LIABILITIES</b>	<b>194,357</b>	<b>2,190</b>		<b>1,446</b>	<b>1,414</b>	<b>189,307</b>

### Income statement effect of the financial instruments

<i>(in thousands of euros)</i>	Income statement effect of the financial instruments				
	2008	Benefit	Fair value	Amortized cost	Impairment
Assets and liabilities valued at their fair value by results	(102)	(621)	519	0	0
Assets available for sale	0	0	0	0	0
Loans and debts	(2,391)	(613)	38	0	(1,816)
Assets held until maturity	0	0	0	0	0
Debts in amortized cost	(5,972)	(5,887)	0	(85)	0
	<b>(8,465)</b>	<b>(7,121)</b>	<b>557</b>	<b>(85)</b>	<b>(1,816)</b>

<i>(in thousands of euros)</i>	Income statement effect of the financial instruments				
	2007	Benefit	Fair value	Amortized cost	Impairment
Assets and liabilities valued at their fair value by results	(363)	266	(629)	0	0
Assets available for sale	0	0	0	0	0
Loans and debts	(2,191)	(202)	(181)	0	(1,808)
Assets held until maturity	0	0	0	0	0
Debts in amortized cost	(4,420)	(3,988)	0	(432)	0
	<b>(6,974)</b>	<b>(3,924)</b>	<b>(810)</b>	<b>(432)</b>	<b>(1,808)</b>



## Maturity

The following table shows the maturity profile of the financial liabilities of the Group on December 31, 2008, on the basis of the non-discounted contractual payments.

(in thousands of euros)	31.12.08	2009	2010	2011	2012	2013 and beyond
Loans due in more than 1 year	67,382		26,350	30,083	10,737	212
Benefit	3,643		2,165	1,192	286	0
Other non-current financial liabilities	1,652		826	826		
<b>NON-CURRENT FINANCIAL LIABILITIES</b>	<b>72,677</b>		<b>29,341</b>	<b>32,101</b>	<b>11,023</b>	<b>212</b>
Loans due within 1 year	46,251	46,251				
Benefit	3,000	3,000				
Current financial liabilities	3,295	3,295				
Other current financial liabilities	9,306	9,306				
Trade payables	73,923	73,923				
Other current liabilities	16,107	16,107				
<b>CURRENT FINANCIAL LIABILITIES</b>	<b>151,882</b>	<b>151,882</b>				

## NOTE 24: Miscellaneous risks

### Tax audit of GFI Informatique

In September 2008, the tax administration issued a proposal for a VAT adjustment for transactions that took place in 2005 and 2006, under terms similar to those in the proposal issued in 2007 for fiscal year 2004.

The auditor has questioned the VAT exemption of certain intracommunity deliveries, considering that they contained anomalies, both in terms of the behavior of the foreign customer and its purchase orders, as well as the transportation of goods.

The Group has contested these adjustment proposals by justifying that it had systematically checked the legal existence of its customers, it has implemented a precise procedure for checking of goods on receipt, it could track using the delivery notes the entirety of the receipts and forwardings, it possessed all of the invoices of the transporters and each shipment had given rise to a Goods Exchange Declaration (Déclaration d'Echange de Biens, DEB) within the normal timeframe. The company also contested the requirement, according to the tax auditor, to examine the subsequent use of the products purchased from GFI Informatique by its client.

This involves a total sum of €8.5 million plus €1.3 million in back interest. The auditor also considered that it could apply surcharges of 40% for deliberate violations, i.e. €3.4 million. In total, the adjustment would amount to €13.2 million, including interest and surcharges.

GFI Informatique resolutely contested both of these adjustment proposals in January and November 2008. GFI Informatique considers the risk highly unlikely and has therefore elected not to record a provision, in particular due to the fact that the administration has thus far not replied to either refusal submitted by GFI Informatique.

### Activated guarantee - Engineering

GFI Informatique received an activated guarantee of liabilities in the amount of €7.9 million of the company Engineering following the transfer of the Engisanita company in July 2002. By decision of an arbitration tribunal on March 23, 2007, GFI Informatique was sentenced to execute its guarantee on the first request in a principal amount of €5.7 million. Against all expectations, the tribunal, despite having performed the appropriate reviews, did not pronounce any judgment on the merits of the case. In May 2007, TGI Paris ordered the authorization to execute (*exequatur*) of the Italian ruling and, in November 2008, the Paris Court of Appeals confirmed this order. At December 31, 2008, a debt was recognized under "Other current liabilities" in application of the ruling of the Court of Appeals (see Note 15: "Other current liabilities").

GFI Informatique instigated new proceedings before the Milan arbitration tribunal for a ruling on the merits of the case based on the results of enquiries that confirm its arguments. As GFI Informatique believes that it can obtain the reimbursement of this same amount of €5.7 million from Engineering, a receivable was recorded under "Other receivables" (see Note 7: "Other receivables"). A €0.4 million provision was nevertheless raised for this receivable.

### Disputes and contentious issues in Italy

In Italy, the Group is owed €3.2 million by the commune of Foggia. The Group has begun a judicial recovery procedure and believes that the debt of €2.2 million is documented and beyond dispute. As such, a €1.0 million provision was recorded in previous years.



## Additional information

In addition, the municipality has attacked GFI Italia and is demanding €5 million of compensation for interruption of service. The Group believes this demand to be totally unfounded and has therefore made no provision for this risk. A hearing is scheduled for 2009.

In January 2008, one of the members of the consortium OIS.Com in which GFI Italia is a member with a holding of 89.69%, the company Line System Service Srl, demanded the payment of compensation of €2 million for a commitment not fulfilled by the consortium to subcontract services to it in the period 2002 to 2006. GFI Italia considers this demand to be unfounded.

In Italy, a supplier is claiming €1.8 million from GFI Italia (formerly GFI OIS) in respect of invoices issued between 1992 and 1994. In the accounts of GFI Italia (formerly GFI OIS), these invoices are shown as having been paid or settled with credit notes. Consequently, GFI Informatique considers the claim to be unfounded.

## NOTE 25: Off balance sheet commitments

The Group's off balance sheet commitments correspond to commitments given by GFI Informatique and its subsidiaries. They are summarized as follows:

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
Given in connection with the payment of rents	461	461	590
Given in connection with cash facilities made available to subsidiaries	2,020	1,994	1,049
Given in connection with customer contracts	15,575	13,705	10,909
Given in connection with supplier contracts	2,506	67	47
<b>TOTAL</b>	<b>20,562</b>	<b>16,227</b>	<b>12,595</b>

In the context of its acquisitions, the Group has received the following liability guarantees:

<i>(in thousands of euros)</i>	31.12.08
<b>Fair value</b>	<b>Limit</b>
01/01/09                      Actif Group	1,950
31/12/10                      Savac Group	75% of the purchase consideration with a minimum threshold of 2,625
18/05/09                      Bull Portuguesa Computadores	650
31/12/09 to 31/12/12              BTD Group	6,000*
30/01/11                      Accovia Group	12,028
31/03/08                      Viveo business	880
31/07/11                      GFI Business Solutions Inc.	4,211

\* Including €1.5 million covered by a bank guarantee.

The bank loans and bonds were subscribed to initially by several banks through agreements featuring so-called default covenants in the form of financial ratios that are measured each year as at the balance sheet date. These financial criteria are presented in Note 28: "Goals and policy for the management of financial risks".

In order to finance the additional acquisition of Accovia, GFI Informatique pledged GFI Canada securities held by GFI Informatique for the benefit of Club Deal banks.

In order to finance the acquisition of the subsidiaries GFI Business Solutions and ProfitMaster Canada, the Canadian subsidiaries GFI Conseils and GFI Business Solutions granted mortgages to the Royal Bank of Canada.

The Group's commitments in respect of retirement indemnities (including non-amortized cost of past services) are detailed in Note 9: "Non-current provisions".

To the best of the Company's knowledge, there exists no other material balance sheet commitment within the meaning of the accounting standards applied for the preparation of the consolidated financial statements.



## NOTE 26: Post balance sheet events

### Planned acquisition

GFI Informatique Group, through its Quebec subsidiary GFI Business Solutions (GFI Solutions Group Inc.), signed an agreement to acquire a full stake in Forstum. This company is a leader in Quebec in the publishing and integration of proprietary accounting and finance software applications.

Forstum is a listed company that has 240 employees and generated about C\$30 million in revenue in 2008.

This acquisition will take place at a price of C\$0.82 per share, pricing the total capital of Forstum at C\$43 million (approximately €28 million). The transaction will be final subject to the favorable vote of 66.66% of Forstum's shareholders at the General Meeting scheduled on May 11, 2009.

### Legal transactions

Following the acquisitions made in 2007 and 2008, the Group is pursuing its program designed to simplify and rationalize its organizational structure.

- The following subsidiaries were dissolved, resulting in the complete transfer of all their assets and liabilities:
  - January 1, 2009: GFI BFA, on decision of its sole shareholder GFI Informatique,
  - January 1, 2009: Optimeus, on decision of its sole shareholder GFI Consulting,
  - January 1, 2009: Alliance Ingénierie, on decision of its sole shareholder GFI Infrastructures et Production,
  - January 1, 2009: BBS One, on decision of its sole shareholder BTD Group,
  - January 2, 2009: BTD Group, on decision of its sole shareholder GFI Informatique,
  - April 1, 2009: GFI Elios Informatique, on decision of its sole shareholder GFI Informatique,

## NOTE 27: Related party disclosures

### Transactions concluded within the GFI Informatique Group

The table below indicates the amounts of the transactions concluded with the associated parties.

<i>(in thousands of euros)</i>	2008	2007	2006
Sales to related parties	21,994	22,593	9,292
Purchases from related parties	54,256	29,340	11,325
Dividends and similar income	25,202	5,167	10,665
Interest and similar charges	13,123	13,081	8,837
Other exceptional income	2,246	0	131
Other exceptional costs	1,565	0	0
Due by related parties	110,188	123,530	103,851
Due to related parties	64,895	73,728	50,939

Sales and purchases involving related parties are performed at the market price.

### Transactions concluded with the reference shareholder

None.



## Compensation of key management personnel

The total remuneration, including all benefits in kind, paid in 2008 and 2007 to the members of the management and administrative bodies by GFI Informatique and companies it controls are indicated in the table below:

<i>(in euros)</i>	Fixed remuneration	Variable remuneration	Benefits in kind	Directors' fees	Total Remuneration	Commitments in respect of retirement indemnities
In respect of 2008	924,161	325,000	32,935	50,000	1,332,096	74,308
In respect of 2007	963,112	515,000	39,838	35,000	1,552,950	67,512

The variable portion of the remuneration of corporate officers is calculated, in part, on the basis of actual operating profitability and capital expenditure as compared to the budget, and, in part, on the basis of objectives specific to each manager's area of responsibility.

The GFI Informatique Group considers that only the corporate officers have the authority and responsibility for the planning, management and control of the activities, directly or indirectly (IAS 24.9).

On December 18, 2007, the company signed a non-competition agreement with Vincent Rouaix and Michel Beilin. In compensation for the non-competition commitment subscribed to by Vincent Rouaix and Michel Beilin, said agreement provides for the payment to these parties of a lump sum of €600,000 and €480,000 respectively on the date of termination of their office.

There are no anticipated payments upon leaving office.

A total of 70,000 bonus shares have been allocated to these parties.

## NOTE 28: Goals and policy for the management of financial risks

The principal financial liabilities of the group consist in loans and bank overdrafts, financial lease obligations and trade payables. The principal purpose of these financial liabilities is to finance the operating activities of the Group. The Group holds financial assets such as customer receivables, cash and short-term deposits which are generated by its activities directly.

It also contracts derivative instruments, primarily interest-rate swaps. These instruments have the goal of managing the interest rate risks associated with the Group's financing. The policy of the Group is not to subscribe to derivative instruments for speculative purposes.

The principal risks associated with the Group's financial instruments are the interest rate risk on cash flows, the liquidity risk and the counterparty risk.

The risk management policies are summarized below.

### Interest rate risk on cash flows

The Group's exposure to variation risks in market interest rates is linked to the proportion of the Group's financial indebtedness, at a variable rate. Interest rate management forms an integral part of debt management. It is the Group that decides what proportion of the debt bears fixed interest rates and what proportion bears variable rates.

With this aim, the Group is implementing hedging instruments. Swap contracts (both traditional and step-up) are the instruments most frequently used for this purpose. On December 31, 2008, after taking account of interest-rate swaps, around 90% of Group debt is at a fixed interest rate (versus 68% in 2007).

If the hedges are activated, the analysis of interest-rate sensitivity shows that a marginal 1 percentage point increase in interest rates would have an impact of €188,000 on the consolidated financial statements of the GFI Informatique Group on the basis of the financial liabilities recognized at December 31, 2008.

### Credit risks

Regarding the credit risk relating to the financial assets of the Group, i.e. principally customers, cash and cash equivalents, the exposure of the Group is associated with the risk of possible failure of the third parties concerned, with a maximum exposure equal to the book value of these instruments.

The customer balances are subject to permanent monitoring.

Receivables dating back more than 12 months (see Note 6: "Trade receivables") essentially involve the businesses in Italy.

### Liquidity risk

The goal of the Group is to maintain a balance between the continuity of financing and its flexibility thanks to the use of overdrafts, bank loans, bonded debt and factoring contracts.

### Factoring agreements

The Group has entered into agreements with factors providing it with facilities equal to the trade receivables assigned, within the limit of €75 million in France and €6.5 million in Spain.



### Bank overdraft facilities

GFI Informatique Group has negotiated bank overdraft facilities of up to €18.8 million. At December 31, 2008, the Group had used €17.0 million of these bank overdraft facilities, primarily in France.

### Required financial ratios

The bank loans and bonded debt were subscribed to through agreements featuring so-called default covenants in the form of financial ratios that are measured each year as at the balance sheet date.

These ratios apply to the various tranches of borrowings at Group level on December 31, 2008 as indicated below:

<i>(in thousands of euros)</i>		<b>31.12.08</b>
Banks loans due in more than 1 year	<i>(note 8)</i>	67,382
Bank loans due within 1 year	<i>(note 12)</i>	19,690
<b>TOTAL</b>		<b>87,072</b>

The table below shows:

- the debt tranches to which these contractual ratios apply;
- the definition of the contractual ratios existing on closure;
- the levels required for these different ratios.

Bank loans <i>(in thousands of euros)</i>	% of debt	Financial ratio categories, by tranche of debt	
74,909	86%	Net financial debt <sup>(1a)</sup> /Equity <sup>(2)</sup>	< 0.7
		Net financial debt <sup>(1a)</sup> /EBE <sup>(5)</sup>	< 2.5
2,925	3%	Net debt <sup>(1)</sup> /Consolidated equity <sup>(3)</sup>	< 1
		Net debt <sup>(1)</sup> /Cash flow <sup>(4)</sup>	< 3.5
7,418	9%	Net financial debt <sup>(1)</sup> /EBITDA <sup>(5)</sup>	< 2.5 *
1,820	2%	Fixed Charge Coverage ratio <sup>(6)</sup>	> 1.25 *
<b>87,072</b>	<b>100%</b>	Tranche without ratio requirement	

(1) Bonds, bank loans, other borrowings, finance lease obligations and bank overdrafts less marketable securities, cash at bank and cash in hand.

(1a) = (1) + commitments given in respect of a short-term financial debt guarantee in the case that the latter is not already entered into the accounts in financial debts.

(2) Equity capital of the Group and the minority interests.

(3) Equity and quasi equity (other equity, minority interests, regulated provisions and provisions for liabilities and charges).

(4) Consolidated profit for the year plus depreciation and provisions (net of reversals) other than on current assets and deferred taxes, less exceptional profits on disposal, share of profits of associates and subsidies recognized to profit or loss.

(5) Operating profit on ordinary activities + allowances (net of reversals) for operating depreciation and provisions on ordinary activities.

(6) EBITDA less corporation tax paid/interest costs (ratio applicable as of December 31, 2008).

\* Ratios calculated based on the financial statements of the two Canadian subsidiaries GFI Consells and GFI Business Solutions.

On the basis of the balance sheet at December 31, 2008 and performances in the year then ended, GFI Informatique is within the limits set by the various bank agreements. There is therefore no liquidity risk.

### Exchange-rate risks

The currency risk in respect of commercial transactions is not hedged as most transactions are made within the Euro zone. Elsewhere – namely in Switzerland, Canada and Morocco – revenues are generated in the same currency as the related operating charges, thereby limiting exposure to foreign exchange fluctuations.

Very few intra-group operating transactions are denominated in currencies other than the euro.

### Equity risk

The marketable securities held by the Group exclusively consist of money market funds. The risk linked to the development of the financial markets is therefore limited.

In addition, on December 31, 2008, GFI Informatique held treasury shares with market value of €1,343,000. A 10% change in the GFI Informatique share price relative to levels at December 31, 2008 would have an impact of around €134,000 on the Group's equity.



### Information on the capital and its management

The goal of the Group is to maintain a limited net debt ratio in relation to equity capital. In the context of managing this goal, the Group

seeks to maintain an optimal financial structure in relation to the financing of its external growth and the yield on its equity.

On December 31, 2008, the debt ratio was as follows::

<i>(in thousands of euros)</i>	31.12.08	31.12.07	31.12.06
Net borrowings	92,251	65,366	53,705
Total equity	231,232	237,084	187,363
<b>Ratio of net financial debt/Equity</b>	<b>40%</b>	<b>28%</b>	<b>29%</b>

### NOTE 29: Fees paid to the Statutory Auditors

The fees paid to the Statutory Auditors during the period:

- for the audit of the financial statements and directly related services, a total of €1,343,000;
- for other services, a total of €9,000.



## 9. Statutory Auditors' report on the consolidated financial statements

Dear Shareholders

In execution of the mission entrusted to us by your General Meetings, we present our report relating to the fiscal year ended December 31, 2008, regarding:

- the control of the consolidated financial statements of GFI Informatique, as attached to this report;
- the justifications for our opinions;
- the specific verification stipulated by law.

The consolidated financial statements have been prepared by the Board of Directors. It is our responsibility to express an opinion on these financial statements based on our auditing work.

### I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. These standards require that we perform such tests and procedures to obtain reasonable assurance that the consolidated financial statements are free from material misstatement. An audit includes a verification, on a test basis or by other selection methods, the evidence relating to the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used, significant estimates made by the directors and the adequacy of the overall presentation of these statements. We believe that the data we collected were sufficiently adequate and relevant in order for us to formulate our opinion.

In our opinion, the consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the results of the Group formed by the companies included in the consolidation scope and of its assets, liabilities and financial position.

Without calling into question the opinion expressed above, we would like to draw your attention to Note 1 "Goodwill" to the financial statements, in which the sensitivity of goodwill impairment tests is exposed to changes in the estimates made by the directors.

### II. Justification of assessments

In application of Article L.823-9 of the French Commercial Code relating to the substantiation of our assessments, we inform you of the following:

Paris and Neuilly-sur-Seine on April 28, 2009

The Statutory Auditors

TUILLET AUDIT  
Jean-Charles Boucher

ERNST & YOUNG et Autres  
Pierre Abily

### Revenue

The note to the consolidated financial statements dealing with valuation methods sets out the accounting policy and methods for the recognition of revenue. As part of our assessment of the accounting rules and principles applied by the Group, we verified that these accounting methods and disclosures in the Notes were appropriate and that these methods were applied correctly.

### Goodwill

Tests are performed to test goodwill for impairment in the conditions set out in the note to the consolidated financial statements dealing with valuation methods and an impairment loss is recognized when applicable. Our work consisted in examining the conditions under which impairment tests were performed and in assessing the data and hypotheses underpinning the discounted future cash flow projections used, reviewing the calculations and comparing the estimates to actual performances in the past. As part of our assessment, we verified the reasonable nature of these estimates.

### Provisions

Provisions are recognized when applicable in the conditions set out in the note to the consolidated financial statements dealing with valuation methods. Our work consisted in assessing the data and hypotheses underpinning these provisions and in comparing them to the assessments produced by actuaries. As part of our assessment, we verified the reasonable nature of these estimates.

The above assessments were performed in connection with our audit of the consolidated financial statements taken as a whole and therefore contributed to reaching the opinion expressed in the first part of this report.


### III. Specific verifications

We have also verified information on the Group provided in the Management Report as stipulated by law.

We have no comments to make on the truth and fairness of this information or on its compliance with the consolidated financial statements.



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