



**Report of the Board of Directors on the draft resolutions
proposed for voting by the
Ordinary and Extraordinary General Meeting of June 17, 2011**

April 18, 2011

Ladies and Gentlemen,

Dear Shareholders,

We have brought you together in an Ordinary and Extraordinary General Meeting in order to submit for your approval the resolutions having as their purpose:

Resolutions for the Ordinary General Meeting

1. Review and approval of the parent company financial statements for the financial year ending December 31, 2010;
2. Review and approval of the consolidated financial statements for the financial year ending December 31, 2010;
3. Allocation of the 2010 net income;
4. Approval of the regulated agreements;
5. Authorization to be granted to the Board of Directors to buy, hold or transfer the Company's shares.

Resolutions for the Extraordinary General Meeting

6. Delegation of competence to the Board of Directors for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities, maintaining the shareholders' preferential subscription right;
7. Delegation of competence to the Board of Directors for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities within the scope of public offers, eliminating the shareholders' preferential subscription right;
8. Delegation of competence to the Board of Directors for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities for private placement, eliminating the shareholders' preferential subscription right, according to article L. 411-2, II of the French Monetary and Financial Code;
9. Delegation of competence to the Board of Directors, in the case of an issue of shares and securities granting a right to hold a stake in the share capital, without a preferential subscription right, to freely determine the issue price up to the limit of 10% of the share capital;
10. Delegation of competence to the Board of Directors for the purpose of increasing the number of securities to be issued in the case of a capital increase, with or without application of the shareholders' preferential subscription right, by applying resolutions six, seven, eight and nine;
11. Delegation of competence to the Board of Directors for the purpose of authorizing the issue of securities by one or more subsidiaries of the Company granting a right to hold a stake in the company's share capital and therefore the company's shares;
12. Delegation of competence to the Board of Directors for the purpose of adopting a decision to increase the share capital by providing reserves, profits or premiums or other sums with which the capitalization may be allowed;
13. Delegation of competence to the Board of Directors for the purpose of adopting a decision to issue shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities within the scope of a public swap offer launched by the company;
14. Delegation of powers to the Board of Directors for the purpose of issuing shares and/or securities granting a right to hold a stake in the Company's share capital in order to remunerate the contributions in kind for up to 10% of the share capital;
15. Delegation of competence to the Board of Directors to grant stock-options/free shares in favor of employees and/or of corporate officers of the Company and/or of companies in the group;

16. Delegation of competence to the Board of Directors for the purpose of free allocation shares in favor of employees and/or of corporate officers of the Company and/or of companies in the group;
17. Delegation of competence to the Board of Directors to increase the share capital in favor of the employees of the Company and/or of companies of the group, according to article L. 225-129-6 of the French Commercial Code;
18. Delegation of competence to the Board of Directors to reduce the share capital through redemption of shares;
19. The overall ceiling of the capital increases;
20. Amending the company's by-laws so that the company's registered office is the same as the company's mailing address; and
21. Powers of attorney to carry out formalities.

ORDINARY SECTION

Approval of the financial statements and allocation of the net income for the 2010 financial year First, second and third resolutions

It is proposed that the General Meeting approve, on the basis of the reports of the Board of Directors and the statutory auditors, the parent company and the consolidated financial statements as of December 31, 2010:

- the parent company financial statements show a negative net income of €89.8 million compared to a net profit of €36.7 million as of December 31, 2009; and
- the consolidated financial statements show a positive net income Group share of €5 million as of December 31, 2010.

Details regarding the financial statements and the activity of the Company appear in the 2010 Annual Financial Report.

The Board of Directors proposes that the General Meeting allocate the total net loss for the financial year ending December 31, 2010 amounting to €(89,828,723) to the negative amount of the "Carry Forward" account that thus shall be equal to €(219,303,290).

Approval of the regulated agreements Fourth resolution

Some agreements entered into by the Company in the context of its operations give rise to a specific procedure: these are in particular agreements that may be made directly or indirectly between the Company and another company with which it has managers in common, or between the Company and its managers or further a shareholder holding more than 10% of the share capital of the Company.

In pursuance of Article L. 225-38 of the French Commercial Code, these agreements must be the subject of a prior approval by the Board of Directors, of a special report by the statutory auditors, and be approved by the shareholders' General Meeting.

It is thus proposed that the General Meeting, after having taken note of the statutory auditors' special report on the agreements referred to in Article L. 225-38 of the French Commercial Code, approve the agreements mentioned in that report.

Authorization for the Company to buy back its own shares

Fifth resolution

In the course of the 2010 financial year, the Company has used the authorization that was delegated to it by the seventh resolution of the General Meeting of June 1, 2010, to buy back its own shares. That authorization was used in the context of maintaining liquidity in the market of the THEOLIA shares, through a liquidity contract entered into with the ODDO firm, in compliance with market practice admitted by the French Financial Markets Authority ("AMF"). The Company made no other use of this delegation (which expires on December 1st) apart from the liquidity contract.

The detailed balance sheet of transactions completed and the description of the authorization submitted for your vote appear in chapter 6.5. "Transactions relating to the company's securities" of the Company's 2010 Management Report.

It is proposed that the General Meeting give the Board of Directors a new authorization enabling it (i) to continue its policy of maintaining liquidity in the market for shares in the Company, (ii) to be able to attribute the bought back shares to employees and/or officers, (iii) to retain these shares and hand them over in payment or as an exchange in the context of external growth transactions and/or (iv) to hand the bought back shares over during the exercise of rights relating to securities giving the right to the allocation in any manner whatsoever of Company shares, (v) to cancel entirely or partially these bought back shares with the goal of optimizing the cash management, the return on equity and the earnings per share, in the context of a reduction in capital approved or authorized by the General Meeting, and (vi) more generally, to conduct any other transaction allowed by applicable regulations.

The unit purchase price cannot exceed €7. The authorization would relate to a maximum of 10% of the share capital of the Company for a maximum amount of €200 million.

The Board of Directors proposes that this authorization be valid for a term of eighteen (18) months from this General Meeting; it immediately terminates and replaces the prior authorization granted by the seventh resolution of the General Meeting of June 1, 2010.

EXTRAORDINARY SECTION

Delegation of competence for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities, with preferential subscription right

Sixth resolution

It is proposed that the General Meeting grant the Board of Directors a new delegation, with the right to sub-delegate, to increase the Company's share capital by issuing shares or securities, with preferential subscription right, issued to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities by means of public offers. The issue of securities, by means of public offers, shall grant a right to hold a stake in the Company or in a company that the Company directly or indirectly owns or will own more than half the share capital thereof or a company that directly or indirectly owns or will own more than half the Company's share capital.

The maximum nominal amount of the capital increases that may be agreed, immediately and/or over a set period, by virtue of the delegation hereby may not exceed €100 million, being specified that (i) this ceiling will be increased, if need be, by the amount of the capital increases resulting from the adjustments that may be made, pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a stake in the Company's share capital, and (ii) it is charged to the overall ceiling of €300 million as this is determined according to the terms and conditions specified in resolution nineteen.

The nominal amount of the debt securities granting a right to hold a stake in the Company's share capital (or in a company when the Company directly or indirectly owns or will own more than half the share capital thereof or a company that directly or indirectly owns or will own more than half the Company's share capital), that could be issued by virtue of the delegation hereby might not exceed €200 million.

The shareholders would exercise their preferential subscription right for the shares and securities subject to the resolution hereby, in proportion to the number of shares they own.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities within the scope of public offers, with no preferential subscription right

Seventh resolution

The Board of Directors requests the General Meeting to grant it a new delegation, with the right to sub-delegate, for the purpose of deciding, to increase the Company's share capital, with no preferential subscription right, by issuing shares and securities to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities by means of public offers. The issue of securities, by means of public offers, would grant a right to hold a stake in the Company or in a company that the Company directly or indirectly owns or would own more than half the share capital thereof or a company that directly or indirectly owns or would own more than half the Company's share capital.

The maximum nominal amount of the capital increases that might be agreed, immediately and/or over a set period, might not exceed €100 million, being specified that (i) this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made, pursuant to the law and, if need be the applicable contractual clauses, to protect the rights of the holders of securities or other rights granted to hold a stake in the Company's share capital, (ii) that it will be charged to the overall ceiling of €300 million as specified in resolution nineteen.

The nominal amount of the debt securities that grant a right to hold a stake in the Company (or in a company that the Company directly or indirectly owns or would own more than half the share capital thereof or a company that directly or indirectly owns or would own more than half the Company's share capital) that could be issued cannot exceed €200 million by virtue of the delegation hereby.

The shareholders would waive their preferential subscription rights to the shares to be issued by means of public offers. The Board of Directors might determine if a term of priority must be granted to the shareholders by absolute or non-absolute title, during the term and according to the conditions determined thereby, for all or part of the issue.

The issue price of the shares or securities would at least be equivalent to the minimum amount authorized by the law in force at the time of the issue, subject to the terms and conditions specified in resolution nineteen.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence for the purpose of deciding on the issue of shares and securities granting a right to hold a stake in the share capital or granting the right to assignment of debt securities for private placement, with no preferential subscription right, according to Article L. 411-2, II of the French Monetary and Financial Code
Eighth resolution

The Board of Directors requests the General Meeting to grant it a new delegation, with the right to sub-delegate, for the purpose of deciding to increase the Company's share capital, with no preferential subscription right, by issuing shares and securities to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities for private placement in accordance with Article L. 411-2, II of the French Monetary and Financial Code. The issue of securities, for private placement in accordance with Article L. 411-2, II of the French Monetary and Financial Code, would grant a right to hold a stake in the Company or in a company that the Company directly or indirectly owns or would own more than half the share capital thereof or a company that directly or indirectly owns or would own more than half the Company's share capital.

The maximum nominal amount of the capital increases that might be agreed by virtue of the resolution hereby, and according to the law, could not exceed 20% of the share capital per annum (as might exist on the date that the decision is adopted by the Board of Directors) for a 12-month period, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital. This ceiling would be charged to the ceiling amount of capital increase with no preferential subscription right of €100 million (applicable to issues carried out based on resolutions seven, eight, nine, eleven, thirteen and fourteen of this General Meeting) and to the overall ceiling amount of €300 million as specified in resolution nineteen.

The shareholders would waive their preferential subscription rights to the shares subject to the resolution hereby.

The issue price of the shares or securities would at least be equivalent to the minimum amount authorized by the law in force at the time of the issue, subject to the terms and conditions specified in resolution nineteen.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Authorization, in the case of an issue of shares and securities granting a right to hold a stake in the share capital, with no preferential subscription right, to freely determine the issue price up to the limit of 10% of the share capital

Ninth resolution

It is proposed that the General Meeting authorize the Board of Directors to go against the terms and conditions for determining the price set forth in resolutions seven and eight and to freely determine the issue price, in the case of a public offer or by an offer defined in section II of Article L.411-2 of the French Monetary and Financial Code, of shares and/or securities granting a right to hold a stake in the Company's share capital.

The issue price could not be lower than the average market price, weighted by the number of the shares, in the last three stock market sessions prior to the date when the issue price is determined, possibly deducting a maximum discount of 20%, providing the amounts to be received for each share are at least equivalent to their par value.

The maximum nominal amount of the capital increases that might be agreed by virtue of the resolution hereby would be charged to the overall ceiling of €300 million as specified in resolution nineteen.

The Board of Directors proposes that this authorization be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence for the purpose of increasing the number of securities to be issued in the case of a capital increase, with or without preferential subscription right, by applying resolutions six, seven, eight and nine

Tenth resolution

The Board of Directors requests the General Meeting to grant it a new delegation, with the right to sub-delegate, for the purpose of deciding in the case of a surplus demand, to increase the number of shares or securities to be issued in the case of a capital increase of the Company, with no preferential subscription right, with the terms and limits stated in the regulations applicable on the date of the issue (or, on such date, within thirty days after the subscription has been closed and up to a limit of 15% of the initial issue) and within the limit of the positions and recommendations of the Financial Market Authorities, and at the same price as the one determined for the initial issue.

The maximum nominal amount of the capital increases that might be agreed by virtue of the resolution hereby would be charged to the ceiling applicable to the resolution hereby and to the overall ceiling of €300 million as specified in resolution nineteen.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence for the purpose of authorizing the issue of securities by one or more subsidiaries of the Company granting a right to hold a stake in the company's share capital and therefore the Company's shares

Eleventh resolution

It is proposed that the General Meeting grant authority to the Board of Directors, with the right to sub-delegate, to authorize pursuant to article L.228-93 of the French Commercial Code, the possible issue, by one or several companies in which the Company directly or indirectly holds more than half the share capital, of any securities granting the right to the Company's shares and to decide on the issue of new shares of the Company (the "Securities of the Subsidiaries").

The shareholders would (i) waive their preferential subscription right to the Company's shares that could entitle them to acquire such the Securities of the Subsidiaries, and would (ii) therefore not exercise their preferential subscription rights to such Securities.

The maximum nominal amount of the capital increases that might be agreed immediately and/or over a set period may not exceed €25 million, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that may be made, pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities of other rights granting a right to a stake in the Company's share capital. This ceiling would be charged to the ceiling of the capital increases with no preferential subscription right of €100 million (applicable to issues based on resolutions seven, eight, nine, eleven, thirteen and fourteen of this General Meeting) and to the overall ceiling of €300 million as specified in resolution nineteen.

The amount paid at the time of the issue for each ordinary share issued due to the issue of the Securities of the Subsidiaries, at least equivalent to the average weighted market value of the Company's ordinary shares in the three stock market sessions prior to the issue price being determined for the Securities of the Subsidiaries, possibly deducting a maximum discount of 5%.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence to decide on a capital increase by providing reserves, profits, premiums or other sums eligible for capitalization

Twelfth resolution

It is proposed that the General Meeting grant authority to the Board of Directors, with the right to sub-delegate, to decide on a capital increase by providing reserves, profits, premiums or other sums eligible for capitalization, subject to an increase in the nominal value of the existing shares, a free allotment of shares or a combination of these two approaches.

The maximum nominal amount of the capital increases liable to arise from all of the issues performed under this resolution hereby would be equal to the total amount of the sums that may be incorporated into the capital in accordance with the current legislation, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital, and that it would be charged to the overall ceiling amount of €300 million as specified in resolution nineteen.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of competence to decide on an issue of shares and securities granting stake to the capital or granting entitlement to the allotment of debt instruments as part of a public exchange offer issued by the Company

Thirteenth resolution

It is proposed that the General Meeting grant authority to the Board of Directors, with the right to sub-delegate, to decide on the issue of Company shares or securities granting the right, by any means, to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities, in consideration for the securities contributed to a public offer comprising a principal or alternative exchange element issued by the Company, in France or abroad, in accordance with the local rules, on the securities of another company admitted to trade on one of the regulated markets covered by article L.225-148 of the Commercial Code, and consequently to decide to withdraw the preferential subscription right to these shares and/or securities to be issued.

The interest of such a delegation is to enable the Company, in the event it decides to launch a public exchange offer on a target company, to grant stakes in the Company's share capital in return for stakes in the target company's share capital which it receives.

The Board of Directors would have to set the exchange rate, the issuance terms and conditions, and the price and date upon which the new ordinary shares or securities are due.

The maximum nominal amount of the immediate or future capital increases liable to arise from all of the issues performed under this resolution hereby would not be higher than €100 million, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital. This ceiling would be charged to the ceiling of the capital increases with no preferential subscription right of €100 million (applicable to issues based on resolutions seven, eight, nine, eleven, thirteen and fourteen of this General Meeting) and to the overall ceiling of €300 million as specified in resolution nineteen.

The Board of Directors proposes that this delegation be granted for a period of twenty-six (26) months from this General Meeting.

Delegation of powers to issue shares and/or securities granting stake to the Company's capital in payment for the contributions in kind within the limit of 10% of the capital

Fourteenth resolution

It is proposed that the General Meeting grant powers to the Board of Directors, with the right to sub-delegate, to issue shares, equity securities, stocks or securities granting access, by any means, immediately or within a certain period, to the Company's capital, in payment for the contributions in kind made to the Company and composed of shares or securities granting stakes in the share capital.

The maximum nominal amount of the capital increases liable to arise from all of the issues performed under this resolution hereby is 10% of the share capital on the date of the Board of Directors' decision, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital. This ceiling would be charged to the ceiling of the capital increases with no preferential

subscription right of €100 million (applicable to issues based on resolutions seven, eight, nine, eleven, thirteen and fourteen of this General Meeting) and to the overall ceiling of €300 million as specified in resolution nineteen.

The shareholders would waive their preferential subscription rights to the shares and securities subject to the resolution hereby.

The Board of Directors proposes that this delegation of powers be granted for a period of twenty-six (26) months from this General Meeting.

Authorization to grant share subscription and/or purchase options in favor of staff members and/or Company or Group corporate officers

Fifteenth resolution

It is proposed that the General Meeting grant authorization to the Board of Directors, with the right to sub-delegate, and with no preferential subscription right, in accordance with articles L. 225-177 and following of the Commercial Code, to grant new Company share subscription options and/or existing Company share purchase options on one or more occasions, for staff members as well as the eligible corporate officers (or some of them), from the Company or groups or associated companies (in accordance with article L.225-180 of the Commercial Code).

The Board of Directors could impose one or more performance conditions to be determined by the Board of Directors on granting all or part of the options, and would use the delegation hereby the characteristics of these options. The corporate officers of the Company might represent no more than 10% of the total of the allocations made on the basis of this authorization. The issued options might be exercised within a period of 10 years from the day on which they were granted.

The total number of options thus made pursuant to the resolution hereby may represent no more than 4% of the Company's share capital as recorded on the day of their allocation by the Board of Directors, being specified that the total nominal amount of the capital increases liable to arise from all of the issues performed under this resolution hereby is 10% of the share capital on the date of the Board of Directors' decision, being specified that this ceiling would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital. This ceiling would be charged to the ceiling of free shares and to the capital increases in favor of the employees of (applicable to resolutions sixteen and seventeen) and to the overall ceiling of €300 million as specified in resolution nineteen.

The Board of Directors would set on the day on which it will grant the options, the share subscription or purchase price within the limits of and in accordance with the legislation.

The Board of Directors proposes that this authorization be valid for a term of thirty eight (38) months from this General Meeting; it immediately terminates and replaces the prior authorization granted by the twenty-first resolution of the General Meeting of May 30, 2008.

Authorization to proceed with the grant of free shares to the employees and/or the corporate officers of the Company and/or companies in its group
Sixteenth resolution

It is proposed that the General Meeting grant authorization to the Board of Directors, to grant, within the limitations of the authorization hereby, free shares from either existing shares or from shares to be issued by the Company.

Beneficiaries would be among the staff members and/or some eligible corporate officers of the Company who meet the conditions set by law and/or among companies or groups affiliated with it pursuant to Article L. 225-197-2 of the French Commercial Code.

The total number of free shares granted pursuant to the resolution hereby may represent no more than 4% of the Company's share capital as recorded on the day of their allocation by the Board of Directors, being specified that the total nominal amount of the capital increases liable to arise from all of the issues performed under this resolution hereby would be increased, if need be, by the amount of the capital increases resulting from the adjustments that might be made pursuant to the law and, if need be, the applicable contractual clauses, to protect the rights of the holders of securities or other rights granting a right to hold a stake in the Company's share capital. This ceiling would be charged to the ceiling of free shares and to the capital increases in favor of the staff members of (applicable to resolutions sixteen and seventeen) and to the overall ceiling of €300 million as specified in resolution nineteen.

The grant of free shares to their beneficiaries should be definitive after an acquisition period of two years. Those shares granted free of charge should in all cases entail a holding period of at least two years, unless, however, the minimum holding period is reduced or eliminated by the Board of Directors for shares with an acquisition period set at more than two years.

The definitive grant of shares shall be made immediately before the end of the acquisition period in the event the beneficiary corresponding to the second or third class of shares pursuant to Article L.341-4 of the Social Security Code proves ineligible, or in the event of the death of the beneficiary before the end of the holding period, as the shares then become transferable immediately.

With regard to any outstanding shares that can be granted under this resolution, they must be acquired by the Company, either under Article L.225-208 of the French Commercial Code or, as the case may be, under the share buyback program authorized by resolution five submitted to this Meeting or any other stock purchase plan applicable subsequently.

With regard to any shares to be issued, this authorization (i) shall require, after the acquisition period, a capital increase by capitalization of reserves, income or issue premiums to the beneficiaries of the said shares, and a correlative waiver by the shareholders in favor of the beneficiaries of any grants to that portion of the reserves, income and premiums thus capitalized, and (ii) shall require automatically the grant of free shares to the beneficiaries and a waiver by the shareholders of their preferential subscription right.

The Board of Directors, with the right to sub-delegate, would have full authority for purposes of the following:

- preparing the lists of beneficiaries, setting the dates and terms for granting the shares, particularly the period after which such grants are definitive, and, as the case may be, the holding period required for each beneficiary as well as the number of shares granted to each of them,
- determining the interest bearing date, even retroactive, of the new shares issued under this authorization,

- if deemed appropriate, determining conditions affecting the definitive grant of free shares, particularly any conditions of presence and/or performance,
- as the case may be, providing for the option of temporarily suspending the rights to be granted,
- determining whether or not the shares granted free of charge are outstanding shares or shares to be issued, and, in the case of new share issues, to increase the capital by capitalizing reserves, profits or premiums, determining the nature and the amount of the reserves to be capitalized for payment in full of the said shares, recognizing any capital increases, amending the articles of incorporation accordingly and more generally seeing to it that transactions are conducted successfully,
- as the case may be, during the acquisition period, providing for the option of adjusting the number of free shares granted based on any capital transactions by the Company in such a way as to preserve the rights of the beneficiaries, and making the said adjustments, provided that the shares granted under such adjustments are considered granted on the same day as the shares initially granted,
- and more generally recognizing the definitive grant of shares, concluding any and all agreements, preparing any and all documents, performing any and all formalities and in general doing everything useful or necessary to implement this authorization.

The Board of Directors proposes that this authorization be valid for a term of thirty eight (38) months from this General Meeting.

<p>Delegation of authority to the Board of Directors to increase the share capital in favor of the employees of the group - Article L.225-129-6 of the French Commercial Code of Seventeenth resolution</p>

In accordance with the law, at the time of any decision to increase the share capital by a contribution in cash (even where it is a delegation of authority), and unless such increase results from a prior issuance of securities giving stake to the capital, the General Meeting must decide on a draft resolution seeking the completion of an increase in share capital under the conditions provided for in Article L.3332-18 and following of the French Labor Code. Furthermore, the Company is to propose every 3 years, a draft resolution seeking the completion of an increase in share capital under the conditions provided for in Article L.3332-18 and following of the French Labor Code given that the shares held by the staff of the Company and the Companies which are related to pursuant to Article L. 225-180 of the French Commercial Code represent less than 3% of the share capital.

The resolution hereby responds to this legal obligation. It is intended to authorize the Board of Directors to increase the share capital by issuance of Company shares reserved for staff members and former staff members of the Company or of the related companies and economic interest groups defined in Article L. 225-180 of the French Commercial Code (that is, to companies belonging to the same group as the Company), subscribing to a company savings plan that would be set up according to the provisions of Article L. 3332-18 of the French Labor Code. This delegation would entail elimination of the shareholders' preferred subscription right for these new shares in favor of said participants in the company savings plan.

The capital increases decided pursuant to the resolution hereby may represent no more than 4% of the Company's share capital as recorded on the day of their allocation by the Board of Directors, being specified that that this ceiling would be as that of grant of free shares and of capital increases in favor of the staff members of (applicable to resolutions sixteen and seventeen) and that it would be charged to the overall ceiling of €300 million as specified in resolution nineteen.

The Board of Directors would set the subscription price of each of the increases in capital carried out in the context of this delegation of authority under the conditions set by law. The Board of Directors would decide on

the timeliness of having the employee subscribers benefit from a discount in relation to the market price, it being specified that the maximum discount in relation to the average share price on the Euronext Paris exchange during the last twenty trading sessions prior to the decision of the Board of Directors setting the opening date for subscriptions may not exceed 20%. However, the Board of Directors would be expressly authorized to reduce or eliminate the discount referred to above, if it deems appropriate, including in particular in order to take into consideration new international accounting methods or legal, accounting, tax and employment regimes applicable locally. The Board of Directors would also be able to decide to freely grant shares to the subscribers of new shares, in substituting the discount and/or as a result of the Company's contribution to fringe benefits.

The Board of Directors proposes that this delegation be valid, if it is approved, for a term of twenty six (26) months from this General Meeting.

Pursuant to Article L. 225-138 of the French Commercial Code, the statutory auditors will present a report at the General Meeting on the increase in capital reserved for the staff members.

However, we are only proposing the resolution hereby in order to comply with applicable legal provisions. Accordingly, we invite you to reject the seventeenth draft resolution that we submit to you.

<p>Authorization to reduce the capital through cancellation of shares Eighteenth resolution</p>
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The Board of Directors requests that the General Meeting grant it a new authorization enabling it to cancel, within the limit of 10% of the share capital as of the date of the Board of Directors' decision, per period of 24 months, all or some of the shares acquired or that would be acquired by the Company itself in accordance with an authorization of the General Meeting, and to correspondingly reduce the share capital, to complete one or more share cancellations and capital reductions, to set the terms and note the completion thereof, to impute the difference between the book value of the canceled shares and their par value on all available items of reserves and premiums, to undertake the corresponding amendment of the articles of incorporation, to carry out all the formalities and generally to do everything that is necessary.

The Board of Directors proposes that this authorization be valid for a term of eighteen (18) months from this General Meeting; it immediately terminates and replaces the prior authorization granted by the eighth resolution of the General Meeting of June 1, 2010.

<p>Overall ceiling for capital increases Nineteenth resolution</p>

The Board of Directors requests the General Meeting to set the immediate overall ceiling for capital increases that could result from all the issues of shares and/or various securities under the delegations of authority granted to the Board of Directors under resolutions six, seven, eight, nine, ten, eleven, twelve, thirteen, fourteen, fifteen, sixteen and seventeen resolutions at an overall nominal amount of €300 million plus the amount of any capital increases resulting from adjustments liable to be made in accordance with the law and, as the case may be, with any applicable stipulations in the contract, in order to preserve the rights of the holders of securities or other rights giving stake eventually to the Company's capital.

Resolution	Type of issue	First ceiling	Common ceiling	Overall ceiling
6	With preferential subscription right, shares or securities, with preferential subscription right, issued to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities by means of public offer	€100 million	n/a	€300 million
7	With no preferential subscription right, shares or securities, with preferential subscription right, issued to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities by means of public offer	€100 million if increase in share capital or €200 million if issue of debt securities	€100 million	
8	With no preferential subscription right, shares or securities, with preferential subscription right, issued to hold a stake in the Company's share capital or to grant the right for the assignment of debt securities for private placement	20% of the share capital (as may exist on the date that the decision is adopted by the Board of Directors) for a 12-month period		
9	Free determination of the issue price up to the limit of 10% of the share capital, with no preferential subscription right	10% of the share capital (as may exist on the date the decision is adopted by the Board of Directors) for a 12-month period		
11	Issue of securities by one or more subsidiaries of the Company granting a right to hold a stake in the Company's share capital and therefore the Company's shares	€25 million		
13	As part of a public exchange offer issued by the Company	€100 million		
14	Payment for the contributions in kind within the limit of 10% of the capital	10% of the share capital (as may exist on the date the decision is adopted by the Board of Directors)		
10	Increase in the number of securities to be issued in the case of a capital increase, with or without application of the shareholders' preferential subscription right, by applying resolutions six, seven, eight and nine	up to a limit of 15% of the initial issue limited to 10% of the share capital as may exist on the date the decision is adopted by the Board of Directors for a 12-month	n/a	
12	Providing reserves, profits, premiums or other sums eligible for capitalization	total amount of the sums that may be incorporated into the capital in accordance with the current legislation	n/a	
15	Share subscription and/or purchase options	4% percent of the Company's share capital as certified on the day they are granted by the Board of Directors	4% percent of the Company's share capital as certified on the day they are granted by the Board of Directors	
16	Grant of free shares	4% percent of the Company's share capital as certified on the day they are granted by the Board of Directors		
17	Increase in share capital reserved for staff members and former staff members in the Company and any affiliated companies or economic interest groups as defined in Article L.225-180 of the Code of Commerce who are members of a Company Savings Plan [PEE]	4% percent of the Company's share capital as certified on the day they are granted by the Board of Directors		

Amendment of Article 4 of the Company's Articles of Incorporation

Twentieth resolution

The Board of Directors proposes that the General Meeting amend the Company's Articles of Incorporation to make sure that the address of the registered head office is constituent with the mailing address of the Company, and as a result modifies the first clause of Article 4 of the Company's Articles of Incorporation as follows:

Former wording

«The registered office is situated at 75, rue Denis Papin – 13100 Aix-en-Provence. »

New wording

«The registered office is situated at 75, rue Denis Papin – BP 80199 – 13795 Aix-en-Provence Cedex 3. »

Powers to complete formalities

Twenty-first resolution

This resolution is intended to confer the powers necessary for the fulfillment of the formalities arising from the General Meeting's being held.

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Events since January 1st, 2011

The events following the closing of the 2010 financial year are described in the point 2.10 of the 2010 Annual Financial Report of the Company.

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We thank you for the confidence in the Board of Directors that you will express by approving the resolutions approved by the Board of Directors and which are subjected to the vote of the General Meeting.

The Board of Directors