

Planned partnership between Cegid Group and Groupama S.A.

Cegid Group and Groupama S.A. sign a letter of intent aimed at joint development of innovative, collaborative products and services for advisory firms and other businesses

Cegid and Groupama S.A. have signed a letter of intent to conclude an industry partnership agreement. The project is articulated around the joint development and distribution of innovative, collaborative tools to advisory firms, in particular CPAs, and to other businesses so as to meet corporate needs and expectations in the fields of property, health and life insurance.

To consolidate this industry partnership over the long term, the planned agreement also calls for Groupama S.A. to take a significant minority stake in the capital of Cegid Group and for Cegid and Groupama to sign reciprocal non-competition agreements.

Cegid and Groupama, a partnership for the future

The partnership is intended to address the objectives of the two groups - Cegid and Groupama, together with its subsidiary Gan Assurances - to accompany their common target customers - corporate executives and advisory firms - in an increasingly complex employment, tax and legislative context. By bringing together the respective and complementary skills of the two groups, the planned partnership aims to develop the innovative products and services that are best suited to customer expectations.

A strong partnership to accelerate Cegid's growth

Bringing new products and services to Cegid's customers

Cegid's objective is to provide its CPA customers with innovative technological resources and appropriate content, enabling them to offer their customers multidisciplinary products and services that complement their primary business. Under this partnership, Cegid, French leader in payroll and HR solutions, would include complementary modules and functionality in its software solutions, enabling it to perform simulations and optimization calculations in pensions, healthcare, executive status, income protection insurance, employee savings, risk management, etc.

The letter of intent provides for these new products and services to be developed by a joint venture in which Cegid and Groupama would each hold a 50% stake.

Benefiting from Groupama's expertise in the corporate market.

The regionally-focused organization of Groupama and its subsidiary Gan Assurances enables its sales people to gain in-depth knowledge of the local companies specific to their regions. Their profound understanding of the economic and financial environment enables them to deploy a personalized approach to each company and diagnose its customer's needs as a function of its business and its objectives.

Owing to these strengths, Gan Assurances, a subsidiary of Groupama and the third-largest insurer of SMEs in France, has for many years been forging the kind of partnerships with CPAs that are essential in serving corporate executives. Gan Assurances' specialists are regularly trained on health insurance and retirement

About Cegid

Founded in 1983 by Jean-Michel Aulas, Cegid is France's leading enterprise software company and one of the top ten in Europe, with more than 2,000 employees and annual sales of €228.2 million (2006). Listed since 1986, Cegid Group is traded on Euronext's Eurolist (Paris Compartment B). Cegid has 39 offices in France, subsidiaries in New York, Barcelona and Shenzhen, and distribution agreements in Canada, Italy, Germany, Switzerland, Morocco, Tunisia, Algeria and other countries.

Cegid offers its software to CPAs on the one hand and SMEs, mid-market/large companies and corporate groups on the other. The software developed by Cegid, which is also available in *On Demand* mode, integrates the most up-to-date technologies and is articulated around the Group's recognized expertise in the following areas:

- The "Cegid Business" ERP suite, which addresses all functional needs of mid-sized and large enterprises. Cegid Business is also vertically-integrated for the Fashion, Manufacturing, Services, Specialist Retailing, Hospitality, Construction, Wholesaling and Cleaning sectors;
- A single solution for finance and taxes, integrating the market's leading financial reporting product, Cegid Etafi, consolidation solutions (Etafi Conso and FCRS), a complete suite of Corporate Performance Management solutions (FCRS and Open Executive) and payroll and human resources solutions for corporate groups and large companies (RH Place).

issues, making them ideal partners for CPAs and other advisory firms, who can then carry out their assignments with all the necessary skills and dedication to excellence.

Benefiting from Groupama's strong presence in certain business sectors and its international footprint

Cegid aims to accelerate business development with associations and local authorities, for example.

Groupama's presence and expertise in numerous business sectors, as well as its international footprint, will enable Cegid to step up the development and distribution of new software and services.

Groupama acquires Cegid Group shares

To consolidate its industry partnership, a letter of intent issued by Groupama and accepted by ICMI provides for Groupama to acquire 1,590,909 Cegid Group shares from ICMI, a company majority held by Jean-Michel Aulas, for €87.5 million, or €55 per share, with ICMI retaining the option to substitute the funds managed by Apax Partners and Eurazeo for the purchase of 296,549 and 157,997 shares, respectively. Apax Partners and Eurazeo have confirmed their agreement with these terms.

When the shares are sold, the ceding shareholders would agree not to sell their remaining shares to a competitor of Groupama.

Groupama would then hold 17.25% of the shares and 15.84%⁽¹⁾ of the voting rights of Cegid Group. At this stage, ICMI and Groupama would declare themselves concert parties after the transaction is consummated.

In the context of this transaction, Jean-Michel Aulas would agree to remain Chairman of Cegid for a minimum of four years, beginning with the date the transaction becomes effective.

The agreements would allow Groupama to appoint two members of the Board of Directors of Cegid Group.

This transaction will not trigger a public tender offer and, to the best of Cegid Group's knowledge, there is no transaction underway that would trigger a public tender offer.

⁽¹⁾ Voting rights are calculated pro forma, based on the number of voting rights that would result from this transaction, taking into account the current number of voting rights of the other shareholders of Cegid Group as of October 24, 2007.

Transaction timing and finalization

All of the agreements would be finalized by the end of the year, after the relevant Boards of Directors approve the deal, employee representative bodies are informed and/or consulted, and the competition authorities approve the transaction, if necessary.

About Groupama

Groupama has a longstanding strategy focused on profitable long-term growth. Since it was founded at the end of the 19th Century to serve the agricultural community, Groupama has been a steadfast partner throughout all the social and economic changes of the past hundred years. The Company reported revenue of €14.2 billion in 2006. With some 11 million clients and over 30,000 employees, Groupama, apart from its headquarters in France, has operations in nine countries, apart from France, mainly in Europe.

In France, the Company has a deep local presence through its diversified distribution networks, allowing it to offer members and clients - ranging from individuals and the self-employed to institutions and corporates - solutions to combine insurance, services and banking products.

Internationally, Groupama intends to expand by leveraging its expertise and best practices to take up opportunities in all segments of the insurance market.

The Group has a clear strategic focus and ambition - to achieve profitable growth and create value, in order to rank among the top ten European insurers.

This English translation is for the convenience of English-speaking readers. However, only the French text has legal value. Consequently, the translation may not be relied upon to sustain any legal claim, nor should it be used as the basis of any legal opinion. Cegid Group expressly disclaims all liability for any inaccuracy herein.