CONTENTS

02 Corporate governance
03 Chairman’s message
04 Message from the CEO
06 2007 key figures
09 Investor information
10 2007 Highlights
14 CS, active in high-tech sectors
16 CS, the world of technology
22 Space
23 Electronics
24 Linear & Industry
32 Transportation
35 CS values
36 The women and men of CS
38 Expertise and Innovation
40 CS Locations

CS, COMMUNICATION & SYSTEMS
Communications Department

Barbara Goarant
Virginie Proly

EDITORIAL CONSULTING, DESIGN AND ARTWORK
Carlijn Hogestijn van Vlijmen: +33 (0)3 44 58 04 90
ENGLISH TEXT
CFG Consultants-Kevin Fenwick: +33 (0)1 39 04 00 61

PHOTO CREDITS
Didier Cocatello, Maurice Nocturne, Hervé Thouroude, Airbus, Aéroports de Paris, CEA, CNES, CS, DR, Getty Images.

La force de l’innovation
The power of innovation

€225M in revenues

2,000 employees worldwide
A MARKET LEADER ... 

A PRIME CONTRACTOR IN THE DESIGN, INTEGRATION AND OPERATION OF MISSION CRITICAL SYSTEMS, CS IS PRESENT ALL ALONG THE VALUE CHAIN FOR ITS CUSTOMERS.

CS deploys a differentiation strategy that capitalizes on the company’s three main strengths:

1/ its ability to act as prime contractor for large, complex projects of critical stature,

2/ its ease in combining skills (design, build and run) to offer its customers integrated solutions,

3/ its innovation and partnership culture focused on success in strategic projects.

Today, CS is an established provider, acknowledged by major customers for its expertise, commitment and service spirit among employees.

Focused on growing market sectors: defense & security, aeronautics, transportation, energy & industry
1/ Audit Committee
The role of the Audit Committee is to ensure the relevance and continuity of accounting methods, adopted to prepare the consolidated and company financial statements, to verify that the internal procedures for collecting and internal as well as external procedures for checking information necessary to prepare the financial statements are properly applied, and to ensure that information provided to shareholders is of appropriate quality.
In this capacity, the Audit Committee examines accounting and financial documents (draft budgets, annual financial documents disseminated by the company, and draft half-year and full-year company and consolidated accounts) before presentation to the Board.
The Audit Committee informs the Board of Directors of the results of its deliberations and submits for their approval any suggestions or observations that it deems necessary for the Board’s attention.
The Audit Committee met four times in 2007.

2/ Compensation Committee
The Compensation Committee makes recommendations to the Board concerning:
• remuneration paid to the Chairman of the Board, the Chief Executive Officer, company legal agents and members of CS Group senior management whose annual remuneration is greater than a threshold, set each year by the Committee;
• conditions for recruiting or for terminating senior managers who enter into the aforementioned category;
• emoluments paid to Board members in compensation for their sitting on the Board and on standing committees or for special and temporary assignments;
• compensation through stock options, pension or provident rights, and fringe benefits.
Furthermore, it ensures compliance with regulatory obligations regarding the reporting of remuneration for senior managers.
The Compensation Committee met five times in 2007.
CHAIRMAN’S MESSAGE

Innovation after innovation, our group keeps moving forward.
It has acquired an exceptional level of maturity in its businesses and earned the recognition of its customers, themselves leaders in their markets. Their success has been our success.
Our market position rests on our capacity to work as prime contractors on large projects. Our expertise is acknowledged as shown by our active participation in European projects and in international competitiveness clusters. As integrators of mission-critical systems, we invest heavily in R&D to deliver ever more innovative, competitive and reliable systems for the benefit of our customers.

Today, CS’s position is strengthened by its presence in sectors of the economy with strong growth potential and by its strategic focus on defense & security, aerospace, transportation, and energy & industry. Our activities are pushing beyond their boundaries, from national to international horizons. Over the past year, we have worked to achieve giant strides in projects of transnational dimension. However, we now must go even further, replicating our know-how in export markets.

Our customers are our priority, their confidence and satisfaction, our reason for being.
Our job will always be to ensure the success of their projects. Our know-how and creative energy only have sense in their level of satisfaction. This unique stance is the result of the talent, the breadth and the diversity of our human resources, which embody our values of commitment and excellence.

Yazid Sabeg
ÉRIC BLANC-GARIN, CHIEF EXECUTIVE OFFICER FOR CS, COMMENTS ON 2007 AND THE COMPANY’S PROSPECTS

2007, a tighter focus and performance in line with our ambitions

This past year, the CS Group refocused on its core business of designer, integrator and operator of mission-critical systems. During that time, organic growth advanced more than 14 percent, while sales successes gave the measure of each of our strategic segments.

The order book now amounts to 16 months of CS Group revenues and the book-to-bill ratio is 1.25. Operating margin is at 6.1 percent of revenues and the CS Group share of net income for the year stands at €50 million. Our balance sheet is especially healthy, with a significant improvement in net cash, and shareholder equity multiplied by two to reach €93 million. The year’s performance, indeed, allows us to look forward to a new era of development.

Strategic positions in growth sectors

Defense & Security: Exacerbated regional tensions together with a will to affirm national sovereignty in many countries resulted in high stakes for the business. Add to that a growing need for systems interoperability, anticipation and planning among armed forces and one begins to see the kinds of challenges that are driving growth in this segment.

In 2007 during the first quarter, CS showed it could position itself for projects on an international scale, notably winning a major contract in the Middle East. In parallel, CS continued to forge ahead in its major programs, in France, for air defense (operations centers and communication systems for the French defense establishment and NATO countries) and civil defense (command & information centers for the French National Police). Sales support was very active and development actions in favor of exports were also intense. CS participated...
in numerous trade fairs, such as the Paris Air Show, Milipol and the Dubai AirShow, showcasing our position as a major player in large, info-centric civil and military systems, which drew the interest of many foreign delegations.

**Space:** In 2007, CS confirmed its leadership, namely for ground segments, as a supervising contractor for a number of subsystems in the Pleiades project, and by winning a first contract for satellite onboard operations support. CS growth in this sector is set to benefit from our expertise in imagery-based intelligence and from our ability to export solutions.

**Aeronautics:** In response to the challenges faced by our customers to increase productivity and reduce design costs, we strove to accompany them in their drive to add value. That is why we offered complete aerospace systems, plus our simulation capabilities in order to reduce development time and costs. CS is present both in France and Canada, serving aircraft manufacturers, engine builders and major equipment firms, for the integration and maintenance of aeronautics systems. CS also fields its know-how in technical information systems. Since the company became an EADS-certified provider in this area, it has had many new opportunities.

**Transportation:** Number three worldwide in intelligent transportation systems, CS deploys a comprehensive free-flow offer that integrates front- and back-office systems. This secures for us a very competitive position in a marketplace, undergoing rapid change. For instance, traffic congestion has reached unprecedented levels, eco-taxes are on the rise, and renovation of roads and new construction are driving growth in this business around the world. In 2007, CS opened up new markets in Canada and Ireland with its innovative free-flow projects, and then in Tunisia and India, countries with a considerable need for roadway infrastructure. The free-flow system that CS is deploying for the Dublin ring road is set to be the first operational integration in a European urban area of a free-flow highway toll collection system.

**Energy:** A renaissance in the civil nuclear marketplace has come along with the necessity for government agencies to ensure their mastery of nuclear safety and security risks. For many years, CS has been partnering with EDF, CEA (Commissariat à l’Energie Atomique) and the laboratory, IRSN (Institut de Radioprotection et de Sûreté Nucléaire), in order to assist its customers in preparing their response to safety issues, in building platforms for nuclear material management, and in implementing industrial IT. Recent projects that illustrate this point include the modernization of specialized simulators for training EDF’s nuclear power plant operators, the implementation of nuclear material management platforms for IRSN and CEA (working through its Military Applications Directorate), and work for ITER (International Thermonuclear Experimental Reactor).

**Outlook**

Our top priority is to accelerate the internationalization of our businesses. The CS Group’s share of sales coming from outside of France surged (growing 53%) and now represents 24 percent of total sales. Our aim is to continue on this path with a target of 50 percent of total sales. For this purpose, we intend to benefit from opportunities to reproduce our contracted developments and know-how, this time for export markets.

Our second priority is to achieve in the mid-term a sustainable operating margin of 8 percent. With this objective in mind, CS constantly boosts its value-added, reproduces its solutions, pursues its deployment of the CMMI approach (advancing from level 3 to level 5), and continues on the road to lean manufacturing and outsourcing offshore. This way, the company leverages continuous improvement in order to enhance the profitability of its projects.

As a final word, we have our minds set on acquiring a medium-sized partner this year. The aim is to strengthen our strategic core segments, enhance our technological expertise, expand our international presence, and quickly return to our previous level of billing.

**Our objective is to achieve in the mid-term an operating margin of 8 percent**

**Innovation is our difference**

CS adheres to a fusion culture of technological innovation (on its own or more and more often in partnership), commitment, performance and results. As systems integrators, we develop product lines and reusable components, which offer our customers technological solutions for innovative, reproducible, high-performance turnkey systems.

In 2007, CS registered patents and copyrights for 13 of its industrial realizations. In 2008, we are further strengthening our efforts in R&D and innovation, through competitiveness clusters and through major European programs, financed by the 7th Framework Program for R&D. This demonstrates recognition for the company’s ability to innovate and for the skills of its experts, notably in the fields of security, high-performance simulation, and the embedded real-time systems of the future.
2007 KEY FIGURES

Business and financial performance in line with our ambitions

CS Group consolidated revenues for the 2007 financial year amounted to € 225.4 million, advancing 14.4% at comparable scope of consolidation and exchange rates. Order intake reached € 282.7 million, progressing 22.3 percent. At the end of the accounting period, the order book represented over 16 months of revenues and the book-to-bill ratio stood at 1.25.

Sales from business outside of France, including exports by French subsidiaries, jumped 53 percent to reach € 54 million, amounting to 24 percent of total CS Group revenues. In 2007, the operating margin increased by 8 percent to reach € 13.6 million, or 6.1 percent of revenues.

Income before taxes from ongoing activities rose significantly to € 9.8 million, which is 4.4 percent of revenues, compared with € 5.1 million (2.6% of revenues) for the previous financial year. Financial results went from a loss of € 3.2 million in 2006 to a loss of € 3.3 million in 2007.

After taking into account the net impact of income taxes (a gain of € 2.4 million) and net income from divested activities, which stood at € 37.8 million, the CS Group share of net income, including goodwill, amounted to a profit of € 49.9 million (22% of revenues) compared with € 5.5 million in 2006.

Divestment of the IT infrastructures business led to a considerable improvement in net cash, excluding debt and other financial liabilities, which stood at € 39.3 million at December 31, 2007, compared with € 12.0 million one year earlier. At December 31, 2007, CS Group share of consolidated shareholder equity had doubled to reach € 92.6 million compared with € 46.0 million at December 31, 2006. At the same time, CS SA company shareholder equity was € 134.9 million.

NB: Figures for 2006 have been restated following the divestment of the subsidiary, CAM (Munich), and of the IT Infrastructures business, effective January 1, 2007, in conformity with the standard, IFRS 5.
Order intake: + 22.3%
Revenues: + 14.4% (+ €225.4M)
Operating margin: 6.1% of revenues
Net income: €50M
2007 financial year results

<table>
<thead>
<tr>
<th></th>
<th>2006*</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>198.3</td>
<td>225.4</td>
</tr>
<tr>
<td>Operating margin</td>
<td>12.6</td>
<td>13.6</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>6.4%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Operating income</td>
<td>8.3</td>
<td>13.1</td>
</tr>
<tr>
<td>Net income, before taxes for ongoing activities</td>
<td>5.1</td>
<td>9.8</td>
</tr>
<tr>
<td>in % of revenues</td>
<td>2.6%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Net income for divested activities</td>
<td>(3.4)</td>
<td>37.8</td>
</tr>
<tr>
<td>Net income, CS Group share</td>
<td>5.5</td>
<td>49.9</td>
</tr>
</tbody>
</table>

* Figures for 2006 have been restated following the divestment of the subsidiary, CAM (Munich), and of the IT Infrastructures business, effective January 1, 2007, in conformity with the standard, IFRS 5.

Change in the consolidated balance sheet position

<table>
<thead>
<tr>
<th></th>
<th>12/31/06</th>
<th>12/31/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net fixed assets</td>
<td>88.8</td>
<td>77.5</td>
</tr>
<tr>
<td>of which goodwill</td>
<td>48.0</td>
<td>36.1</td>
</tr>
<tr>
<td>of which tangible &amp; intangible fixed assets</td>
<td>14.3</td>
<td>13.0</td>
</tr>
<tr>
<td>of which deferred tax assets</td>
<td>18.1</td>
<td>20.7</td>
</tr>
<tr>
<td>WCR</td>
<td>(36.9)</td>
<td>(5.0)</td>
</tr>
<tr>
<td>Cash and bank reserves*</td>
<td>31.4</td>
<td>57.0</td>
</tr>
<tr>
<td>Capital employed</td>
<td>83.3</td>
<td>129.5</td>
</tr>
<tr>
<td>Shareholder equity</td>
<td>46.3</td>
<td>93.0</td>
</tr>
<tr>
<td>Contingency &amp; loss provisions</td>
<td>6.9</td>
<td>11.6</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>10.7</td>
<td>7.2</td>
</tr>
<tr>
<td>Borrowings &amp; other financial liabilities</td>
<td>19.4</td>
<td>17.7</td>
</tr>
<tr>
<td>Resources</td>
<td>83.3</td>
<td>129.5</td>
</tr>
<tr>
<td>Gearing</td>
<td>-26%</td>
<td>-42%</td>
</tr>
</tbody>
</table>

*Including Daily Act financing and excluding factoring (€ 38.5M at 12/31/2007)

Outlook

The performance of the CS Group during the 2007 financial year, a healthy balance sheet and the company’s focus on business sectors with growth potential, both in France and abroad, justify foreseeing a new era of development for the CS Group. Organic growth and increased operating profits are expected. A willful strategy of acquisition in synergy with the company's existing activities could significantly accelerate this trend.
At 12/31/2007, the share capital was represented by 6,306,539 shares with a par value of €5, compared to 6,299,098 shares at 12/31/2006 and 5,974,388 shares at 12/31/2005.

CS is quoted on the Euronext Paris market, Compartment B, and is part of the CAC Small 90, CAC Mid&Small 190 and SBF 250 indexes (share codes: Euroclear 7896 / ISIN FR 0007317813).
2007 HIGHLIGHTS

CS INTERNATIONAL DEVELOPMENT PICKS UP SPEED

In 2007, CS focuses on accelerating its business outside of France, invests heavily and does not miss a chance to present its know-how and solutions in France as well as in the international marketplace.

From September 11 to 14, 2007, CS was in London with its subsidiary, Diginext, as exhibitors at DSEI (Defense Systems & Equipment International), a trade fair for new technologies in the arenas of air, naval and land defense. From October 9 to 13, the CS Group, in partnership with the French Ministry of Transportation, participated in the 14th World Conference on Intelligent Transportation Systems, held at the Beijing Exhibition Center, China. That same week, during the 15th annual Paris Milipol exhibition, CS was present at two booths. The CS Group shared a booth with the French Ministry of the Interior and Regional Development, where it showcased its skills in command and information centers, in particular, project PEGASE (Pilotage des Événements, Gestion de l’Activité et Sécurisation des Équipages, or event supervision, activity management and team safety assurance) as part of the project, Commissariat du Futur (future police station) for the French National Police. At the same time, CS also presented its solutions for crisis management, such as Project Crimson (Crisis Management Simulation), its skills in the field of intelligence gathering (signal processing and telecommunications), and its expertise in securing information and communication systems (its Trustycom lineup for applications security). In mid-November, CS created a buzz at the Dubai Air Show (United Arab Emirates) with the presentation of its unique know-how in C4ISR (Computerized Command, Control, Communications, Intelligence, Surveillance & Reconnaissance).

FIRST SIGNIFICANT SECURITY CONTRACT IN THE MIDDLE EAST

In the Middle East, CS won a contract worth € 50 million over three years in the field of security for mission-critical high-level information and communication systems. CS expertise and its range of solutions for application security, Trustycom, were decisive in winning this account.
Free-flow solution for ring road

The Irish National Road Authority (NRA) chose CS for the installation and operation of a free-flow system on the Dublin ring road (M50). This is the first operational integration of a complete system of this type in Europe, following on the heels of a demonstrator in Stockholm.

CS partnered with Sanef for this project, creating a joint company in Ireland, BetEire Flow, the contracting entity. CS is also set to participate in operating the system, mainly ensuring maintenance according to a rolling plan for the duration of the concession. Commissioning is in 2008 with estimated traffic up to 600,000 vehicles a day over the next five years.

CS confirmed its leadership role in the design, integration and operation of free-flow (contactless and without barriers) highway toll collection systems.

The turnkey project for automatic, contactless, highway toll collection, developed by the CS American subsidiary, InTranS, for its customer, Macquarie, breaks new ground in California. The moment they drive up the on-ramp, motor vehicles are automatically tagged by a high-speed video-capture system, called FasTrack, which recognizes subscriber license plates and reads vehicle micro-wave badges. The information is then transferred to a central computer center for processing, which ensures back-office operations, including every aspect of customer relations. The result: between the Mexican border and San Diego, traffic is flowing smoothly.
THE RIGHT ANSWER IN JUST TEN MILLISECONDS

CS is flying high after the French Space Agency (CNES), EADS Astrium and Thales Alenia Space chose it to develop end-to-end flight software for the project, Elisa (Electronic Intelligence Satellite) of the DGA and ALSAT-2 based on the Myriade platform. The "brains" in this spacecraft, the software manages onboard equipment: electrical power, temperature control, and the attitude and orbit control system. The software also enables communications with the ground segment – all with a response time on the order of 10 milliseconds.

A 3D MARATHON

As a sponsor of the first Grand Toulouse Marathon, which was held at the end of October 2007, CS created a sensation with its product, Géo Marathon. Developed by its Virtual Reality department, this application links a miniature GPS/EGNOS transponder to Virtual Geo, the 3D display engine from CS.

Imagine five relay teams, a marathon race, and motorcycle escorts both leading and bringing up the rear, all "geo-positioned" in real time in a highly realistic representation of Toulouse with its Space City, CS offices, Airbus assembly hall, buildings in Grand Toulouse, and even the future Cancéropôle. As a further indication of precision, the application evaluated the performances of the teams, taking into account the physical characteristics of each runner as well as environmental indicators, such as air quality and weather conditions. This was a truly public illustration of geo-positioning systems in an urban setting, implemented by CS in the framework of crisis management projects and its command & information centers, systems for which CS is constantly developing new functionalities in response to the needs of its customers.
EDF awarded CS responsibility for modernizing its installed base of specialized simulators, today, at the end of their service life. The industrialization of the prototype Mistral (Module d’Interface Spécialisable Temps Réel en Ligne, or adaptable interface module for real-time online configuration), the result of studies and developments carried out by EDF CIPN, enables this replacement program. It allows for design and deployment, across all of EDF’s nuclear electrical power plants, of a tool intended primarily for training operators. Furthermore, it can also serve as an engineering tool.

LRBA chooses CS to implement missile and geo-positioning systems simulation platforms

LRBA (Laboratoire de Recherches Balistiques et Aérodynamiques, or laboratory for ballistic and aerodynamics research) also needs to capitalize on its know-how, foster responsiveness and win productivity gains. As a referral center for DGA (Délégation Générale pour l’Armement, or French General Directorate for Armaments) with regards to missile, navigation and geo-positioning systems, LRBA contributes to the coherence of inter-armed forces weapon systems. Today, it has chosen CS solutions in order to implement the simulation platform of its computer aided systems engineering. These platforms enable display of operational environments at strategic as well as tactical levels, including in urban zones. They provide engineering tools in missile and geo-positioning system design that make it possible to specify, validate and qualify complete architectures for missile and guidance/navigation/geo-positioning systems.

CS IS STRATEGIC PARTNER FOR EADS

Create a solid network of partners and promote technological innovation - these are two major challenges facing EADS in the years ahead. With this in mind, coordinating research, engineering and production is now a strategic priority for this industrial group. In order to help it achieve its goals, CS, CENIT AG, and PROSTEP AG, three specialists in the fields of consulting, development and solutions for industrial IT and product lifecycle management (PLM), have pooled resources in a joint company, called CenProCS AIRliance. Its mission is to respond effectively to the growing need for innovation at EADS, mainly by adapting its technological solutions to the group’s strategy.
CS IS ACTIVE IN HIGH-TECH SECTORS
CS is a prime contractor for innovative turnkey systems

Rise to the challenges of its customers for design, integration and operation (or maintenance in operational condition) of innovative turnkey systems – that is CS’s mission.

CS expertise in mission-critical applications and systems makes it the partner of choice in major economic sectors, such as defense & security, aerospace, transportation, energy and industry.
CS blends its skills in information and communication technology, so as to leverage the successful deployment of its systems for the control and mastery of information resources. This empowers the company in its implementation of open, interoperable and adaptive solutions, for the full satisfaction of customer operational requirements.
2007 HIGHLIGHTS
During the 2007 first quarter, CS demonstrated its ability to handle projects on an international scale, namely by winning a significant contract in the Middle East. In parallel, CS continued to work on its major French programs in air defense (operations centers and communication systems for the French defense establishment and NATO countries) and homeland security (Command and Information Centers for the French National Police). Furthermore, CS intensified its sales efforts and participated in trade fairs (Paris Air Show, Milipol and the Dubai AirShow), showcasing its position as a major player in large, info-centric civil and military systems.

Anticipation and mastery of information: the power to decide
In the eyes of public and private organizations, security, both for people and property as well as for data (information and communication systems security), is a critical challenge today and for a long time to come. It is also a fast growing market.

CS combines its skills in information and communication systems to offer powerful leverage for the deployment of mission-critical defense and security systems, essential to the mastery of information, systems interoperability and operational command.

Operations Command and Control Centers - C4ISR

Systems interoperability
CS is a prime contractor for systems that collect, interchange and display in real time the information necessary for operations planning and control among armed forces. CS brings together the skills needed to deploy C4ISR solutions (Computerized Command, Control, Communications, Intelligence, Surveillance and Reconnaissance).

CS develops information and communication systems that meet the needs of command centers at strategic, operational and tactical levels, covering:
- joint operations (Joint Operations Centers - JOC),
- land operations and/or land support (Land Forces Operations Centers - LFOC),
- air operations (Air Force and Air Defense Operations Centers - AOC),
- naval operations (Naval Operations Centers - NOC),
- special forces (Special Forces Operations Centers - SFOC),
- intelligence (intelligence-gathering centers),
- logistics.

These C4ISR systems are integrated, interoperable, adaptive, secured and available. Designed for network-centric warfare, they enable optimum decision-making, thanks to their networking architectures.
These systems provide critical resources for coordinating multiple units in various kinds of operations. The different armed forces are the first to be interested by a capacity for coordination. However, civil defense planners also find these kinds of centers appropriate to the coordination of civilian resources for purposes of crisis management.

**CRISIS MANAGEMENT SYSTEM**

**C2/C3 homeland security**

Crisis management systems combine command capability with timely information gathering. This lets decision makers anticipate crises, manage them, prepare for their resolution and provides them with return-on-experience to enable continuous improvement. One example is the crisis management system implemented during the 1988 floods in Nîmes, France. Since then, radar-based detection and sensors, linked to management and communication systems, help experts anticipate rising water levels in rivers and prepare action plans.

In another development, the French Ministry of the Interior awarded CS a contract to design, integrate and deploy the system, PEGASE (Pilotage des Événements, Gestion des Activités et Sécurisation des Equipages, or event supervision, activity management and team safety assurance). In command & information centers, PEGASE enables centralizing calls, handling each call from the moment it is received to the time police arrives on the scene, and then filing a report using an electronic case book application.

Each mobile unit and its team are geo-positioned, which allows an operator to see in real time what police forces are present or nearby the scene, and to dispatch additional units if necessary. The system is intended to speed police intervention for greater security among the population and, in parallel, to ensure enhanced safety for police officers while optimizing their deployment. It is currently being deployed throughout France.

**INTELLIGENCE**

**Information at the service of intelligence**

The wealth of know-how at CS in the area of intelligence, coming from electromagnetic sources and from imagery, puts it at the heart of major military challenges and the fight against terrorism.
Both in strategic and tactical terms, its intelligence centers meet the growing security needs of governments and bring them total mastery of their sources of information. In order to succeed in their day-to-day missions, government intelligence agencies need precise information in real time. From listening devices to the supply of complete intelligence centers, CS provides them with a broad range of high-performance tools.

**AIR AND NAVAL OPERATIONS**

**Tactical situation and threat analysis**
CS develops air operations centers (C2), which are command centers that provide air forces with the capacity to handle information necessary to their decision processes. These air operations centers ensure tasking for air space management, air traffic control and air defense. The systems enable tactical situation views, analysis of aircraft information and communications, and when necessary, threat analysis and response in terms of identifying possible countermeasures. CS thus covers the complete scope of aviation operations centers - a capacity required to meet the new needs of the European Union and NATO.

**French air bases transition to CLA 2000**
Airfield control centers are the foundation of air operations centers. Designed by CS for the French Air Force and composed of two parts, one fixed, the other mobile, they blend the functions of approach control and surveillance. Easily transported, they deploy in just a few hours. Twenty-three air bases are set for modernization between now and 2016. In a first phase, CS will deliver three mobile systems, equipped for nuclear, biological and chemical (NBC) theaters of operations, and three replacement systems. The French Air Force chose the CLA 2000 from CS because it employs an innovative solution, which is economical and meets primary objectives. The French Navy also chose this type of solution and plans to adapt it to the needs of naval air bases, with a first deployment at its base in Lanvéoc-Poulmic, France.

**A flexible, highly secured ground-air radio communication system**
Within the framework of renovations for French Air Force Command Centers, CS has been asked to design and deploy across continental France a ground-air communication system. Highly secured, the communication system is shared, so several operators can use the same system at a time, according to rules governing priority.
The deployment of this system ensures comprehensive coverage of continental France and its coastal areas. The system guarantees complete redundancy and optimal security, thanks to auto-backup for the ground network.

Referenced by NATO
All of the NATO countries are soon to receive an Air Command and Control System (ACCS), a single system, validated and reproducible, which uses a communication system from CS. The entire system, SAF 3000, is digital. Thanks to its performance, it offers exceptional availability for communication resources with numerous features, such as ground-air encryption and frequency hopping. The system thus allows for establishing both unsecured and secure radio links, depending on operational requirements. Furthermore, radio communications can be cross-border, which adds a European dimension to air space security.

PROTECTION FOR INFORMATION AND COMMUNICATION SYSTEMS

Major economic stakes in information and communication systems security
Information security is a major economic challenge in terms of protection for strategic assets. CS’s capacity to provide expertise, acknowledged by the DCSSI (Direction Centrale de la Sécurité des Systèmes d’Information, or central information systems security division) empowers it to play a leading role. Based on its expertise in cryptography and public-key infrastructures, CS offers a complete range of solutions, including mastery of integration, encompassing all components, a guarantee of data integrity, a security policy that is an essential part of the process, and user training.

In the name of confidence
If it is critical for a country’s high-value systems, it naturally must be heavily protected. Indeed, this is true for anything that is vital to a country’s people: protection for information, information systems, telecommunications, and more. The banking service network, RSB (Réseau de Services aux Banques), is a good illustration of CS expertise in this area. The economic interest grouping, GIE de Cartes Bancaires (CB), affiliates 20 member banks. CB awarded CS a contract for the complete overhaul of its RSB network, a job that is in progress. For the French association of notary publics (Conseil Supérieur du Notariat), CS designed infrastructure that allows it to conduct business using digital resources. Nowadays, electronically notarized documents are a
Today, CS is ready to accompany national governments in setting up structures and nationwide expertise centers for their information security, covering regulatory, organizational and technological considerations.

Encryption and its implementation in networking equipment, non-repudiation of transactions, data confidentiality and interchange, secured application flows, rights management and authorizations - CS markets a full range of security application solutions (its Trustycom product suite).

A label in recognition of leadership
The DCSSI granted its label to PKI security solutions from CS. This label was created in response to the expectations of government bodies and ministries, but also of ancillary public organizations that are more and more likely to require certified solutions. By the end of 2008, all of CS’s PKI time-stamping and e-signature solutions will have undergone evaluation. Thanks to this review based on common criteria, CS will be the first to bring to market a fully-evaluated solution, including time-stamping. In a related innovation, it is also updating the complete set of its PKI modules in Java multi-platform mode.

Digitization moves ahead
The digital age is here – this includes secure archiving of legal documents, archiving mail and accounting records with guaranteed traceability, authenticated e-signatures, and more. These applications are increasingly vast. On the heels of notary publics come banks and insurance companies among those taking an active interest in electronic safes from CS. E-safes provide secure storage of archives for up to 100 years, while integrating periodic refresh features to prove the integrity of archives. For the French postal service (La Poste), CS implemented a time-stamping platform that provides this service for the electronic documents of its different subsidiaries as well as for the corporate customers of La Poste.
SPACE

Earth observation, telecommunication, navigation and interplanetary missions - there are an ever-increasing number of civil and military programs. Furthermore, for them to move forward, technology has to take the lead.
It has now been over 30 years that comprehensive CS solutions for space systems and applications, both on the ground and in space, have been part and parcel of this odyssey. CS is a provider to the European Space Agency (ESA) and the French Space Agency (CNES - Centre Nationale d’Études Spatiales). As such, CS is present in most major European programs and contributes to interoperability standards for the design and construction (including cost control) of future solutions that concern ground segments.

### GROUND CONTROL SEGMENT

**Prime contractor for space systems**

Whether managing a satellite or a space-borne vehicle, a fleet of satellites or a constellation of spacecrafts, CS offers the best solution for optimal control of space resources - from validation to mission-critical operations. Command and control, mission programming, satellite simulators, test benches and earth stations: CS deploys its know-how in flight dynamics and ground-board interfaces. Its solutions allow for piloting different kinds of spacecrafts: from fleets of mini- or micro-satellites in low earth orbit to geostationary telecommunication satellites. Moreover, this includes the ATV (Automated Transfer Vehicle), which docked to the international space station.

### USER GROUND SEGMENT

**All along the processing chain**

For user ground segments, CS handles everything from mission programming to data dissemination, including optimizing fulfillment. CS is present in the building of mission control centers for most of Europe’s earth observation programs: SPOT 1 through 5, Helios 1 and 2 and SAR-Lupe. Its latest significant contribution has been as today’s prime contractor for the processing chain of Pleiades, a major program that requires both civil and military mission management abilities. CS expertise in scientific data processing, particularly in the fields of quality and image processing, backs its work for the Image Quality Center of a Vegetation Observation Instrument, and an Expertise Cluster in Image Quality for Helios 2. The company also works at CNES’s Pleiades Image Calibration Center (ICC).
ON-BOARD OPERATIONS SUPPORT FOR PLEIADES

The French Space Agency (CNES) awarded CS responsibility in conducting on-board operations for Pleiades. The Pleiades satellites are future spacecrafts for earth observation, featuring high-resolution optical imagery. The program, with both a civil and military role, is scheduled to launch its first satellite at the end of 2009 and a second one, one year later.

Starting from its experience and know-how in space projects that involve ground segments, CS is set to participate for the first time in satellite monitoring and control. The project calls for operational preparation of control and remote command of the satellite, from the moment of separation from the launcher until it reaches station (orbital insertion), and then the monitoring of operations and mission conduct during the first months of operation (station-keeping).

CS won this contract, mainly thanks to its acknowledged skills in space, but also its ability to propose structures that allow it to meet needs for responsiveness and mastery of constraints, specific to satellite operations.

CS is henceforth present across the entire spectrum of satellite operational activities, from development through systems integration to operation of earth and onboard resources, and thus confirms the confidence entrusted in it by CNES.

IMAGERY AND GEOGRAPHIC INFORMATION

From sensor to applications

Today, CS blends its skills from different fields of excellence to take up the challenges of its customers, especially those that concern geospatial intelligence.

Consequently, CS meets the needs of players, both in the industrial sector and institutional decision-makers. It is in the vanguard of Europe’s solutions providers for geographical data and satellite image processing. For this purpose, it integrates into the same system information coming from space-borne observation technologies, telecommunications, data capture and geo-positioning, all enhanced with land use and meteorological data.

By positioning itself all along the value chain, from sensor to applications, CS provides an optimal response to the requirements of its customers. These cover everything from engineering studies for the definition of future instruments to operational ways and means, constantly taking into account the stakes in interoperability and operational performance.

In the space applications sector, this systems concept enables answers to some of the world’s most pressing questions: how to increase crop productivity and reduce the impact of land use, how to assess soil and water resources, how to manage “natural” risks, and how to master urban and suburban dynamics, while contributing to military intelligence. Beyond image processing, CS studies and designs comprehensive systems, which offer timely assistance for political, economic and social decision-making.

FLIGHT SOFTWARE

The intelligence in satellites

Capitalizing on its expertise in embedded avionics systems, CS participated in important projects, such as ATV, Syracuse III and Pharao. In addition, all of the work awarded to CS by CNES and its partners for Project Myriade has allowed it to expand and consolidate its technical know-how in this field. Whether through studies, research or operational projects, CS has developed technical and operational know-how in on-board computer architectures, and a level of expertise in innovative architectures that allow it to carry out developments and also provide support for information processing.
AERONAUTICS

Broadly present in the aeronautics industry, CS conducts large, complex projects that include development and maintenance of technical information and real-time systems to satisfy the most rigorous requirements for safety and operational reliability.
I ncrease productivity, reduce design costs: CS works side-by-side with its customers – aircraft manufacturers, engine makers and equipment suppliers – to help their value-added take off. A strategic player in the aeronautics value chain, CS carries out complex projects, working for major industrial firms in the business.

A strategic partner in the aeronautics sector, CS handles complex projects for major customers. The largest engine manufacturers, such as Turbomeca and Pratt & Whitney, the most innovative aircraft builders, such as Airbus, and worldwide equipment suppliers, such as Thales and Safran, rely on CS specialized know-how for the development, integration and maintenance of their critical real-time embedded systems and their technical information systems.

AERONAUTICS SYSTEMS

Towards full outsourcing of functions

Air traffic management (ATM) applications, embedded systems, modeling and virtual reality - from project definition through specification to integration, the overall proven capacity of CS enables it to manage development programs end-to-end, even for customers who want to outsource entire functions. CS banks on its long experience with high-tech industries, which typically impose severe performance and reliability constraints. Flight warning and control, braking, communication and more: all CS systems meet strict quality and security norms, like DO178.

Furthermore, its 20 years of experience with embedded mission-critical real-time software, have made the company a worldwide acknowledged expert on DO178-B recommendations. In addition, CS actively participates in formulating new DO178-C recommendations, foreseen in 2008. The company also has CMMI level 3 certification, and aims for level 5 in

CS PARTICIPATES IN SUCCESS OF NEW TURBOMECA ARDIDEN ENGINE

D eveloping 900 kw (1,200 SHP) on takeoff, the Ardiden engine is designed for the toughest missions in altitude and extreme heat. This engine blends simplicity, high technology, robustness and modern performance with a cost of ownership that is dramatically lower than that of competitive products.

The maiden flight of the twin-engine Dhruv helicopter made by Hindustan Aeronautics Limited (HAL), which switched to Ardiden 1H engines, was successfully completed on August 16, 2007, at the HAL helicopter division, Bangalore, India. CS worked on the third-generation fuel metering system for this new helicopter turboshaft engine from Turbomeca. The system, developed by CS, manages and servo-controls fuel injection according to complex pressure and temperature parameters.

The role of CS in the project extended from specifications to validation and certification, conforming to DO178-B recommendations for the highest level of critical reliability. Indeed, the smallest system fault can, as one can easily imagine, result in a catastrophe.

CS also assisted Turbomeca for audits, leading to EASA - European Aviation Safety Agency - certifications, conducted at the end of 2007.

2007 HIGHLIGHTS

CS is as present in Canada as it is in France, with aircraft manufacturers, engine makers and equipment suppliers, when it comes to the development and maintenance of aeronautics systems. It is also opening up new horizons in Europe, since it became a certified provider for EADS through a joint venture, CenProCS AIRliance, for technical information systems.

CS is present in Canada as it is in France, with aircraft manufacturers, engine makers and equipment suppliers, when it comes to the development and maintenance of aeronautics systems. It is also opening up new horizons in Europe, since it became a certified provider for EADS through a joint venture, CenProCS AIRliance, for technical information systems.

26
AERONAUTICS

2009 (the Capability Maturity Model Integration, or CMMI approach, was created by the Software Engineering Institute, SEI, under the sponsorship of the American Department of Defense).

CS offers its aeronautics customers a broad selection of resources for:
- development of avionics systems and embedded software,
- systems testing,
- technical documentation and logistics data management,
- technical and aeronautics information systems,
- air traffic control systems,
- 3D training simulators,
- modeling, simulation and high-performance computing (HPC).

TECHNICAL INFORMATION SYSTEMS

The availability of maintenance and operating manuals is increasingly critical to aviation operations, which is why documentation software is moving to the forefront of user concerns. In order to meet the needs of the manufacturer, Airbus, and its equipment suppliers, CS instituted a competency cluster that specializes in document production software tools. The company’s latest release is MDS (Modular Documentation System), which enables writing and publishing aircraft manuals, not only which conform to norms of the International Air Transportation Authority (IATA), but also to military standards of AECMA (a European association of aerospace industries).

Furthermore, CS is in numerous projects for technical data management and PLM (product lifecycle management). It has opened up new horizons in Europe, since it became a certified provider for EADS through a joint venture, CenProCS AIRliance, consulting on, developing and managing solutions for industrial IT and PLM.

THE EUROPEAN COMMISSION LAUNCHED its Single European Sky initiative with a view to harmonizing the organization of air transportation in Europe. This way, the European Union aims to meet the future needs of its citizens in terms of capacity and safety. This initiative led to the launch of the program, SESAR (Single European Sky ATM Research), co-sponsored by the European Commission and Eurocontrol.

Harmonization brings into play two principles: on the one hand, interoperability between ground systems, namely civil and military communications, and on the other hand, integration of airborne and ground systems in order to enable better management of aircraft flight paths, with increased usability of satellite-based data links and positioning.

The entire spectrum of CS activities is engaged: secured architectures, communications, space, embedded systems, its capability to act as prime contractor for comprehensive systems (such as air traffic control centers), and of course validation using its high-performance simulation resources.

FORMAL METHODS AND PROOFS

Over the last 20 years, CS has defined and disseminated many formal methods. Today, it is at the heart of some of the largest R&D projects: for example, ACOTRIS, ASSERT, Neptune, OpenEmbeDD and Topcased.

In fact, Topcased (an initiative of OPEES, Open Platform for Embedded Systems Engineering, within the competency cluster, Aerospace Valley) integrates some of the most advanced technologies in real-time embedded systems.

iNNOVATION
Partnering for many years with the French Atomic Energy Commission (CEA), the French Electric Company (EDF) and the French Institute of Nuclear Safety and Radiation Protection (IRSN), CS implements its strategy in the fields of high-performance simulation & computing, safety & risk management, and industrial IT.
HIGH-PERFORMANCE SIMULATION & COMPUTING

CS offers a universal service suite in high-performance simulation, including access to powerful computing resources and advanced scientific coding, aimed at optimizing studies in simulation/modeling, and intended to speed product design and development phases. Through combining simulation of physical phenomena with the use of virtual reality systems, customers benefit from an added dimension in their analysis and interpretation of complex computational results. CS works with its industrial customers, bringing to their projects its unique expertise, which blends its understanding of their businesses, broad experience in simulation/modeling (developed mainly through the simulation of nuclear testing for CEA) and mastery of virtual-reality display technologies.

Moreover, CS administers and operates the CCRT (Centre de Calcul, Recherche et Technologie, or computing, research and technology center), plus provides assistance for computational coding and application environments. The CCRT meets the requirements of high-performance computing across the complete range of CEA’s competency centers, as well as for the Safran group (SNECMA, Turbomeca and Techspace Aero) and other industrial and academic partners. CS partners with CEA in the Ter@tec initiative, a European competency cluster for high-speed simulation and computing. Lead contractor in the project, IOLS (Infrastructure et Outils Logiciels pour la Simulation, or infrastructure and software tools for digital simulation), at the heart of the System@tic competitiveness cluster, and then in the project, EHPOC (Environnement Haute Performance pour l’Optimisation et la Conception, or high-performance environment for optimization and design), which is set to follow up on IOLS, CS is acknowledged for its expertise in this field.

SAFETY & NUCLEAR RISK MANAGEMENT

The renaissance of civil nuclear energy around the world raises questions of risk management and what policies are likely to ensure perfect safety. The ability to design systems, which enable safety analysis, is one of the greatest challenges of nuclear energy.

They allow on the one hand determining more precisely the chances of different kinds of accidents, and on the other hand, managing aging installations under optimal conditions. For over 20 years, CS has specialized in scientific studies and software development, which concerns the physics of Pressurized Water Reactors (PWR) and Fast Neutron Reactors (FNR), accompanying its customers in their preparation of safety reports.

2007 HIGHLIGHTS

Following strong growth in the nuclear sector, CS offered customers industrial IT, notably to help them modernize their installed bases of real-time simulators, used with EDF’s nuclear electrical power plant operators (project Mistral). Within the framework of nuclear risk management, CS implemented management platforms for nuclear materials for IRSN, CEA (Directorate of Military Applications) and won initial contracts with the International Thermonuclear Experimental Reactor (ITER).
Moreover, the mastery of risk supposes total traceability of nuclear materials. The main nuclear materials made use of by industry are regulated by the European organization, Euratom. Its mission is to verify that no government makes illicit use of nuclear materials. In France, there are additional specific measures to protect nuclear materials against criminal acts and to ensure homeland safety by obliging operators to carry out checks and show total traceability for their nuclear materials.

Within this framework, CS builds platforms for managing the nuclear materials of the CEA and IRSN, thus contributing to total traceability and data continuity. These systems empower accounting for all movements and transformations, and knowing the record, depending on who the users are.

When the decommissioning of nuclear power plants is involved, CS offers customers its expertise in virtual reality, simulation, configuration management, and mission planning and follow-up.

**INDUSTRIAL INFORMATION TECHNOLOGY**

*In command, control and supervision*, for several years, CS has been working on SCADA (supervisory control and data acquisition). It provides solutions for hydroelectric production-process and control-command simulation for hydroelectric power plants on the Danube and its tributaries (24 systems installed) as well as for studies of regulation in a control-command architecture with regard to nuclear propulsion systems (Technicatome).

Partnering with Gaz de France (the French natural gas company), CS developed a networking supervision tool, Carpathe, to help engineering firms and gas distributors design and operate gas distribution networks.

*In the area of industrial simulators*, EDF recently awarded CS a contract for two major projects, simulating nuclear electric power plants, in order to treat safety and performance problems during multiple plant operation.

The first project concerns the modernization of the installed base of specialized devices that simulate the major subassemblies of a PWR. EDF power plant operators use this equipment to learn how to control critical plant components (reactor operation, volumetric and chemical control...*
This project aims at replacing the entire installed base of simulators present across all the nuclear electric power production sites of EDF. This mainly involves the industrialization of the prototype, Mistral (Module d’Interface Spécialisable Temps Réel en Ligne, or adaptable interface module for real-time online configuration).

The second project covers simulator configuration so as to allow studies and safety analysis, spanning both normal and accident-critical operation of all EDF PWR plants, from CP0 level to the future EPR one. This chiefly requires integration work on EDF’s new simulation environment, SEPTEN: SULTANE (Suite Logicielle pour les Transitoires Accidentels et Normaux en Études, or software suite for accident-critical transitory and normal states under study). These projects require complete knowledge and understanding of nuclear power plant operation.

**C3X TOOL SET FOR INDUSTRIAL ACCIDENT MANAGEMENT AND PREVENTION**

The computational chain, C3x (Calcul des Conséquences & Cartographie, or computation of consequences & mapping) is an analytical and display tool to study atmospheric dispersion and the consequences of industrial accidents (nuclear, chemical, etc.).

It makes possible:
- cartographic display of geographic zones,
- queries concerning geographic information,
- display of results from meteorological calculations of dispersion and consequences,
- analysis and cross-analysis of geo-referenced digital data,
- display of environmental measurements.

Within the specific framework of crisis management, the system has been enhanced to:
- map regulatory boundaries and danger zones in support of risk prevention policies,
- define a set of emergency measures in the event of an incident,
- transfer understandable information in real time to allow everyone, including the highest authorities, to monitor crisis developments.
TRANSPORTATION

For over 40 years, CS has pioneered in this sector, designing and implementing the best solutions for road transportation, thanks to innovative products, reliable, efficient systems and a full, high-quality service suite.
Long experience combined with continuous investment in research and development, plus solid partnerships the world over, place CS among the three most important players worldwide in intelligent transportation systems. Today, CS is a systems integrator acknowledged for its capacity to offer comprehensive solutions, covering front- as well as back-office requirements, from integration to operations.

Increasingly heavy traffic, chronic delays around major cities, plus the need to manage truck traffic and factor in eco-taxes - today’s road transportation sector is fast changing gears.

**FREE-FLOW HIGHWAY TOLL COLLECTION**

**Fast, reliable systems**

Today’s automatic toll-collection systems have to speed traffic throughput and prevent traffic jams. They enable drivers to pay tolls without stopping or even slowing down. For this reason, free-flow systems are more efficient than competitive systems, since micro-wave badges (for instance, behind the windshield) make the payment. Another example of this kind of system is video toll-collection, which records a vehicle’s passage at speeds up to 160 kph (100 mph), thanks to clever equipment that includes cameras, lasers, smart tags, and more.

The system has to be able to handle considerable volumes of traffic in real time...using visual identification with cameras, license-plate recognition, laser-based badge readers, data processing and subscriber management. A first application of this system in Europe will be on the Dublin ring road (M50), which is set to begin operation entirely free of toll barriers in 2008.

Already for several years, the CS Group has been developing free-flow solutions in the United States. It conducts tests at its R&D base in Toul, France, and has a demonstrator on the A1 tollway at Survilliers, also in France. The demonstrator enables testing under real traffic conditions, day and night, across three lanes, measuring performance. Once the system is ready, the complete installation is set to go into service.

**For each need, a solution**

In the U.S., the demand for “hot lanes” is speeding ahead. The principle is “high occupancy or taxable.” This means reserving one lane on highways for car pooling. The U.S. is also very interested in solutions for detecting violators with a view to levying fines.

**2007 HIGHLIGHTS**

CS initially entered new marketplaces in Canada and Ireland, with its innovative free-flow solutions, and then in Tunisia and India, both countries with sizeable needs in roadway infrastructure. Its ability to act as integrator and developer for front- and back-office solutions secures a very competitive position for CS in these markets.
The power of CS in this business comes from its mastery of the complete functional chain of a toll collection system, whether a classic one or free flow. While it is also a solutions integrator and developer of front- and back-office applications, its own product suite secures for the company a very competitive position in this market.

In Europe, the problem of managing truck traffic is at the heart of a vast research program. India and countries in the Maghreb have just initiated immense programs to renovate their road systems. As for large cities, they are all considering solutions for “congestion pricing.” In each of these areas, CS is well positioned to provide comprehensive solutions, from concept to operations.

SAFETY AND TRAFFIC MANAGEMENT

Traffic control, management and safety
CS offers its customers integration of comprehensive traffic management solutions that provide drivers with relevant traffic reports, to improve traffic flow and reduce congestion, particularly in urban areas (traffic control software, dynamic message boards, and more). The world market leader for emergency call networks, CS offers turnkey solutions. Its systems link emergency call boxes to command and control centers. The benchmark in terms of reliability, this equipment nowadays uses the most modern communication technologies (GSM networks and IP links).

Urban transportation information systems
CS supplies turnkey systems to the public transportation sector:
• mission-critical information systems (application-specific supervisory systems, geo-positioning systems, etc.),
• command, control and security systems (transportation infrastructure supervision, security, etc.),
• simulation systems.

Thanks to its total mastery of protocols like DSRC, GSS A1, PISTA, CESARE and others, and to its know-how in large, complex systems, CS is today’s only French provider of free-flow automatic toll collection gates.

CS knows the value of development and diversification. It respects regulatory directives and national and international recommendations. Because it cultivates constant innovation, CS invests in advanced research and development (competitiveness clusters, national and international projects, etc.) in the field of satellite-based toll collection, using technologies such as GNSS (GPS-EGNOS-GALILEO), GSM-GPRS, Wi-Fi, Wimax and more.

The French Ministry of Transportation has launched a vast R&D program, called project GARONOC. The objective is to build a multiuse, road information system that links sensors (satellite-based, cameras, radar) to roadway applications (toll collection, traffic reports, etc.), communicating relevant information to each application depending on the data available, all simultaneously and in real time. Partnering in this effort, CS actively participates in the project.
CS VALUES

At CS, women and men share the same values and commitment to the success of the strategic, innovative projects of our customers.
ATTRACTING NEW TALENT IS A PRIORITY

The CS Group’s recruitment plan matches the challenges it faces: on the one hand, confirm its position on the frontline for the mission-critical systems of its customers, and on the other hand, show its will to accelerate sales development beyond France. Recruitment of strategic skills is a key factor for the growth of the company. In 2008, the recruitment plan foresees 450 new hires of which nearly 200 will be motivated by the acquisition of strategic skills:

- experts in technological and business-specific fields,
- contract managers able to direct projects outside of France,
- architects to design high-performance, robust and secure systems.

Anticipate training in the technologies of tomorrow, foster progress among our employees at every level of the company, or help them to find new skills - these are CS’s major development objectives.

The 2,000 employees of CS commit to quality, performance, transparency and results. They work daily for a shared objective: offer our customers innovative, reliable, efficient systems and solutions, and accompany them in achieving the success of their strategic projects.

The strength of CS lies in its diversity of cultures and talents

PATHWAYS TO MEET CHANGE AND BUILD PROFESSIONALISM

To each her or his path

Build professionalism in our businesses, share best practice and develop excellence in project management – these are the challenges that CS contract managers face in order to succeed in their missions. CS boosts them in their jobs and offers a well-structured contract management career path. CS animates a teambuilding training program, together with a certification process that ensures appreciation for achievement and acknowledgement of merit among contract managers. Furthermore, as part of career advancement prerogatives, this guarantees recognition of their status.

CS WOMEN AND MEN

We believe our human resources policies are fundamental to our development, and are at the heart of our organization.
A network of experts
Benefiting from a group mindset, our experts are teamed into centers of expertise. This involves some 200 experts and specialists whose mission it is to advise and bring to our customers the technological solutions that are best adapted to their evolving needs.

A shared culture
In order to ensure our company’s success, we base our shared culture on values of:
- ambition to create a strong, sustainable future for the CS Group by adding value for our customers, employees, shareholders and partners,
- will to achieve personal development, fostering innovation, acquisition of skills and sharing of expertise in a context of technological cutting-edge projects,
- defense for irreproachable ethics, evidenced in professional rigor, commitment, loyalty and solidarity.

Commitment and results
CS allies a strong tradition of technological innovation with a culture of commitment to results. Its intention is to accompany its customers over the long term. CS is essentially involved in critical, complex projects. Managing this critical nature is at the core of its business model. Security, performance, reliability and service continuity for the kinds of systems we design and operate are day-to-day challenges for our teams. Our customers look to CS for a partner they can trust to handle their strategic projects.

The main objective of CS is to secure for its customers a decisive competitive advantage, thanks to its:
- capacity to mobilize and make available its teams,
- understanding of their value chains,
- management methods on large projects,
- ability to accompany customers in their change strategies.

Expertise, innovation, service sense, and teamwork on complex projects are the development priorities of our teams.
EXPERTISE AND INNOVATION

As a prime contractor and operator on large, complex projects, CS relies on its technological skill centers to provide a source of excellence in meeting the challenges its customers face.

Simulation and virtual reality, embedded systems, information system security, safety and service continuity, technical information systems (PLM, EDM, GIS and more), software validation, freeware, software and system engineering…

These are some of the major CS technological skill centers. They are the source of excellence that empowers the company to deliver innovative, turnkey systems and to ensure customers benefit from performance and continuity from systems, both in design and operations.

Anticipate change in the business requirements of our customers, in France and abroad, expand our know-how and abilities based on our operational references, extrapolate our understanding to cover emerging requirements, identify reusable products and communicate the opportunity, and identify strategic partners who can boost our efforts in building the innovative, competitive and reliable systems of the future – these are the stakes in a world of accelerating change and complexity. This is the human and technological foundation on which a unique opportunity stands to design the systems that underpin the most critical missions of our customers. As a turnkey solutions integrator, CS actively pursues its development of markets for mature products with high value-added, yet easy to integrate into complete solutions. In response to markets in France and abroad, our Research and Development mission is to field the most advanced technologies, and to define the components of future systems.

RESEARCH AND DEVELOPMENT

The R&D activities of CS are adapted to its business model of being an integrator of mission-critical systems, and to its differentiation strategy of fostering technological innovation. R&D spending amounts to 8 percent of revenues, a capital outlay of nearly €20 million. The aim is multifaceted: maintain our development methodologies at the highest level in the market, acquire technological components in support of our differentiation strategy, and develop reusable product lines in order to accompany our customers in their strategic programs.

In 2007, R&D mainly focused on the different challenges of homeland security, intelligent transportation systems, scientific and technico-operational simulation, and software engineering for mission-critical real-time applications. Significant innovations were made in cryptology, C2/C4 systems, crisis management, intelligence solutions, and information and communication system security. Within the framework of these projects, CS contributed upstream to defining technical standards by participating...
in committees of the international organizations concerned. In particular, this work touched on the introduction of IP technologies in aviation navigation (the European Open Sky project, SESAR), mission-critical embedded software in aeronautics, short-range hyper-frequency links (European Telecommunication Standards Institute, ETSI). In 2007, CS was involved in 24 national, institutional programs within a European framework, and registered a total of 13 patents and copyrights.

**ACTIVE PARTICIPATION IN COMPETITIVENESS CLUSTERS**

CS continues to contribute to competitiveness clusters of international stature, approved by the CIADT (Comité interministériel de l’aménagement et du développement du territoire, or French inter-ministerial committee for land use and development):

- **System@tic** is in the Paris region. CS is a major industrial partner of the cluster, devoted to complex systems and software. CS manages the IOLS project (Infrastructure et Outils Logiciels pour la Simulation, or infrastructure and software tools for digital simulation) for development and optimization of simulation software necessary for the analysis, design, and optimization of increasingly complex, innovative products and systems. As a participant in this cluster, CS is a member of the steering committee for the Open software project that deals with freeware.

- **Aerospace Valley**, in the Midi-Pyrenees and Aquitaine regions, operates in the fields of aeronautics, space and embedded systems. CS coordinates the Es-Pass consortium (for the project, OVALID), which develops test tools using static analysis of mission-critical embedded software, and has the objective of introducing new technologies to the industrial process of mission-critical systems development. CS also participates in the major European project, Topcased, initiated by OPEES. The objective is to build a “software factory” for real-time embedded systems, using the most advanced technologies.

- **Cancer research, biotechnology and health**, at the Cancéropôle in the Midi-Pyrenees and Limousine regions, focus on the fight against cancer. CS and IBM are partnering on the Cancéropôle site to set up a shared, cross-structural service platform, dedicated to competitiveness.

- **Sea, security, safety and sustainable development**, in the Paris-Alps-French Riviera regions, is a field where CS and its subsidiary Diginext are involved directly in homeland security and more particularly in close-in protection systems for persons, goods and installations in a high-value zone for maritime operations. This activity, in the maritime segment, forms part of the overall development strategy of CS in homeland security.

- **Secured electronic transactions** in the Normandy region, is dedicated to wireless security.
CS LOCATIONS

FRANCE

HEAD OFFICES

Head Office
54-56, avenue Hoche
75008 PARIS

Main site
Executive Management
22, avenue Galilée
92350 LE PLESSIS ROBINSON
Tel.: +33 (0)1 41 28 40 00
Fax: +33 (0)1 41 28 40 40

WEST

Brest
Technopôle Brest Iroise
Place Copernic
29280 PLOUZANE
Tel.: +33 (0)2 98 05 05 02
Fax: +33 (0)2 98 05 70 44

Lannion
5, rue Louis de Broglie
22300 LANNION
Tel.: +33 (0)2 96 48 07 07
Fax: +33 (0)2 96 48 17 00

Nantes
2, Bd Jean Moulin
44102 NANTES Cedex 4
Tel.: +33 (0)2 51 80 43 00
Fax: +33 (0)2 51 80 70 15

RHONE ALPS REGION

Grenoble
6, rue d’Arcelle
38000 FONTAINE
Tel.: +33 (0)4 76 85 99 00
Fax: +33 (0)4 76 85 99 20

SOUTH WEST

Bordeaux
Parc d’Activités Kennedy
Avenue Henri Becquerel
33702 MERIGNAC Cedex
Tel.: +33 (0)5 56 34 77 77
Fax: +33 (0)5 56 47 94 81

Toulouse
ZAC de la Grande Plaine
5, rue Brindejonc des Moulinais
BP 15872
31506 TOULOUSE Cedex 5
Tel.: +33 (0)5 61 17 66 66
Fax: +33 (0)5 61 54 13 39

Europarc 31
3, rue du Professeur Pierre Vellas
31300 TOULOUSE
Tel.: +33 (0)5 61 17 66 66
Fax: +33 (0)5 67 69 68 98

SOUTH EAST

Saint-Paul-Lez-Durance
Cité de la Grande Bastide - Bât. 914
13115 SAINT-PAUL-LEZ-DURANCE
Tel.: +33 (0)4 42 57 63 02
Fax: +33 (0)4 42 57 63 31

Toulon
ZI Toulon Est - La Garde
230 rue Marcellin Berthelot
BP 68
83079 TOULON Cedex 9
Tel.: +33 (0)4 94 08 75 75
Fax: +33 (0)4 94 08 09 38

DIGINEXT
45, impasse de la Draille
P.A. La Duranne
13857 AIX-EN-PROVENCE Cedex 3
Tel.: +33 (0)4 42 90 82 82
Fax: +33 (0)4 42 90 82 80
www.diginext.fr

INTERNATIONAL

USB GmbH
Betastr. 13 a
85774 Unterfoehring
GERMANY
Tel.: +49 89 89 99 89 42 83
Fax: +49 89 92 80 45 55
www.usb-muc.com

CENPROCS AIRLIANCE GmbH
Industriestrasse 52-54
D-70655 Stuttgart
GERMANY

RTI SYSTEMS Ltd
Unit 11
Swan Business Park
Sandpit Road
Dartford - DA1 - SED
UNITED KINGDOM
Tel.: +44 (0)1 322 286 866
Fax: +44 (0)1 322 286 867

BETEIRE FLOW Ltd
Building, Clonshaugh Business
& Technology Park
Dublin 17
IRELAND
Tel.: (353) 1 609 9500
Fax: (353) 1 662 8290

ECSAT d.o.o.
Zrinjsko Frankopanska bb
21000 Split
CROATIA
Tel.: +385 (0)21 347 700
Fax: +385 (0)21 347 700
www.ecsat.hr

CS ROMANIA SA
Str. Pacii nr. 29
200692 Craiova, Dolj,
ROMANIA
Tel.: +40(0) 251-41 28 50
Fax: +40(0) 251-41 73 07
www.aeic.ro

CS CANADA, Inc.
6363 Transcanadienne, Suite 235
Saint-Laurent, Quebec
H4T 1Z9
CANADA
Tel.: +1 (514) 748 8258
Fax: +1 (514) 748 8509
www.c-s-canada.ca

INTRANS GROUP, Inc.
55 Cherry Lane, Carle Place
11514-1719 New York
UNITED STATES
Tel.: +1 (516) 592 6100
Fax: +1 (516) 484 5161
www.intransgroup.com

INTRANS DEL CARIBE, Inc.
Calle Rafael Cordero
# 63 Altos - Caguas
00 726 PUERTO RICO
Tel.: +1 (787) 744 9199
Fax: +1 (787) 743 4168

CS CHILE SA
Las Torres 1425 A - G.E El Rosal
Huechuraba - Santiago
CHILE
Tel.: +56 (2) 443 16 66
Fax: +56 (2) 447 28 56

CS EMIRATES LLC
1223 Al Ghaith Holding Tower
12th Floor - Airport Road
PO Box 128161
Abu Dhabi
UNITED ARAB EMIRATES
Tel.: (971) 2 414 66 16
Fax: (971) 2 414 66 00

CENPROCS AIRLIANCE GmbH
Industriestrasse 52-54
D-70655 Stuttgart
GERMANY

DIGINEXT
45, impasse de la Draille
P.A. La Duranne
13857 AIX-EN-PROVENCE Cedex 3
Tel.: +33 (0)4 42 90 82 82
Fax: +33 (0)4 42 90 82 80
www.diginext.fr
CONTENTS

02 Corporate governance
03 Chairman’s message
04 Message from the CEO
06 2007 key figures
09 Investor information
10 2007 highlights
14 CS, active in high-tech sectors
16 Eclipse & security
22 Space
23 Performances
24 Industry & industry
32 Transportation
35 CS values
36 The women and men of CS
38 Expertise and innovation
40 CS locations

CS, COMMUNICATION & SYSTEMS
Communications Department
Barbara Goarant
Virginie Proly

EDITORIAL CONSULTING, DESIGN AND ARTWORK
Carlijn Hogestijn van Vlijmen: +33 (0)3 44 58 04 90
ENGLISH TEXT
CFG Consultants-Kevin Fenwick: +33 (0)1 39 04 00 61

PHOTO CREDITS
Didier Cocatella, Mourine Negouraine, Herve Thouroude,
Airbus, Aéroports de Paris,
CEA, CNES, CS, DR, Getty Images.

La force de l’innovation
The power of innovation

€225M in revenues

2,000 EMPLOYEES
WORLDWIDE