

# Statutory Auditors' report

prepared in accordance with article L. 225-235 of the French Company Law (Code de commerce), on the report prepared by the President of the Supervisory Board of Paris Orléans S.A., on the internal control procedures relating to the preparation and processing of financial and accounting information.

Year ended March 31, 2006

*This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

To the shareholders,

In our capacity as Statutory Auditors of Paris Orléans S.A., and in accordance with article L. 225-235 of the French Compagny Law (Code de commerce), we report to you on the report prepared by the President of Supervisory Board of your company in accordance with article L. 225-68 of the French Company Law (Code de commerce) for the year ended 31 March 2006.

It is for the President of Supervisory Board to give an account, in his report, notably of the conditions in which the duties of board of the Supervisory Board are prepared and organized and the internal control procedures in place within the company.

It is our responsibility to report to you our observations on the information set out in the President's report on the internal control procedures relating to the preparation and processing of financial and accounting information.

We performed our procedures in accordance with professional guidelines applicable in France. These require us to perform procedures to assess the fairness of the information set out in the President's report on the internal control procedures relating to the preparation and processing of financial and accounting information. These procedures notably consisted of:

- > obtaining an understanding of the objectives and general organization of internal control, as well as the internal control procedures relating to the preparation and processing of financial and accounting information, as set out in the President's report;
- > obtaining an understanding of the work performed to support the information given in the report.

On the basis of these procedures, we have no matters to report in connection with the information given on the internal control procedures relating to the preparation and processing of financial and accounting information, contained in the President of the Supervisory Board's report, prepared in accordance with article L. 225-68 of the French Company Law (Code de commerce).

Paris La Défense, August 28, 2006

Paris, August 28, 2006

The Statutory Auditors

KPMG Audit  
Department of KPMG S.A.

Cailliau Dedouit & Associés

Fabrice Odent  
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