

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 31 March 2007

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 Company Law (*Code de commerce*), we report to you on the report prepared by the President of your company in accordance with article L. 225-68 of the French Company Law (*Code de commerce*) for the year ended 31 March 2007.

It is for the President of the 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 and assertions 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 standards applicable in France. These require us to perform procedures to assess the fairness of the information and assertions 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;
- > examining the assessment of the adequacy and efficiency of the procedures, and notably considering the pertinence of the evaluation process in place and the tests performed;
- > performing additional tests, as considered necessary, to those performed in the audit of the accounts, on the design and operation of these procedures, in order to corroborate the information given and the assertions made in this respect in the President's report.

On the basis of these procedures, we have no matters to report in connection with the information and the assertions 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 commerce*).

The Statutory Auditors

Paris, 6 July 2007

Cailliau Dedouit & Associés

Jean-Jacques Dedouit

Paris-La Défense, 6 July 2007

KPMG Audit
Department of KPMG S.A.
Fabrice Odent
Partner