



***Statement by the Board of Directors concerning the company's acceptance of the recommendations of the MEDEF and the AFEP published on October 6, 2008 on the compensation of executive directors of French listed companies***

At its meeting of October 28, 2008 the Board of Directors of Lectra examined the recommendations of the MEDEF (the Federation of French Corporations) and the AFEP (the Association of French Private Corporations) published jointly on October 6, 2008 on the compensation of executive directors of listed companies, and of the desire expressed in the Communiqué of the French Council of Ministers of October 7 that the corporations concerned formally accept these recommendations before the end of 2008 and enforce them rigorously.

**The Board of Directors unanimously approved the following statement:**

"The Chairman informed the Board of Directors that, in reply to the call issued by the President of the French Republic on the occasion of his speech in Toulon of September 25, 2008, the MEDEF and AFEP had on October 6, 2008 published a set of recommendations on the compensation of executive directors of companies whose shares are listed for trading on a regulated market, for the guidance of compensation committees.

These recommendations:

- spell out principles for setting the compensation of executive directors of listed companies;
- prohibit the simultaneous holding of a position as executive director and an employment contract;
- place a cap on one-time termination payments ("golden parachutes") to two years' compensation, and abolish the granting of indemnities in the event of voluntary resignation and in the event of failure by executive directors in their performance;
- strengthening the rules governing pension plans and place a cap on additional pension benefits;
- make stock option plans for senior managers conditional on the extension of such option plans to all employees or to the existence of mechanisms entitling all employees to a share of profits;
- terminate the granting of bonus shares unrelated to performance to executive directors; the latter must also purchase shares at market price additional to any performance-related shares granted to them;
- make compensation policies more transparent by means of a standardized disclosure format.

The Chairman further stated that the Government had expressed the wish that the Boards of Directors of the companies concerned formally accept these recommendations before the end of 2008 and enforce them rigorously.



The Board of Directors duly noted the foregoing and, after discussion,

- recalls that the company has already been in spontaneous compliance with these recommendations for many years with regard to Messrs. André Harari and Daniel Harari in their respective capacities as Chairman of the Board of Directors and Chief Executive Officer, who are the two only executive directors concerned. In particular, they have never combined their positions as executive directors with an employment contract, are not entitled to any component of compensation, indemnity or benefit owed or liable to be owed to them in virtue of a termination or change of their functions, to any additional defined benefit pension plan, stock options or bonus shares,
- decides unanimously to adopt the recommendations issued jointly by the AFEP and the MEDEF as the code of corporate governance to which the company shall voluntarily refer in matters of compensation of its executive directors, and to comply with its provisions or, should any of these provisions be deemed inappropriate with respect to the specific circumstances of the company, to explain the reasons for not applying them, as prescribed in article L. 225-37 of the French Commercial Code."