

# SYNERGIE

Limited company with share capital of €50,861,500  
Head Office: 11, Avenue du Colonel Bonnet 75016 Paris.  
Company Register (RCS) Paris B 329 925 010

## GROUP'S HALF-YEARLY ACTIVITY REPORT AT JUNE 30, 2006

### I Accounting methods

The accounts are presented in accordance with IFRS standards.

All the documents that make up the half-yearly accounts are in thousand euros.

### II. Change in consolidation scope

The acquisition of UK's ACORN Business Group, which was completed in December 2005, had an impact on the Group's income statement as of January 1<sup>st</sup>, 2006.

The security operation was disposed of in January 2006. Out of concern for comparability, the impact of that activity on results at June 30, 2005 has been restated under "net profit from disposed operations".

SYNERGIE has raised its holding in SYNERGIE ETT Portugal from 80% to 100%.

### III. Comments on revenue and earnings

	06.30.2006	06.30.2005	Change
	In thousand euros		
Revenue from operations	497,524	435,965	+14.1%
Operating profit	15,621	13,111	+19.1%
Net consolidated earnings	9,335	8,034	+16.2%

#### Operating profit

The operating profit is up sharply, i.e. +19.1% (14.8% excluding capital gains from the disposal of the security operation)

#### Net earnings up sharply

SYNERGIE has pursued its growth dynamics, generating net earnings up 16.2% for revenue that rose by 14.1% (7.7% on a like-for-like basis).

## **Financial structure improved**

H1 2006 confirms the Group's healthy financial status, the net debt on equity ratio being down to 22% versus 31% at the end of the previous period. SYNERGIE thus has the means necessary for its acquisition strategy.

## **Network extension in France**

In a buoyant economic context, SYNERGIE has accelerated the pace at which it opens new domestic branches, also harnessing its extension to new activities such as recruitment, training and term and unlimited placement, allowed by the Borloo law.

## **International development pursued**

The consolidation of UK subsidiary ACORN, number one in Wales, as of January 1, 2006, was a success and makes it possible to meet the requirements of European key accounts.

The share of International business now accounts for 27% of activity and is expected to expand in the coming months.

## **IV. Foreseeable changes for the period**

Business volumes handled during H2 exceeded those of H1, making it possible to envisage revenue of nearly €1.07Bn and an improved operating margin.

## **SYNERGIE SA**

### **Parent company data (in thousand euros)**

The relative weight of SYNERGIE SA within the consolidated Group leads to observe the same orientations in terms of revenue and operating profit.

Changes in current earnings and net earnings are affected by the distribution of dividends by the French subsidiaries of SYNERGIE SA for €1.2 m in 2005, versus €0.9m in 2004.

	June 30, 2006	June 30, 2005
Revenue	339,413	316,061
Operating profit	11,101	10,438
Current earnings	12,193	11,275
Net earnings after tax	10,001	8,148

**SYNERGIE CONSOLIDATED ACCOUNTS  
AT JUNE 30, 2006**

## H1 2006 BALANCE SHEET

<b>Assets</b>	<b>06/30/2006</b>	<b>12/31/2005</b>
	In thousands of euros	
Goodwill	27,932	27,352
Other intangible assets	4,149	4,442
Tangible assets	7,723	7,738
Non-current financial assets	2,875	2,685
Deferred tax assets	845	1,929
<b>Total non-current assets</b>	<b>43,524</b>	<b>44,146</b>
Debtors and apportioned accounts	298,467	272,960
Other debtors and accruals	15,879	11,631
Current financial assets	-	-
Cash and other cash equivalents	12,226	8,544
<b>Total current assets</b>	<b>326,572</b>	<b>293,135</b>
Non-current assets held for sale	3,547	5,975
<b>Total balance sheet (note 3)</b>	<b>373,643</b>	<b>343,256</b>

<b>Liabilities</b>	<b>06/30/2006</b>	<b>12/31/2005</b>
	In thousand euros	
Share capital	50,862	50,862
Issue and merger premiums	-	-
Reserves and balance carried forward	59,939	44,418
Consolidated earnings (Group's share)	9,020	19,337
Minority shareholding	1,496	1,278
<b>Total equity</b>	<b>121,317</b>	<b>115,895</b>
Provisions for risks and charges	6,322	6,294
Non-current loans and financial creditors	20,441	20,615
Deferred taxes	729	649
<b>Total non-current liabilities</b>	<b>27,492</b>	<b>27,558</b>
Current loans and financial creditors	11,693	17,060
Suppliers and apportioned accounts	7,093	7,298
Tax and statutory payments	197,156	167,031
Other accounts receivable and accruals	6,414	3,938
<b>Total current liabilities</b>	<b>222,356</b>	<b>195,327</b>
Liabilities relative to non-current assets held for sale	2,478	4,477
<b>Total balance sheet (note 3)</b>	<b>373,643</b>	<b>343,256</b>

# CONSOLIDATED INCOME STATEMENT

In thousand euros	June 2006	June 2005
<b>SALES REVENUE</b>	<b>497,524</b>	<b>435,967</b>
Other revenues	732	814
Purchased consumables	(9)	(13)
Payroll expenses	(443,469)	(390,985)
External charges	(18,969)	(15,076)
Taxes and sundry payments	(16,308)	(14,577)
Provision for goodwill impairment	-	(550)
Depreciation allowance	(2,055)	(1,422)
Provisions allowance	(2,197)	(1,025)
Other charges	(11)	(35)
<b>CURRENT OPERATING PROFIT</b>	<b>15,238</b>	<b>13,098</b>
Other operating revenues and charges	383	13
<b>OPERATING PROFIT</b>	<b>15,621</b>	<b>13,111</b>
Income from cash and cash equivalents	235	398
Cost of gross financial debt	(1,296)	(835)
<b>COST OF NET FINANCIAL DEBT</b>	<b>(1,061)</b>	<b>(437)</b>
Other financial income and expenses	-	-
<b>PRE-TAX EARNINGS</b>	<b>14,560</b>	<b>12,674</b>
Tax burden	(5,225)	(4,720)
<b>NET EARNINGS BEFORE EARNINGS OF DISPOSED OPERATIONS</b>	<b>9,335</b>	<b>7,954</b>
<b>NET OF TAX EARNINGS OF DISPOSED OPERATIONS</b>	<b>-</b>	<b>77</b>
<b>NET EARNINGS</b>	<b>9,335</b>	<b>8,034</b>
(Group's share)	9,020	7,972
Minority interests	315	62
Earnings per share (in euros)	0,89	0,78
Diluted earnings per share (in euros)	0,89	0,79

# CONSOLIDATED CASH FLOW STATEMENT

In thousand euros	06/30/2006	06/30/2005	12/31/2005
Net consolidated earnings	9,335	8,034	19,515
Charges and earnings that do not affect cash flow or are not connected to business activity, have been eliminated.	(478)	17	3
Goodwill impairment	-	550	552
Depreciation and provisions	2,055	1,476	3,471
Changes in deferred taxes	1,164	1,189	2
<b>Cash flow of consolidated companies</b>	<b>12,076</b>	<b>11,266</b>	<b>23,543</b>
Changes in working capital requirements related to business activity	2,199	(1,555)	(21,650)
<b>NET CASH FLOW GENERATED BY THE BUSINESS ACTIVITY</b>	<b>14,275</b>	<b>9,711</b>	<b>1,893</b>
Acquisition of assets	(2,837)	(2,513)	(2,821)
Transfer of assets	80	2,461	308
Impact of changes in consolidation scope	1,800	(630)	(10,712)
<b>CASH FLOW LINKED TO INVESTMENT OPERATIONS</b>	<b>(957)</b>	<b>(682)</b>	<b>(13,225)</b>
Dividends paid to shareholders of the parent company	(5,082)	(4,069)	(4,049)
Share capital increase in cash	-	-	-
Issue of loans	707	-	10,230
Repayment of loans	(2,749)	(1,604)	(4,530)
Repurchase and reselling of own shares	1,303	(75)	(75)
<b>NET CASH FLOW LINKED TO FINANCIAL TRANSACTIONS</b>	<b>(5,821)</b>	<b>(5,748)</b>	<b>(1,576)</b>
<b>CHANGE IN NET CASH</b>	<b>7,497</b>	<b>3,281</b>	<b>(9,756)</b>
Opening cash position	(5,253)	4,503	4,503
Closing cash position	2,244	7,784	(5,253)

## CHANGE IN SHAREHOLDERS' EQUITY STATEMENT

	Share capital	Reserves linked to the share capital	Own shares	Reserves and consolidated earnings	Earnings recorded directly as equity	Total (Group's share)	Minority interests
<b>Situation at 12/31/2004</b>	<b>50,862</b>	<b>1,270</b>	<b>(680)</b>	<b>47,229</b>	<b>233</b>	<b>98,914</b>	<b>731</b>
Consolidated allotment	-	973	-	(5,022)	-	(4,049)	-
Profit for period (Group's share)	-	-	-	19,337	-	19,337	-
Transactions on own shares	-	-	(76)	-	188	112	-
Restatements of minority interests and miscellaneous	-	-	-	303	-	303	<b>547</b>
<b>Situation at 12/31/2005</b>	<b>50,862</b>	<b>2,243</b>	<b>(756)</b>	<b>61,847</b>	<b>421</b>	<b>114,617</b>	<b>1,278</b>

	Share capital	Reserves linked to the share capital	Own shares	Reserves and consolidated earnings	Earnings recorded directly as equity	Total (Group's share)	Minority interests
<b>Situation at 12/31/2005</b>	<b>50,862</b>	<b>2,243</b>	<b>(756)</b>	<b>61,847</b>	<b>421</b>	<b>114,617</b>	<b>1,278</b>
Consolidated allotment	-	721	-	(5,807)	-	(5,086)	-
Profit for period (Group's share)	-	-	-	9,020	-	9,020	-
Transactions on own shares	-	-	503	-	800	1,303	-
Restatements of minority interests and miscellaneous	-	-	-	(34)	-	(34)	218
<b>Situation at 06/30/2006</b>	<b>50,862</b>	<b>2,964</b>	<b>(253)</b>	<b>65,026</b>	<b>1,221</b>	<b>119,820</b>	<b>1,496</b>

# ANNEX TO BALANCE SHEET AND TO CONSOLIDATED INCOME STATEMENT

## NOTE 1

### PRINCIPLES AND ACCOUNTING METHODS

Half-yearly statements at June 30, 2006 have been settled by the Board of Directors, through deliberations dated October 3, 2006.

These are intermediary summary statements which, consequently, don't include all the notes required in annual statements, but only a selection of explanatory notes.

They have been settled in accordance with the IAS 34 standard and with the valuation rules and principles prescribed by IFRS standards as adopted by the European Union.

The principles and methods applied here are those described in the Annex to 2005 annual statements.

### CHANGES IN CONSOLIDATION SCOPE

## NOTE 2

The earnings of UK company ACORN, acquired in December 2005, have been consolidated as of January 1, 2006 into the SYNERGIE Group's financial statements.

The company GARDIENNAGE RADIO PROTECTION was disposed of on January 4, 2006.

SYNERGIE increased its holding in SYNERGIE ETT Portugal (100% instead of 80% before) on June 14, 2006.

CONSOLIDATED COMPANIES	REGISTERED OFFICE	CO. NR. (1)	% CONTROL BELONGING TO SYNERGIE		% INTEREST BELONGING TO SYNERGIE		CONSOLIDATION METHOD (2)	
			2006	2005	2006	2005	2006	2005
<b><u>PARENT COMPANY</u></b>								
SYNERGIE SA	PARIS (75)	329 925 010						
<b><u>SYNERGIE SUBSIDIARIES</u></b>								
AILE MEDICALE	PARIS (75)	303 411 458	99.86	99.86	idem	idem	FULL	FULL
MIR	PARIS (75)	702 040 437	99.85	99.85	idem	idem	FULL	FULL
PERMANENCE EUROPEENNE	PARIS (75)	632 003 034	99.33	99.33	idem	idem	FULL	FULL
SYNERGIE CONSULTANTS	PARIS (75)	335 276 390	99.80	99.80	idem	idem	FULL	FULL
SYNERGIE FORMATION	PARIS (75)	309 044 543	100.00	100.00	idem	idem	FULL	FULL
SEPE INTERIM	PARIS (75)	313 943 532	99.93	99.93	idem	idem	FULL	FULL
INTERSEARCH FRANCE	PARIS (75)	343 592 051	99.76	99.76	idem	idem	FULL	FULL
SCRIBE 30	PARIS (75)	314 613 993	100.00	100.00	idem	idem	FULL	FULL
INFORMATIQUE CONSEIL GESTION	PARIS (75)	317 193 571	100.00	100.00	idem	idem	FULL	FULL
SYNERGIE T.T.	BARCELONA (Spain)		100.00	100.00	idem	idem	FULL	FULL
SYNERGIE PRAGUE	PRAGUE (Czech Rep)		92.50	92.50	idem	idem	FULL	FULL
SYNERGIE BELGIUM	ANTWERP (Belgium)		100.00	100.00	idem	idem	FULL	FULL
GESTION HUNT	MONTREAL (Canada)		100.00	100.00	idem	idem	FULL	FULL
SYNERGIE HOLDING	TURIN (Italy)		75.00	75.00	idem	idem	FULL	FULL
SYNERGIE TEMPORARY HELP	PRAGUE (Czech Republic)		98.00	98.00	idem	idem	FULL	FULL
SYNERGIE E.T.T	PORTO (Portugal)		100.00	80.00	idem	idem	FULL	FULL
ELITT	ESCH/ ALZETTE (Luxembourg)		100.00	100.00	idem	idem	FULL	FULL
MEETNEED	NEWPORT (United Kingdom)		69.93	69.93	idem	idem	FULL	FULL
GARDIENNAGE RADIO PROTECTION	MONTROUGE (92)	542 103 437		99.81		99.81		FULL
<b><u>JOINT SUBSIDIARY</u></b>								
I. S.G.S.Y	PARIS (75)	382 988 076	100.00	100.00	idem	idem	FULL	FULL

**SUBSIDIARY – SYNERGIE PRAGUE**

SYNERGIE SLOVAKIA	BRATISLAVA (Slovak Republic)	100.00	100.00	92.5	92.50	FULL	FULL
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**SUBSIDIARY SYNERGIE ITALIA HOLDING**

SYNERGIE ITALIA	TURIN (Italy)	89.00	89.00	69.00	69.00	FULL	FULL
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**SYNERGIE TT**

SKILL SEARCH	BARCELONA (Spain)	100.00	100.00	100.00	100.00	FULL	FULL
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**SYNERGIE ETT**

SYNERGIE OUTSOURCING	PORTO (Portugal)	100.00	100.00	100.00	80.00	FULL	FULL
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**MEETNEED SUBSIDIARIES**

ACORN RECRUITMENT	NEWPORT (UK)	100.00	100.00	69.93	69.93	FULL	FULL
ACORN LEARNING SOLUTIONS	NEWPORT (UK)	70.00	70.00	48.95	48.95	FULL	FULL
CONTACT US	NEWPORT (UK)	100.00	100.00	69.93	69.93	FULL	FULL

(1) COMPANY NR.: the identification number in the national register of companies  
(2) Consolidation methods: global consolidation, FULL in short

Certain companies are not consolidated, either because they are not of a significant nature (revenue and earnings), or because they no longer conduct business.

**BALANCE SHEET**

NOTE 3

**3.1 Goodwill**

Changes in goodwill recorded to the balance sheet are the following:

In thousand Euros	12/31/2005	Increases	Reductions	06/30/2006
Goodwill	23,923	196	57	24,062
Business goodwill	4,337	440	2	4,775
Impairment	(908)	-	3	(905)
<b>Net goodwill</b>	<b>27,352</b>	<b>636</b>	<b>56</b>	<b>27,932</b>

As part of the move to IFRS standards, this goodwill has no longer been amortized since January 1, 2004. However, the goodwill is subject to periodic writedowns.

**3.2 Other intangible assets**

Changes in gross values break down as follows:

In thousand Euros	12/31/2005	Newly-consolidated companies	Increases	Reductions	06/30/2006
Software and licenses	4,571	-	76	27	4,622
Trademarks	1,670	-	-	-	1,670
Lease rights	595	-	68	-	663
<b>Total</b>	<b>6,836</b>	<b>-</b>	<b>144</b>	<b>27</b>	<b>6,955</b>

Changes in depreciations break down as follows:

In thousand Euros	12/31/2005	Newly-consolidated companies	Increases	Reductions	06/30/2006
Software and licenses	2,382	-	414	-	2,796
Trademarks	-	-	-	-	-
Lease rights	12	-	-	2	10
<b>Total</b>	<b>2,394</b>	<b>-</b>	<b>414</b>	<b>2</b>	<b>2,806</b>

Net values break down as follows:

In thousand Euros	12/31/2005	06/30/2006
Software and licenses	2,189	1,826
Trademarks	1,670	1,670
Lease rights	583	653
<b>Total</b>	<b>4,442</b>	<b>4,149</b>

### 3.3 Tangible assets

Changes in gross values break down as follows:

In thousand Euros	12/31/2005	Increases	Reductions	06/30/2006
Land, buildings, technical facilities	816	-	8	808
Fittings, furniture, office equipment & computers	22,347	1,867	912	23,302
<b>Total</b>	<b>23,163</b>	<b>1,867</b>	<b>920</b>	<b>24,110</b>

Changes in depreciations break down as follows:

In thousand Euros	12/31/2005	Increases	Reductions	06/30/2006
Land, buildings, technical facilities	547	11	-	558
Fittings, furniture, office equipment & computers	14,878	1,651	701	15,828
<b>Total</b>	<b>15,425</b>	<b>1,662</b>	<b>701</b>	<b>16,386</b>

Net values break down as follows:

In thousand Euros	12/31/2005	06/30/2006
Land, buildings, technical facilities	269	250
Fittings, furniture, office equipment & computers	7,469	7,474
<b>Total</b>	<b>7,738</b>	<b>7,724</b>
Of which fixed assets under a lease	<b>1,310</b>	<b>1,465</b>

### 3.4 Long-term investments

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Changes in gross values break down as follows:

In thousand Euros	12/31/2005	Increases	Reductions	06/30/2006
Other securities	-	-	-	-
Other long-term investments	621	200	61	760
Loans	233	15	41	207
Guarantee deposits and miscellaneous	1,831	81	4	1,908
<b>Total</b>	<b>2,685</b>	<b>296</b>	<b>106</b>	<b>2,875</b>

### 3.5 Trade receivables

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Trade and other receivables break down as follows:

In thousand Euros	06/30/2006	12/31/2005
Receivables	296,492	282,299
Invoices to be issued	16,669	4,525
Impairment of receivables	(14,694)	(13,864)
<b>Total</b>	<b>298,467</b>	<b>272,960</b>

### 3.6 Other receivables and accruals

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Other debtors break down as follows:

In thousand Euros	06/30/2006	12/31/2005
Staff and apportioned accounts	1,195	86
Statutory payments	6,895	6,513
Taxes on profits	1,686	455
Other taxes and duties	2,539	1,216
Miscellaneous debtors	2,339	2,234
Deferred charges	1,771	1,676
<b>Total other debtors - Gross</b>	<b>16,425</b>	<b>12,180</b>
Provisions for impairment	546	549
<b>Total other debtors - Net</b>	<b>15,879</b>	<b>11,631</b>

### 3.7 Current financial assets and cash

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In thousand Euros	06/30/2006	12/31/2005
Current financial assets	-	-
Cash and cash equivalents		
Shares	4,777	2,000
Liquid assets	7,449	6,544
<b>Total</b>	<b>12,226</b>	<b>8,544</b>

### 3.8 Share capital

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The capital consists of 10,172,300 shares with a face value of €5, representing a capital of €50,861,00.

These shares have double voting rights if they are registered for two years or more.

The liquidity of the SYNERGIE share is stimulated through an investment services provider as part of a liquidity contract in accordance with the Code of Ethics of the French Association of Investment Companies (AFEL), recognized by the AMF.

The number of shares has changed as follows:

At December 31, 2005	48,217
2006 purchases	25,910
2006 sales	66,819
<b>Balance at June 30, 2006</b>	<b>7,308</b>

H1 sales generated capital gains of €800K, which were recorded under reserves.

### 3.9 Financial liabilities

#### 3.9.1 Detail of balance sheet items

In thousand Euros	At 06/30/2006			At 12/31/2005		
	Current liabilities	Non-current liabilities	Total	Current liabilities	Non-current liabilities	Total
Loans taken out from credit institutions	2,556	9,526	12,082	3,461	10,484	13,945
Lease finance borrowings	754	872	1,626	785	739	1,524
Sundry loans and financial debts	2,745	10,043	12,788	2,361	9,392	11,753
Banking facilities	5,340		5,340	9,778	-	9,778
Accrued interest	298		298	675	-	675
	<b>11,693</b>	<b>20,441</b>	<b>32,134</b>	<b>17,060</b>	<b>20,615</b>	<b>37,675</b>
Cash and cash equivalents			(12,226)			(8,564)
<b>Net financial debt</b>			<b>19,908</b>			<b>29,111</b>

#### 3.9.2 Off-balance sheet commitments

In thousand Euros	06/30/2006	12/31/2005
Discounted items not due	4,652	3,900
<b>Total</b>	<b>4,652</b>	<b>3,900</b>

### 3.10 Provisions

In thousand Euros	12/31/2005	Increase	Reversal	06/30/2006
Provisions for disputes	4,789	97	94	4,792
Other provisions for risks	1,329	47	-	1,376
<b>Total provisions for risks</b>	<b>6,118</b>	<b>144</b>	<b>94</b>	<b>6,168</b>
Retirement benefits	169	13	39	143
Other provisions for charges	7	4	-	11
<b>Total provisions for charges</b>	<b>176</b>	<b>17</b>	<b>39</b>	<b>154</b>
<b>Total</b>	<b>6,294</b>	<b>161</b>	<b>133</b>	<b>6,322</b>

SYNERGIE and its main subsidiaries have been audited by the URSSAF.

A readjustment of social contributions concerning the years 1995 to 1999 has been issued, but it was disputed for the most part.

The latest developments regarding that dispute have not led to readjusting the total provision.

### 3.11 Suppliers and apportioned accounts

Suppliers and apportioned accounts break down as follows:

In thousand Euros	06/30/2006	12/31/2005
Suppliers	3,633	3,245
Invoices to be received	3,460	4,053
<b>Total</b>	<b>7,093</b>	<b>7,298</b>

### 3.12 Other short term borrowings

Other accounts receivable and accruals break down as follows:

In thousand Euros	06/30/2006	12/31/2005
Tax and statutory payments	197,156	167,032
Debts on assets and apportioned accounts	205	468
Other Debts, Receivables, and Credit Notes to establish	6200	3,439
Deferred revenues	10	31
<b>Total</b>	<b>203,571</b>	<b>170,970</b>

## INCOME STATEMENT AND SEGMENT INFORMATION

## 4.1 Segment information

## 1/ June 2006

	France	Northern and Eastern Europe	Southern Europe	Canada	Total
Sales revenues	364,720	69,042	57,397	6,364	497,523
Operating profit	10,926	2,911	1,665	119	15,621
Non-operating profit	(237)	(333)	(441)	(50)	(1,061)
Earnings before tax	10,689	2,578	1,224	69	14,560
Contribution to net earnings	6,957	1,590	729	59	9,335
Depreciation and Impairments	2,856	912	576	13	4,357

## In other words, for France:

	Region 1	Region 2	Region 3	Region 4	Non allocated	Total
Sales revenues	82,451	108,524	128,237	44,857	651	364,720
Operating profit	4,406	6,807	7,534	2,200	(10,022)	10,926
Non-operating profit	(5)	0	10	30	(272)	(236)
Earnings before tax	4,402	6,806	7,545	2,231	(10,294)	10,690
Contribution to net earnings	4,402	6,806	7,545	2,237	(14,034)	6,956
Depreciation and Impairments	99	142	136	81	2,396	2,856

## 2/ June 2005

	France	Northern and Eastern Europe	Southern Europe	Canada	Total
Sales revenues	341,384	41,991	46,850	5,742	435,967
Operating profit	9,426	2,555	1,000	138	13,119
Non-operating profit	16	(12)	(394)	(52)	(441)
Earnings before tax	9,442	2,543	606	86	12,677
Contribution to net earnings	6,029	1,505	422	80	8,034
Depreciation and Impairments	2,412	329	363	32	3,136

## In other words, for France:

	Region 1	Region 2	Region 3	Region 4	Non allocated	Total
Sales revenues	77,111	102,961	120,949	38,725	1,638	341,384
Operating profit	4,026	6,586	6,609	1,090	(8,885)	9,426
Non-operating profit	4	14	15	37	(54)	16
Earnings before tax	4,031	6,601	6,624	1,127	(8,940)	9,442
Contribution to net earnings	4,031	6,601	6,624	1,088	(12,315)	6,029
Depreciation and Impairments	614	147	215	73	1,363	2,412

## 4.2 Payroll expenses

In thousand Euros	June 30, 2006	June 30, 2005
Salaries	343,837	294,000
Employees interest	1,260	1,221
Statutory charges	102,595	97,990
Transfers of expenditures and provision reversals	(4,223)	(2,226)
<b>Total</b>	<b>443,469</b>	<b>390,985</b>

The average head count stood at 33,316 employees during H1 2006, of which 31,473 temporary workers and 1,843 permanent employees.

NOTE 5

### TAXES

In thousand Euros	Deferrable losses
<b>Tax-allowable loss carry-forward generated for:</b>	
Deferrable tax losses and deferred depreciation to be charged	206
Temporary deferments	639
<b>Total</b>	<b>845</b>

Out of concern for being conservative, certain deferrable tax losses at common law rate have not been taken into account. The corresponding tax savings would have stood at €415K. Deferrable losses related to long-term capital losses, i.e. €41K, have not been taken into account.

The tax burden of €5,225K recorded to the income statement breaks down as follows:

Taxes on profits	4,061
Deferred taxes	1,164

## CONTINGENT ASSETS AND LIABILITIES

NOTE 6

### 6.1 Commitments received and contingent assets

SOCAMETT, a mutual guarantee organization for French temporary employment companies, guaranteed us with respect to our clients for €53,926K at June 30, 2006, while banks guaranteed us up to €5,230K.

As of July 1, 2007, renewal date of guarantees in France, BNP PARIBAS took the place of SOCAMETT and granted guarantees of up to €57,776K, of which €45,60K counter-guaranteed by SYNERGIE's pool of banks.

### 6.2 Commitments given and contingent liabilities

Retirement benefits are provisioned in the same manner as other benefits granted to staff members.

An URSSAF audit covering the years 2003 and 2004 is under way regarding SYNERGIE and its French temporary employment subsidiaries. Nothing is known regarding the results of the audit.

There is no commitment likely to affect significantly the assessment of the consolidated statements.

Thus, the commercial dispute regarding our Italian temporary employment subsidiary, as it had been described in the previous consolidated statements, has not been subject to any noticeable change.

NOTE 7

**EVENTS SUBSEQUENT TO JUNE 30, 2006**

No event likely to challenge the statements of H1 2006 has taken place subsequent to the closing of accounts.