



**Press Release**  
**Paris, 2 July 2007**

---

**GECI INTERNATIONAL LAUNCHES A € 20M CAPITAL  
INCREASE WITH PRE-EMPTIVE SUBSCRIPTION  
RIGHTS FOR THE SKYLANDER**



**A CAPITAL INCREASE SYNONYMOUS WITH NEW HEIGHTS FOR  
GECI INTERNATIONAL**

In order to officially launch the development phase of the multi-purpose SKYLANDER aircraft programme, maximising the value of investments to-date and part-financing future investment, GECI International hereby announces the launch of a capital increase, by means of an ABSA issue retaining its shareholders' pre-emptive subscription right, from 5 to 18 July 2007, in the amount of EUR 20 million through the issue of 4,775,111 new shares (ABSA), with the attachment of the same number of BSA (share subscription warrants) negotiable on the same market between 27 July 2007 and 31 December 2008.

## **FEATURES OF THE CAPITAL INCREASE BY MEANS OF A PUBLIC OFFERING**

### Issue of shares with warrants (ABSA)

- Number of ABSA: 4,775,111
- Gross amount of issue: EUR 20,055,466.20, excluding any income resulting from exercising the BSA (Share Subscription Warrants).
- Unit subscription price of the ABSA: set at EUR 4.20.
- Subscription period: from 5 July to 18 July 2007 inclusive.

An application will be made for the new shares to be admitted to listing on the Eurolist market- Compartment C - of Euronext Paris with quotation being scheduled for 27 July 2007.

### Pre-emptive Subscription Right

This right is reserved for the shareholders that comprise the existing share capital and for the assignees of their rights on the basis of 2 ABSA for every 9 of the old shares. Each shareholder will receive one pre-emptive subscription right per share held at the close of the stock market session of 4 July 2007.

The pre-emptive subscription right must be exercised, on penalty of forfeiture, over the course of the subscription period, which runs from 5 to 18 July, on the Eurolist of Euronext Paris under the ISIN code FR0010491688.

### **An attractive proposal**

**The subscription price of EUR 4.20 offers a 29% discount on the average closing price of the share observed over the month of May 2007 (EUR 5.92), to give current shareholders the opportunity to subscribe to the operation under advantageous conditions by exercising their pre-emptive right.**

### Investors guaranteeing the operation

GECI Technologies Holding (GTH), a company under the control of Mr Serge BITBOUL, who himself holds, directly and indirectly, 57.27% of the capital and 67.64% of the voting rights of the Company, undertakes irrevocably to participate in the operation in the amount of EUR 5.5 million, representing the subscription of 1,309,523 ABSA, a mainly cash subscription for EUR 1.1 million and, where applicable, up to EUR 4.4 million, by means of a current account offset.

Additionally, certain specialist management companies have undertaken, on behalf of one or several of their funds, to subscribe to this operation. Finally, some individuals have signed subscription undertakings.

All of these undertakings together cover almost the totality (99.7%) of the proposed operation.

### **Aim of the issue**

The issue aims to boost the equity capital of the company, furnishing it with the resources that will accelerate the financing plan for the Skylander programme. GECI International must be able to demonstrate its capacity to contribute in cash for the signature to proceed of the agreements in the investor round for the launch of the industrial phase, which will in turn impact upon the pricing of the agreement in kind, the capital equivalent of which has not yet been definitively set. It is not possible at this stage to be any more specific about the status of progress or the share obtained by Portuguese

partners or GECI International. However, the Company does anticipate at least gaining control of the industrial company.

Specifically, this issue will enable:

- the official launch of the development of the Skylander programme,
- a response to the request by investors in the investor round of the industrial phase who want GECI International to contribute in cash (over and above the contributions in kind linked to the project: commercial contracts, teams, plans, etc.),
- the maximisation of developments made at the time of the launch of the industrial phase, specifically to enable GECI International to retain the control of the industrial subsidiary and thereby maximise the return on investment for its shareholders.

The estimated net proceeds of the operation, adjusted after the contribution made by Mr Serge BITBOUL via current account offset for EUR 4.4 million, should therefore stand at around EUR 15 million.

It is also specified that the Company intends to proceed – subject to the condition precedent of the adoption by the general meeting of a specific resolution – with a supplementary restricted ABSA issue. Except in the case of a significant change in the market conditions (sharp fall in the share price, etc.), and in compliance with the terms defined by the general meeting (specifically in so far as concerns the issue price), this issue will have the same characteristics as this public offering, and will be restricted to qualified investors under the terms of the Monetary and Financial Code. This restricted issue will involve the possible creation of a maximum of 1,432,533 supplementary ABSA, i.e. a supplementary issue of EUR 6 million.

This optional operation will enable - in a highly reactive manner and necessarily subsequent to the raising of capital provided within the framework of the public issue – the further maximisation of the value of past Skylander programme developments during the industrial phase enabling, on a more marginal basis, the support of the growth of the Group's traditional activities and the forming of capitalistic partnerships, but also and more importantly, the boosting of the resources at the Group's disposal based on the cash amount received by GECI International with respect specifically to the undertaking of Mr Serge BITBOUL (conversion of current account up to EUR 4.4 million, this amount not representing a cash contribution to the Company).

### **Characteristics of the share subscription warrants (BSA) attached to the shares issued.**

- Number of warrants: 1 BSA will be attached to each new share. The total number of BSA will be 4,775,111.
- Parity of exercise: 2 warrants shall give entitlement to subscribe 1 new share.
- Exercise price: EUR 7.50 per share
- Exercise period: from 27 July 2007 to 31 December 2008, inclusive.
- Listing of the warrants: listing is scheduled from 27 July 2007 through to 31 December 2008 under the number ISIN FR0010491712.

### **Preliminary schedule for the operation**

15 June 2007	Decision of the Board of Directors
29 June 2007	Decision of the Director General (operation schedule) – AMF approval.
2 July 2007	Publication of the notice of the operation by Euronext
4 July 2007	Publication in La Tribune Publication in the BALO official bulletin
5 July 2007	Opening of the ABSA subscription period Pricing of the pre-emptive subscription right
18 July 2007	Closure of the ABSA subscription period End of the pricing of the pre-emptive subscription right
25 July 2007	Publication announcing the scale for the distribution of subscriptions of excess shares not applied for by Euronext
27 July 2007	Date scheduled for the delivery of the ABSA Date scheduled for the listing of the new shares and the BSA. Opening of the period for exercising the BSA.
31 December 2008	Closure of the BSA exercise period

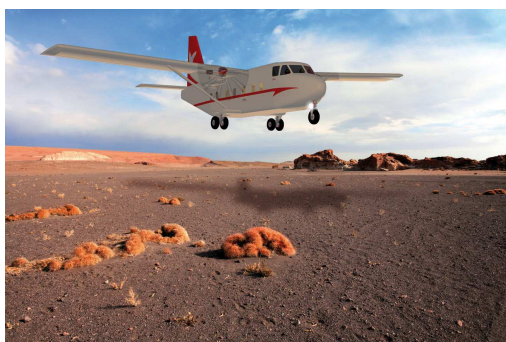
### **Principal risk factors**

Investors are invited to take the following risks into consideration:

- The risks linked to the issue of ABSA, described in paragraph 2 of this offering circular:
  - Risks linked to the issue (absence of a performance guarantee). It is however specified that the operation is subject to subscription undertakings covering 99.7 % of its amount;
  - Risks linked to the possible failure to achieve the vote by the general meeting of shareholders, scheduled to be convened for 27 July, in favour of the passing of a specific resolution permitting the performance, in addition to this operation, of a restricted issue of around EUR 6.0 million;
  - Risks linked to the securities offered (volatility of shares, liquidity of the pre-emptive subscription rights market and the share subscription warrants (BSA) market;
  - Risks linked to dilution in the case of the non-subscription of new shares or in the event of the non-exercise of the BSA attached to the new shares;
  - Risks relating to the financial markets.
- Risks linked to the activities of GECI International and its organisation, described in chapter 4 of the reference document registered on 26 June 2007 with the AMF under the number R 07-0120:

- Risks pertaining to changes in the international activities of the Group;
- Rate risk, due to the preponderance of variable rate loans in the debt structure of the Group;
- Liquidity risk, specifically the importance of the current account contributions of the main shareholder, Mr Serge BITBOUL, directly or indirectly;
- Specific risks linked to activities (performance and execution of fixed price operations, dependence in so far as concerns the small number of clients – Airbus represented more than 40% of business over the previous financial year 2005/06) ;
- Risks linked to the launch of the industrial phase of the Skylander programme (development, certification, manufacture and marketing of this aircraft; delays);
- Risks linked to possible off-balance sheet commitments.

### **SKYLANDER: A STRATEGIC REALITY**



Capitalising on its know-how and technical expertise in aeronautics, acquired over more than twenty years of experience with major international aeronautic projects and with the aim of optimising this expertise, GECI International has undertaken the design and development of a new concept in multi-purpose, utility aircraft: the Skylander.

With many different possible uses, the Skylander may potentially be used for the transport of passengers, mail cargo, express freight, for medical evacuations, as a hospital airplane, for air control, fire-fighting, air surveillance, humanitarian transport and carrying perishable foodstuffs.

“A veritable tool of development and progress, the Skylander is currently the only new cutting-edge aircraft enabling greater distribution of the fruits of progress and growth.”

Throughout the design process of the Skylander, GECI International has prioritised the solidity, simplicity and modernity of the aircraft, endowing it with a robustness and lifetime well beyond customary confines and, being very keenly priced, a set of advantages giving it a unique competitive edge.

### **THE SKYLANDER: A LAUNCH PAD FOR GECI INTERNATIONAL'S DEVELOPMENT**

In its development of the Skylander, GECI International chose to have recourse to a network of Portuguese, French and European manufacturers and aeronautics experts, locating its principal production line in Evora in Portugal, a country with a strong political desire to develop its aeronautics industry.

In July 2006, the Portuguese government awarded the Skylander project the label "Project of National Interest". GECI International went on to set up Sky Aircraft Industries (SAI), a subsidiary formed under Portuguese law, operating in the development, production and sale of the Skylander.

The Company has set itself the ultimate target of selling and producing 72 aircraft per year, or 1,160 aircraft over a 20-year period. In a world market estimated at more than 4,000 aircraft, GECI International anticipates achieving a share of approximately 30% of the market.

#### **Financial providers**

- Investment Services Provider: EuroLand Finance
- Securities Services – Operation Centraliser: Natixis
- Financial Consultancy: Acretis Finance and EuroLand Finance

#### **Availability of the prospectus**

The prospectus, comprising the reference document 2005-2006 registered with the French Financial Markets Authority ("AMF") on 26 June 2007 under the number R 07-0120 and the operation circular approved on 29 June 2007 under the number 07-234, are available free of charge at the head offices of GECI International, and on the AMF website ([www.amf-france.org](http://www.amf-france.org)), and on the Company website ([www.geci.net](http://www.geci.net)).

#### **About GECI International**

##### **GECI International: a cutting edge position in the Universe of Transports**

Founded in 1980, GECI International is now established as an International Group providing High-Technology Engineering Consultancy and Development, combining expertise, excellence and innovation.

With the Skylander aircraft, GECI International is capitalising on its aeronautics know-how and expanding in size.

**GECI International is listed on Eurolist – Euronext Paris - Compartment C –  
ISIN Code: FR0000079634 - GECP**

#### **Contacts**

##### **GECI International**

Investor Relations  
Sylvain RICHERT  
Pascale SANSONETTI  
Tel.: 01 53 53 00 53  
[relation.investisseurs@geci.net](mailto:relation.investisseurs@geci.net)

##### **CALYPTUS**

Financial Communication  
Philippe CALLEUX  
Cyril COMBE  
Marie-Christine CAMPET-DESCAMPS  
Tel: 01 53 65 68 68