



Passion for excellence and innovation

**STRONG IMPROVEMENT IN EARNINGS
RETURN TO NET PROFIT: +€1.4M**

GECI International, a high-technology engineering consultancy and design group in the transportation field, returned to profitability in 2005-2006 with a €2.0M profit from ordinary operating activities and a €1.4M net profit.

€M - unaudited IFRS	2005-2006	2005-2006 H2	2005-2006 H1	2004-2005
Sales	35.2	19.0	16.2	27.7
Direct costs	-24.9	-13.3	-11.6	-20.8
Gross profit	10.3	5.7	4.6	6.8
% sales	29.2%	29.9%	28.3%	24.7%
Profit from ordinary operating activities	2.0	1.4	0.6	-1.3
% sales	5.6%	7.4%	3.5%	-4.7%
Net profit from operating activities	1.9	1.6	0.3	-1.7
Net borrowing costs	-0.4	-0.2	-0.2	-0.5
Other interest income and expenses	-0.1	-0.1	0.0	-0.2
Pre-tax profit	1.4	1.3	0.1	-2.3
Net profit	1.4	1.5	-0.1	-2.6

SHARP IMPROVEMENT IN EARNINGS IN THE SECOND HALF

Consolidated earnings for the second half of 2005-2006 show:

- A strong rise in sales to €19M compared to €16.2M over the previous half, representing a 17% improvement; and
- A significant improvement in profit from ordinary operating activities to €1.4M compared to €0.6M over the previous half.

The operating margin over the second half thus amounted to 7.4%, well up on the 3.5% the previous half and somewhat closer to the 10% goal set by GECI International.

RETURN TO PROFITABILITY

- Ordinary profit amounted to €2.0M, well up on the -€1.3M posted in the previous year.
- Net profit of €1.4M compared to -€2.6M in the previous year.

The GECI International group thus reaffirms its growth momentum and strong margin improvements with a return to profitability. Over the year, the GECI International Group was able to combine financial rigour with business development while keeping a firm grip on its operations through the optimised use of its productive potential and greater organisational efficiency.

This performance also reflects the recognition of the technical excellence of the GECI International Group, a preferred partner of the sector's major accounts. The Group now receives 75% of its business from the

aviation sector, playing a major role in the main European programmes (A380 passenger and cargo, A400M, Falcon F7X, NH90 helicopter).

HEALTHY FINANCIAL POSITION

The success of the heavily subscribed share capital increase in July 2005 and the improvement in earnings now enable the GECI International Group to look to its continued growth, the long-term diversification of its client base and a return to a strategy focused on added value. This added value strategy mainly involves capitalising on its technological know-how, as demonstrated by the prestigious projects on which the GECI International Group has worked since it was set-up in 1980.

OUTLOOK FOR 2006-2007

With the strength of its technical excellence and its ability to put together international teams the GECI International Group expects its strong organic growth to continue — in excess of 20% over the coming year — while reinforcing its current positions and playing a key role in supporting the technological development of new industrial players.

The Group also intends to capitalise on its project management experience and technical reputation to extend its project management offering to other sectors. GECI International will thus speed up its expansion into the designing of structures and infrastructure for the offshore and energy markets.

THE SKYLANDER: PROJECT OF NATIONAL INTEREST IN PORTUGAL

The Skylander aircraft project, designed by the GECI International Group, has just been designated a Project of National Interest by the Portuguese government. This project, which would hope to establish a new aircraft industry and a first plane, also forms part of the technological development of Alentejo in Portugal and should over time create around 1,000 jobs between the new Sky Aircraft Industries subsidiary and the French and Portuguese partners.

The PNI label demonstrates the political support for this Franco-Portuguese project and creates a positive environment for agreeing the financial partnership required to clear the way for the official launch of the programme.

In a 4,200 plane market, the Skylander has a sales target of 1,100 aircraft, at the rate of 72 per year at full tilt and with a very competitive price tag of US \$4 million. A second market study based on a survey of airline companies has confirmed the Skylander's sales targets and that there is a market for a new plane in this class.

In this context, the GECI International Group is actively working on the financial arrangements for this programme, facilitated by its recent designation as a PNI, and reaffirms its goal of having the official launch in the autumn of 2006.

The Group's engineering and consultancy business should benefit considerably from the knock-on effects of this project, substantially extending the GECI International Group's scope of business. The Group has also just opened an office in Portugal for its engineering consultancy business.

About GECI International

Vanguard positioning in the transportation field.

International high-technology engineering consultancy and development group dedicated to excellence and to capitalising on its expertise and know-how in developing innovative projects.

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

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