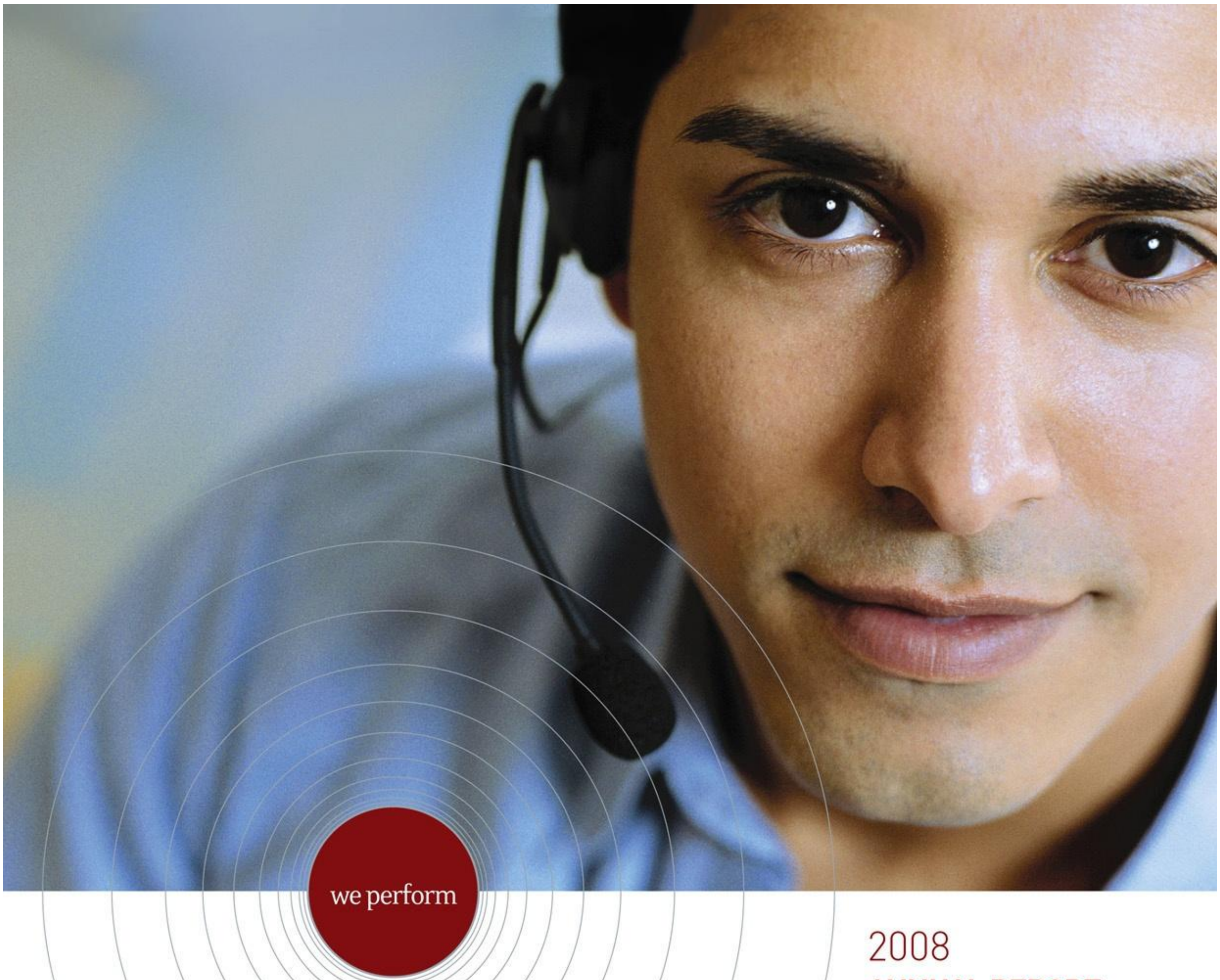


2008
ANNUAL REPORT

Teleperformance

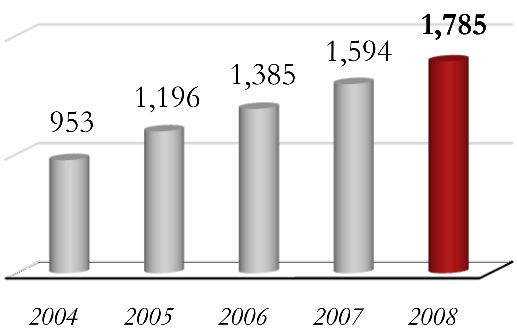
Contents

1. General Information

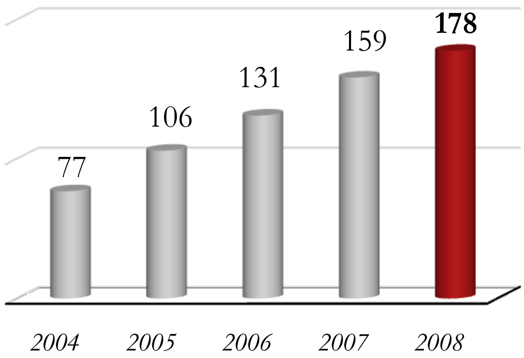
1. Key Figures

A. Selected Financial Data

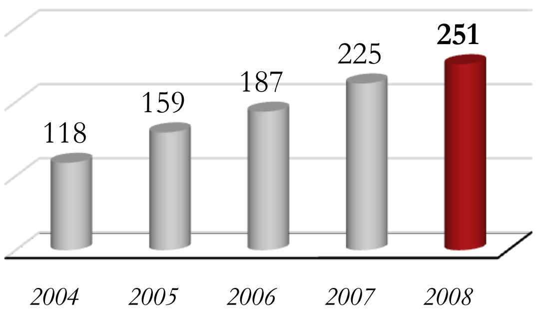
A1. Revenues (in millions of €)



A3. EBIT (in millions of €)

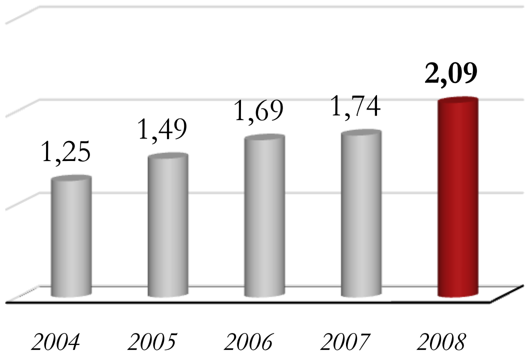


A2. EBITDA* (in millions of €)



* EBITDA : Earnings before interest, income taxes, depreciation and amortization

A4. Diluted earnings per share (in €)



B. Selected Financial Data

	2008	2007
Key consolidated figures (in millions of €)		
Revenues	1,784.8	1,593.8
Net operating profit before financing costs (EBIT)	177.8	158.6
Net operating profit before financing costs (in % of the revenues)	10 %	10 %
Net operating profit before financing costs and before depreciation and amortization (EBITDA)(in % of the revenues)	14 %	14 %
Net profit from consolidated companies	119.5	101.0
Net profit, attributable to equity holders of the parent	116.4	97.9
Data per share (€)		
Basic earnings per share	2.09	1.77
Diluted earnings per share	2.09	1.74
Dividend per share	0.44	0.44
Assets (in millions of €)		
Total non-current assets	845.4	760.2
Total current assets	825.5	842.4
Total assets	1 670.9	1,602.6
Shareholders’equity and net financial indebtedness (in millions of €)		
Shareholders’equity attributable to equity holders of the parent	1 041.8	952.4
Minority interests	11.9	12.9
Shareholders’equity	1 053.7	965.3
- Net cash	17.7	132.4
Cash Flow (in millions of €)		
Internaly generated funds from operation	166.6	180.9
Net cash flow from operating activities	98.2	177.0
Capex (net)	-68.8	-63.6
Financial investments (net)	-140.9	-221.6

2. Introduction to Our Business

A. Company Background and Business Activities

Teleperformance was created from a merger in June 1990 between Jaurès Participations Conseils, S.D.P.S. and its listed subsidiary, Rochefortaise S.A. The majority of the new entity's capital held by the Managing Directors and founders was then transferred to a holding company, Eurofid.
On June 17, 1996, Eurofid was taken over by Rochefortaise Communication (formerly Rochefortaise S.A.).

The company successively changed its corporate name to SR.Teleperformance and, since 1 June 2006, has been named *Teleperformance*.

Since 2003, the group has been gradually disinvesting from Marketing Services and Healthcare operations, which are no longer strategic, so that in 2007 these divisions represented less than 1 % of overall revenues. The group completely withdrew from these divisions in late January 2008 by selling off its investments in the two last companies ISM and IDCC.

B. Teleperformance Business Activities and its Relationships with the Subsidiaries

Teleperformance is a simple holding company that does not conduct any material economic activity; on 30 July 2008 management of its business in France was contributed to its wholly-owned subsidiary Teleperformance France, thereby terminating the lease management agreement.
It is responsible for managing its network, controlling its subsidiaries and providing legal services in France, as well as for overall financial management. It has concluded technical assistance agreements with its subsidiaries.

Note 14 to the parent company financial statements provides detail of the relationships between the company and its subsidiaries.

Detailed information on the major subsidiaries of Teleperformance is provided in the table of subsidiaries and affiliates attached to accounts on pages 160 and 161 of this document.

C. Position and Business Activities of the Group

The total contact centre market represents US$ 400 billion globally.
The market for outsourced contact centres represents 22 % of this market, or almost US$ 90 billion.
It includes two separate types of businesses:

- customer relationship management: these are services provided as part of customer service management, technical assistance and sales and marketing services estimated to total US$ 60 billion (source: IDC);
- debt collection, estimated at almost US$ 30 billion (source: Kaulkin Ginsberg).

Teleperformance is the global outsourced contact centre leader with almost 3 % of the market.

The following are the five largest players in this market (sources: company publications), ranked by decreasing turnover expressed in US$:

	country	2008 Revenues (in million of US$)	Market share
Teleperformance (1)	France	2,605	2.94 %
Convergys (2)	USA	1,955	2.21 %
Atento group(1) (3)	Spain	1,899	2.15 %
Sitel (4)	Canada	1,748	1.98 %
TeleTech (5)	USA	1,400	1.58 %

(1) Figures converted into US$ at € 1= US$ 1.46 (average rate in 2008)
(2) CMG Division (Customer Management group)
(3) The Atento Group is part of Telefonica S.A.
(4)The company Sitel is part of Onex Corporation Group.
(5) excluding the teleconferencing business, representing US$ 937 million revenues

The group has developed through both internal and external growth transactions. Development has been financed both by existing shareholders' equity and by four rounds of public financing:

- June 1997: issue of a FRF200 million (€ 30.5 million) convertible bond loan.
- March 2000: € 151 million of cash raised through a share capital increase.
- December 2003: issue of a € 158.7 million Oceane convertible bond loan.
- November 2006: € 259 million cash raised in a new share capital increase.

Equal emphasis has been given to internal and external growth, with the objective of strengthening our position as worldwide market leader. The external growth efforts undertaken in 2007 and in 2008 subsequent to the new share capital completed in November 2006 enabled us to further strengthen our presence in the technical assistance market in Europe and to become a significant player in the US debt collection market.

We intend to continue the development program we began in 2007, through acquisitions of medium-sized companies (between € 50 and € 150 million in turnover) with profitability consistent with that of the Group. Our objective is to extend the geographical coverage of our network and to further strengthen our presence in the following countries: USA, United Kingdom and Germany.

We would also like to develop "business transformation" operations focused on the "insourcing" market.

Capital expenditures are shown on pages 5, part *Selected Financial Data* and average workforce for the last two years is indicated on page 68 in the *Board of Director's Management report.* These investments were financed with the group's shareholders' equity and by calls for capital.

Teleperformance is a service provider whose business activities do not depend on patents and on licenses.

The percentage growth in revenues over the last three financial years amounted to:

in %	*2006*		*2007*		*2008*	
	published	*on a comparable basis*	*published*	*on a comparable basis*	*published*	*on a comparable basis*
Contact centers	+16.4	+11.8	+15.3	+9	+12	+8
MS & Healthcare*	-29.7	+2.2	-16.9	+19	-	-
Total group	+15.8	+11.8	+15.1	+9	+12	+8
% revenues internationally	79		79		79	

** Marketing Services & Healthcare : gradual desinvestment policy since 2003*

D. Key Figures of the Main Subsidiaries

The key figures of the subsidiaries whose revenues exceeded 10 % of the group's consolidated revenues are presented below:

Selected financial data	TP USA (in KUS$)
Non-current assets	328,050
Current assets	178,509
Total assets	506,559
Shareholders' equity	122,778
Non-current liabilities	347,870
Current liabilities	35,911
Total liabilities	506,559
Revenues	468,879
Net profit	**21,454**

E. Risk Factors

E1. Market Risk

Liquidity risk

Liquidity risk involves the difficulties the Group may have in honoring its debts when they come due. The Group's approach to managing liquidity risk is to ensure to the extent possible that it will always have sufficient liquidity to honor its liabilities when they come due, whether money is normal or tight, without incurring unacceptable losses or harming the reputation of the Group.

Short-term cash management is ensured by the operating management of the subsidiaries, which generally have short-term bank credit lines, in some cases supplemented by lines secured by the holding company.
Any medium- or long-term financing is authorized and overseen by the Group's Finance Department.
The Group makes sure it is properly financed by issuing bonds, using loans and lines of credit from financial institutions.

Given the funds raised in 2006 as a result of the share capital increase and the bond conversion in February 2007, the Group had very low debt at the end of 2008 and net cash on hand of € 17.7 million. Our liquidity risk, consequently, is judged to be low.

Furthermore, in early 2008 the Group negotiated a syndicated credit line among five financial institutions for € 300 million, with a 5-year balloon, and taking effect January 31, 2008, of which € 110 million had been taken down as of December 31, 2008.

The Group's financial risk management policy is described on page 110 herein, under Note A26 *Financial Risk Management* to the consolidated financial statements.

E2. Business-related Risks

Our industry is a very competitive one

The outsourced contact center market is fragmented and highly competitive. The group competes with other international corporate groups in this market, both to keep existing clients and to win new ones.

To deal with this competition and the consequent pressure on pricing, the group seeks to expand its international network. We also continue to develop our nearshore/offshore network for our three main working languages – English, Spanish and French.

Our industry is subject to the laws and regulations of the countries in which the group runs operations

In every country where the group has operations, the contact center business is subject to particular laws and regulations.

The governments and regulatory bodies regularly consider new consumer-protection measures, as in the United States, where regulations were adopted in 2003 that enabled individuals who so wished not to be called by telemarketers.

Action plans were immediately put into place to limit their impact by developing our inbound activities (customer care and technical assistance services). For five years, these plans have helped us to reduce this risk markedly for the group in this country, where inbound activities now represent 77 % of our overall business, as compared to 38 % in 2003.

Regulations similar to those in force in the USA may be adopted in other countries. That is why the group is following developments closely and continues to strongly promote the development of inbound activities throughout its network.

At the close of financial year 2008, these accounted for 72 % of the group's overall business, versus 71 % in 2007 and 66 % in 2006.

Still, the adoption of such restrictive laws and regulations could harm the group's revenues and results if we do not manage to adapt to them quickly.

Our business is affected by our clients' business and their success

The growth of our business also depends on the success of our clients and the contracts they award us. So despite contractual provisions guaranteeing specific business volumes, we have no assurance that volumes will not be subject to revision by our clients. Additionally, any price erosion in our clients' industries, particularly in the telecommunications field, could have repercussions on our business and negatively impact our results.

A significant portion of the group's revenues comes from large clients

Breakdown by client
The client portfolio has changed as follows:

	2006	*2007*	*2008*
Top client*	10.5 %	9.7 %	8.4 %
Top 10	41.5 %	38.1 %	35.5 %
Top 20	55.7 %	51.6 %	48.3 %
Top 60	73.8 %	72.7 %	65.9 %

** Teleperformance's top client is Sprint Nextel*

Over the past three years our client base has evened out, to the point where the Group's largest client accounted for only 8.4 % of revenues in 2008 vs. 9.7 % in 2007 and the top ten accounted for 35.5 % of the Group's consolidated revenues in 2008 vs. 38.1 % in 2007.

Reductions in, or indeed the loss of, certain contracts with significant clients could affect the group's results.

Developing the inbound business increases the group's recurrent income by lengthening the term of our contracts. The terms of such contracts are between two and five years.

As for payment periods, they depended on clients' locations and ranged as follows:

Breakdown of DSO by geographical segment

	Days sales outstanding	
	2007	*2008*
Europe	80	81
NAFTA	63	64
Rest of the world	40	48
Total	**70**	**72**

The payment cycle in the Rest of World region had been favorably affected in late 2007 by the termination in November of the Brazil Telecom contract, which led to a significant reduction in our Brazilian subsidiary's days of revenue outstanding.

The client portfolio by industry has changed as follows:

(% of annual revenues)	*2006*	*2007*	*2008*
Telecoms, Internet	56.9 %	53.1 %	52 %
Financial services	11.1 %	10.6 %	13 %
Technology/media	6.5 %	10.6 %	10 %
Insurance	7.8 %	6.1 %	5 %
Other	17.7 %	19.6 %	20 %
Total	100.0 %	100.0 %	100.0 %

Our clients operate in industries where new business combinations can occur through mergers, acquisitions or buy-outs. Such consolidations worldwide do not enable us to say whether they will tend to help or hurt our business.

Our business depends on fault-free service to our clients

We deliver our services to our clients by means of a complex technological platform, which integrates various aspects of information technology: telephony, IT hardware and high-level software. Not keeping them up to standard by adapting to new technological advances could hurt our business and our operating income.

A great number of our subsidiaries are networked by dedicated lines. Any significant service breakdown on our technological platform which may interrupt call center activity, itself liable to natural and non-natural damage, could affect the group's results.

The group makes sure that all necessary safety precautions are taken and all necessary insurance is carried in its operations. It is nevertheless impossible to guarantee that such risks will not occur and negatively impact our business and our results.

Protection of personal data

In our business we need to process, enrich and transfer personal information about our clients' customers. Our subsidiaries take operational measures to avoid any unauthorized access to these data and we endeavor to fully observe the specific regulations in force in the various countries where we run operations, as well as the security procedures stipulated by contract with our clients.

It must be understood, however, that any unauthorized access to and any use of such data could have legal consequences with a possible effect on the group's results.

The group's business is highly dependent upon its executives and workforce

In an industry characterized by high employee attrition, our success depends to a large extent on our ability to recruit, hire and retain qualified employees.

In fact, a significant increase in employee attrition rates would increase our recruitment and training costs, deteriorate the services provided to clients and customers and negatively impact our operating income.

Our success also depends on our ability to retain managers capable of growing our business
Thus if the group were to lose the contribution of certain managers or could no longer retain its employees, this could have a deleterious effect on our business and results

Likewise, we have executed non-compete and non-solicitation agreements with top management worldwide, so as to protect the Group against client and employee solicitation should a key manager leave the Group for any reason.

Growth through acquisition of companies may entail risks

The group's strategic plan calls for external growth. Within this strategy, identifying acquisition targets may become tricky and an assessment of risk in making an acquisition might be wrong. In addition, the integration of a newly acquired company in the group might turn out to be difficult or not to produce the synergies hoped for.

The goodwill appearing on the group's balance sheet for acquired companies may become impaired.

The goodwill appearing in the group's balance sheet assets is evaluated every year to see if it has to be written down.

The assumptions made in estimating future earnings and cash flows at the time of these re-evaluations may not be confirmed by subsequent actual results. If the group had to acknowledge such impairments, the resulting accounting loss could negatively impact the group's results.

The group is exposed to a certain amount of risk by operating internationally

In the context of its expansion plan, the group runs part of its operations internationally, particularly in certain emerging countries. Certain risks inherent to operating in these countries —such as late payment of invoices, economic, political and social instability or unexpected regulatory changes— could have consequences for these operations and therefore affect the group's results to the extent that insurance or risk hedging turned out to be impossible.

E3. Industrial and Environment-related Risks

As far as we aware, there are no industrial and environment-related risks likely to have a specific impact on the financial situation, business, and results of the group or the company.

E4. Other Risks

E4/a Suppliers

The major suppliers to the group are suppliers of computer equipment and telecommunications providers.

E4/b Legal Risks

For the company and its subsidiaries, there are no:

- Specific legal regulations and/or licenses for the conduct of its business, with the exception of those mentioned above in the section on business-related risks
- Ties of dependency
- Special tax treatments, aside from the deductions or grants for job creation allowed by law or regulation in France and the other countries where we are located.
- Litigation, arbitration or government proceedings, including proceedings the company may have been aware of, pending proceedings or proceedings threatening the company, likely to have, or having had in the past twelve months, a noticeable impact upon the financial position or profitability of the company and/or the group.

The Group operates in a certain number of countries where failure to comply with local legislation could expose the Group to legal action on the part of employees or shareholders.

E4/c Insurance – Coverage for Risks

E4/c1 General Insurance Policy in the Group

For 2008 the Group's companies took out local insurance policies in particular for property damage, business interruption, civil liability, vehicles and coverage specific to our business and geographic locations.

Total premiums paid for 2008 amounted to € 4.8 million.

In addition, the Group does not have a captive insurer or self-insure against any significant risk.

E4/c2 Changes over time in how the Group handles insurance

Research undertaken in 2008 led the Group to shift gradually towards comprehensive insurance management for certain types of risk while meeting the specific conditions of each locality.

Since January 1, 2009 a comprehensive policy was implemented for all subsidiaries in the European region covering the traditional, potentially significant risks: property damage, business interruption and civil liability.

This orientation towards handling our insurance needs at a broader level meets our objectives of uniform coverage, rationalized risk management and optimal insurance costs.

As this change occurs, Teleperformance arranges visits by management and our insurers' engineering departments to our local sites in order to assess the degree of protection and prevention that exists.

These processes contribute to assess the Group's risks for insurors and are essential analysis elements to insurance coverage negotiations.

Studies on the opportunity to implement similar approcha programs will be led on other geographic zones.

E4/d Labor-related Risks

Within the normal framework of its business, the group is involved in a certain number of labor disputes. Such litigation is subject to the necessary provisions for contingencies.

F. Real Propperty and Facilities

The group has approximately 79,800 computerized workstations across its 248 contact centers in 46 countries.
The premises operated by the companies in the group are generally subject to property leases. Furthermore, Teleperformance is also the owner of an operating property located in Lyons (France). After a sale which took place in 2008, the company has no more investment property.

G. Simplified Organization Chart (% of shareholding on March 10, 2009)

(▲ : the % indicated includes the commitment for the acquisition of share holdings of minority interests)

France

- 100 Teleperformance France (ex Teleperformance Technical Help)
  - 100 Teleperformance Centre-Est
  - 100 Teleperformance Centre-Ouest
  - 100 Teleperformance Grand-Sud
  - 100 Teleperformance Nord-Champagne
  - 100 TPHST
  - 82 PGS
  - 100 ▲ Synerfil
- 100 Teleperformance EMEA
- 100 Teleperformance Intermédiation
  - 100 JRT Participation

NAFTA

- 100 Teleperformance Group Inc. (USA)
  - 100 TPUSA (USA)
    - 100 The Answer Group (USA)
    - 100 MMCC Solutions Philippines (Philippines)
    - 100 AllianceOne Holdings (USA)
    - 100 CRM Services India (India)
    - 100 Voice FX International (USA)
    - 100 MCCI (Canada)
      - 100 MMCC Solutions Inc. (Canada)
      - 100 Marusa Marketing (Canada)
  - 100 Americall Group Inc. (USA)
    - 100 Marcom Dominica (Dominican Republic)
  - 100 Merkafon Group (Mexico)
    - 90 TP Nearshore (Mexico)
  - 100 Hispanic Teleservices Corp. (USA /Mexico)

South America

- 100 Sao Paulo Contact Ltda (Brazil)
  - 100 Teleperformance CRM (Brazil)
- 100 Full Sale Teleperformance (Argentina)
  - 100 Software del Plata (Argentina)
  - 100 TP Chile (Chile)
- 97 Citytech (Argentina)

Asia/Pacific

- 70 Telemarketing Asia (Singapore)
  - 99 P.T. Telemarketing Indonesia (Indonesia)
  - 99 Teleservices Vietnam Co. (Vietnam)
- 51 IMC Marketing (Korea)
  - 100 IMC TP Inc. (Korea)
- 60 Telephilippines (Philippines)
- 100 Teleperformance Group Inc. (USA)
  - 83 Hong Kong CRM Limited (Hong Kong)
    - 100 North Asia Utd CRM Technologies (Beijing)

Europe

- 100 Iberphone (Spain)
  - 100 CEE Iberphone (Spain)
- 100 ▲ Plurimarketing (Portugal)
- 100 ▲ In & Out (Italy)
  - 100 TP Albania
- 70 Service 800 Teleperformance (Greece)
  - 75 Direct Response Service (Greece)
  - 96 Mantel (Greece)
  - 51 Teleperformance Lebanon (Lebanon)
  - 100 S800 Customer Service Provider (Romania)
  - 96 Service 800 Egypt (Egypt)
- 96 NETC (Germany)
- 100 All by Phone+ Net (Germany)
- 100 twenty4help Group (Germany)
- 97 Teleperformance Unternehmungsberatung (Austria)
- 100 Teleperformance Nordic (Sweden)
  - 100 Teleperformance Danemark AS (Denmark)
  - 100 Teleperformance Finland (Finland)
  - 100 Teleperformance Norge (Norway)
  - 100 Teleperformance Soderhamm (Sweden)
- 100 Société Européenne de Telemarketing (Belgium)
- 100 ▲ SCMG (Switzerland)
  - 100 Liberty Call (Switzerland)
  - 100 Extratel (Switzerland)
- 100 ▲ MM Teleperformance Holdings Ltd (United Kingdom)
  - 100 BPS (United Kingdom)
  - 100 MM Teleperformance Ltd (United Kingdom)
    - 70 BPS Associates (United Kingdom)
- 100 Luxembourg Contact Centers (Luxembourg)
  - 98 Techmar Europe (Belgium)
  - 100 Société Tunisienne de Telemarketing (Tunisia)
  - 100 SMT (Société Méditerrannéenne de Teleservices)
  - 93 ▲ Russia Contact Center (Luxembourg)
    - 100 Direct Star (Russia)
  - 84 Mauritius Contact Center (Mauritius)
    - 100 Compañia Salvadoreña de Teleservices
  - 100 ▲ Photel (Hungary)
  - 100 Perfect Call (Netherlands)
- 67 GN Research SA
  - 100 GN Research Italy
    - 98 GN Research Germany
  - 100 GN Research France
    - 100 GN opérations France
  - 99 GN Research Tunisia
- 100 ▲ Centrum Telemarketingowe (Poland)
- 90 Lion Teleservices CZ (Czech Republic)
  - 70 Lion Teleservices SK (Slovakia)

3. Information About the Company

A. General Information About the Company

Corporate name
Teleperformance (by decision of the Ordinary & Extraordinary General Meeting of June 1, 2006)

Legal form
Public limited company governed by a Board of Directors and a Supervisory Board. These two bodies are described in Chapter 2. *Corporate Governance*.The company was founded in 1910; its incorporation will expire on October 9, 2059, unless extended or wound up earlier.

Registered office
6-8, rue Firmin Gillot, 75015 Paris, France

Summary of corporate purpose
"Any activity as a service provider in the field of mass market or specialist communications and advertising, and in particular the design and performance of promotional activities, public relations, marketing, telemarketing, and teleservices activities." (Article 2 of the Articles of Incorporation)

Company Registration Number
PARIS B 301 292 702; APE code: 744B

Location where documents and information relating to the company may be consulted: Registered office: 6-8, rue Firmin Gillot, 75015 Paris, France

Financial year: From January 1 to December 31, i.e., a 12-month period.

Distribution of profits under the Articles of Incorporation: There is no specific provision in the Articles of Incorporation.

General meetings

Method of notification
General meetings shall be called by means of a notice published in a newspaper authorized to carry legal notices in the French *département* where the registered office is located, as well as in the *Bulletin des Annonces Légales Obligatoires* (French Bulletin of Compulsory Legal Notices), at least fifteen days prior to the date of the General meeting.

At least thirty-five days before any shareholders' meeting, the company shall publish in the *Bulletin des Annonces Légales Obligatoires* the notice specified in Article R. 225-73 of the French Commercial Code.
Registered shareholders who have been such for at least one month prior to the date of publication of the notice of the meeting shall in addition be called to all meetings by a letter sent by regular mail, or at their request and at their own expense, by registered letter.

Conditions for admission
The shareholders' General meetings are open to all shareholders, regardless of the number of shares they may possess, provided that the shares have been paid up.
The right to participate in the General Meeting is conferred if shares are entered in a company account ledger in the shareholder's name (or the name of an intermediary designated in accordance with paragraph 7 of Article L. 228-1 of the French Commercial Code) no later than the third business day preceding the meeting, before midnight, Paris time, or in the authorized intermediary's register of bearer shares.
Accounting registration or entry of the shares in the authorized intermediary's register of bearer shares shall be witnessed by an attendance certificate (known as *attestation de participation*) issued by the intermediary and attached either to an absentee ballot or a proxy, or to the request for an admission ticket in the shareholder's name or on behalf of a shareholder represented by a designated intermediary. A certificate shall also be provided to any shareholder who wishes to participate in the meeting in person but has not yet received his or her admission ticket by midnight Paris time, on the third business day preceding the meeting.
In accordance with law, any shareholder may arrange to vote by proxy or absentee ballot.

Conditions for the exercise of voting rights – Double voting right
Every shareholder shall have as many votes as shares he or she possesses or represents.
A double voting right is granted to all paid up shares which can be demonstrated to have been

registered for a period of at least four years in the name of the same shareholder of French nationality or from a member state of the European Union.
This provision was brought into the Articles of Incorporation of the company by decision of the Extraordinary General Meeting of June 17, 1996.
Registered shares allotted at no cost to a shareholder by virtue of old shares with a double voting right shall enjoy a double voting right (Article 35.2 of the Articles of Incorporation).
The double voting right shall legally be terminated for any shares which have been converted into bearer shares or transferred, unless transferred from one registered shareholder to another by inheritance or family bequest, in accordance with Article L.225-124 of the French Commercial Code.

Declaration required for crossing thresholds specified in the Articles of Incorporation
No declaration is required by the Articles of Incorporation with respect to ownership of less than one-twentieth of the share capital.

Amending Shareholder Rights
Shareholder rights are amendable pursuant to the terms and conditions provided by law.

B. General Information about the Share Capital

B1. Specific Conditions for Making Changes to the Share Capital

The conditions imposed by the Articles of Incorporation on changes to the share capital or to the respective rights of different classes of shares are governed by the legal provisions; there are no special restrictions.

B2. Table of Changes in the Share Capital

The changes in the share capital since 2006 are shown below:

Date	*Type of transaction*	*Capital increase*	*Share Premium*	*Amount of the Share Capital*	*Number of shares*
01.01.2006				**€ 88,281,040.00**	**35,312,416**
06.06.2006	Conversion of 10,000 OCEANE bonds. Issue of 10,000 shares	€ 25,000	€ 186,000,00	€ 88,306,040.00	10,000
10.04.2006	Conversion of 30 OCEANE bonds & issue of 30 shares	€ 75	€ 558.00	€ 88,306,115.00	30
11.03.2006	Cash capital increase; Issue of 11,774,148 shares	€ 29,435,370	€ 229,595,886.00	€ 117,741,485.00	11,774,148
12.4.2006	Conversion of 103 OCEANE bonds; Issue of 108 shares	€ 270	€ 1,856.01	€ 117,741,755.00	108
12.31.2006	Conversion of 102,420 OCEANE bonds; Issue of 108,971 new shares	€ 272.427,50	€ 1,888,522.74	€ 118,014,182.50	108,971
01.01.2007				**€ 118,014,182.50**	**47,205,673**
01.15.2007	Conversion of 96,600 OCEANE bonds; Issue of 102,782 shares	€ 256.955	€ 1,781,292.94	€ 118,271,137.50	102,782
02.21.2007	Conversion of 7,296,656 OCEANE bonds; Issue of 7,763,583 shares	€ 19,408,957.50	€ 134,548,486.83	€ 137,680,095.00	7,763,583
02.21.2007	Share option plan of June 25, 2001; Issue of 3,992 shares	€ 9,980.00	€ 100,199.20	€ 137,690,075.00	3,992
03.15.2007	Share option plan of June 25, 2001; Issue of 26,710 shares	€ 66,775.00	€ 670,421.00	€ 137,756,850.00	26,710
05.31.2007	Share option plan of June 25, 2001; Issue of 101,235 shares	€ 253,087.50	€ 2,540,998.50	€ 138,009,937.50	101,235
06.28.2007	Share option plan of June 25, 2001; Issue of 179,536 shares	€ 448,840.00	€ 4,506,353.60	€ 138,458,777.50	179,536
01.01 2008				**€ 138,458,777.50**	**55,383,511**
08.02.2008	Issue of 735,950 bonus shares per plan approved by the General Meeting on August 2, 2006	€ 1,839,875		€ 140,298,652.50	735,950
08.04.2008	Issue of 190,572 new shares for options exercised per June 24th, 2004	€ 476,430	€ 2,828,088.48	€ 140,775,082.50	190,572
08.05.2008	Cancellation of 100,000 treasury shares	€ -250,000	€ -1,909,320.50	€ 140,525,082.50	-100,000
11.06.2008	Issue of 127,758 new shares for options exercised per June 24th, 2004 plan. Issue of 41,862 bonus shares per plan approved by the General Meeting on August 2, 2006	€ 424,050	€ 1,895,928.72	€ 140,949,132.50	169,620
12.31.2008	Issue of 3,194 new shares for options exercised per June 24th, 2004 plan	€ 7,985	€ 47,398.96	€ 140,957,117.50	3,194
12.31.2008		**€ 140,957,117.50**	**€ 535,733,849.63**	**€ 140,957,117.50**	**56,382,847**

To the best of the company's knowledge, there are 960,000 pledged shares at the date of this document.

B3. Share Capital

The group's share capital at December 31, 2008 amounted to € 140,957,117.50 and was divided into 56,382,847 fully paid up shares with a par value of € 2.50, all of the same class.
On March 11, 2009, the number of shares and the value of the share capital were unchanged.

B3/a Current delegations of authority and powers granted to the Board of Directors by the shareholders' General Meeting (Art. L. 225-100, par. 7 of the French Commercial Code) – Authorized capital not issued at December 31, 2008

B3/a1 Delegations of authority granted by the Ordinary & Extraordinary General Meeting of June 1, 2006

1. The Ordinary and Extraordinary General Meeting of June 1, 2006 authorized several types of new issues:

- An issue of common shares, maintaining the pre-emptive rights of shareholders and not to exceed € 50 million par value, with a provision for issuing up to 15 % more shares in the event of excess demand.
- An issue of securities, maintaining the pre-emptive rights of shareholders, representing debt convertible into common shares, with a maximum amount not to exceed € 300 million and a provision for issuing up to 15 % more such securities in the event of excess demand.
- An issue of common shares (or of securities convertible into shares) for up to 10 % of the share capital, for the purpose of liquidating securities contributed as capital to the company and not covered by Article L.225-148 of the French Commercial Code.
- A capital increase through the capitalization of reserves, to not exceed € 140 million

The first authorization has been partially used by the Board of Directors, which on October 5, 2006 voted a capital increase of € 29,435,370 maintaining the pre-emptive rights of shareholders. The capital increase was completed on November 3, 2006 by issuing 11,774,148 new shares of € 2.50 par value. The par value remaining under this authorization is € 20,564,630.
These authorizations expired on August 1, 2008.

2. The Ordinary and Extraordinary General Meeting of June 1, 2006 also authorized the Board of Directors, over a 38-month period ending August 1, 2009, to award bonus shares, consisting of existing or new shares, to the group's employees and corporate officers or to specific categories of the same, up to a limit of 2.3 % of the company's share capital as of that meeting.

This authorisation was used in full by the Board of Directors on 10 January 2008 as follows:

- The Board of Directors met on August 2, 2006 and resolved to award 776,600 new bonus shares representing 2.2 % of the company's share capital as of June 1, 2006—or a total of 826,666 new shares after the adjustment of November 6, 2006—to 169 managers and employees of the group, in accordance with the terms and conditions described on page 73 § *August 2, 2006 bonus share grand plant* herein. Existing or as yet unissued bonus shares remaining to be awarded amounted to 0.1 % of the company's share capital of € 88,281,040 at June 1, 2006.
- The Board of Directors voted on May 3, 2007 and January 10, 2008 to award 23,400 and 12,000 new shares respectively to certain managers and employees of the group's foreign subsidiaries.

These three share award plans represent a total of 812,000 bonus shares (before the adjustment dated November 6, 2006) out of an authorized total of 812,185 shares representing about 2.3 % of the company's share capital at June 1, 2006.

The Board of Directors voted on August 4, 2008 to issue, effective August 2, 2008, 735,950 new shares allotted to 145 recipients who had fulfilled the two-year employment requirement imposed by the Combined General Meeting of June 1, 2006. The Board did so after five qualifying beneficiaries had completely and irrevocably waived their right to such stock.

On 6 November 2008, upon conclusion of the two-year vesting period for the additional shares granted on 6 November 2006, a total of 41,862 bonus shares was permanently vested with 139 beneficiaries out of a total additional grant of 50,066 shares.

The bonus shares granted on 3 May 2007 and 10 January 2008 will be issued after a two-year vesting period, with the exception of 8,000 shares, granted on 10 January 2008 to a beneficiary who lost his rights prior to 31 December 2008.

B3/b Current delegations of authority granted by the Ordinary and Extraordinary General Meeting of June 3, 2008

B3/b1 Authorization granted to the Board of Directors to cancel treasury shares held by the company

The Ordinary and Extraordinary General Meeting of June 3, 2008 gave the Board of Directors full authority to cancel, in whole or in part, the company shares acquired in connection with the implementation of the share buy-back program mentioned in the Thirteenth Resolution of the Ordinary General Meeting, up to a limit of 10 % of the total number of shares per 24-month period.
In accordance with the law, the effective period for such authorization is 26 months, superseding the authorization granted by the shareholders' meeting held on June 1, 2006 on the same subject matter.

The Board of Directors met on August 4, 2008 and cancelled 100,000 shares from the share buy-back program conducted between May 14 and 21 2008 for the purpose of such cancelation.

B3/b2 Delegation of powers and authority to the Board of Directors to increase the company's share capital by issuing common shares or any securities convertible to stock in the company or its subsidiaries

The same shareholders' meeting authorized the Board of Directors to decide whether to increase the company's share capital while maintaining the pre-emptive rights of shareholders, in one or more installments and such times as the Board deems best:

- By issuing common shares of par value not to exceed € 20 million, which amount will be increased, if need be, to the par value of shares that must be issued to protect the rights of holders of securities carrying entitlement to shares,or
- By issuing any type of security, including equity warrants, with a par value not to exceed € 300 million, carrying entitlement, immediately or in the future, to common shares of the company or of a group subsidiary in which the company holds more than one-half of the share capital. Such securities may particularly consist of debt instruments or be attached to such instruments.

The effective period for such delegation of powers shall be 26 months.

B3/b3 Delegation of powers and authority to the Board of Directors to increase the share capital with contributions of stock or other securities in outside companies

The shareholders' meeting also authorized the Board of Directors to decide, on the basis of a report prepared by the auditor appointed by the French commercial court to monitor non-cash contributions, whether to complete one or more capital increase(s), within a limit of 10 % of the share capital, while canceling the shareholders' pre-emptive rights, through the issue of common shares of the company or securities carrying entitlement, immediately or in the future, to subscribe for existing shares or shares to be issued at a later date by the company, for the purpose of liquidating non-cash capital contributions to the company consisting of shares or other securities of outside companies carrying entitlement to equity interest, whenever the provisions of Article L. 225-148 do not apply.
The effective period for such delegation of powers shall be 26 months.

B3/b4 Delegation of powers and authority to the Board of Directors to increase the share capital through the capitalization of reserves

Lastly, the shareholders' General Meeting authorized the Board of Directors to decide whether to complete one or more share capital increase(s) through the capitalization of reserves, profits, premiums or other sums approved for capitalization, by allotting bonus shares and/or increasing the par value of existing shares, up to an overall limit of € 140 million, to which may be added, if need be, an additional amount of shares to be issued to protect the rights of holders of securities carrying entitlement to company shares.

The effective period for such delegation of powers shall be 26 months.

B3/b5 Delegation of power to the Board of Directors to complete one or more capital increases reserved for employees

The shareholders finally delegated to the Board of Directors, for 26 months, the power to decide to increase share capital, on one or more occasions and at its sole discretion, up to a maximum nominal value of two million euros by issuing shares or securities granting access to the company's equity and which are reserved for members of a company or group savings scheme as provided for in Articles L.443-1 *et seq*. of the French Employment Code, with a waiver by the shareholders of their pre-emptive subscription right in favour thereof.

With the exception of the first delegation, none of the delegations listed in point B2/b has been used by the Board of Directors.

B3/c Potential share capital at December 31, 2008 and March 10, 2009

At December 31, 2008, the number of shares which could be issued amounted to 228,618 shares, comprising:

- 201,218 share purchase options from share option plans granted to the group's employees and corporate officers on June 24, 2004;
- 23,400 common shares to be issued for beneficiaries designated by the Board of Directors on April 25, 2007 from among the employees and corporate officers of certain foreign subsidiaries;
- 4,000 common shares to be issued for beneficiaries designated by the Board of Directors on January 10, 2008 from among the employees and corporate officers of certain foreign subsidiaries.

The potential share capital at December 31, 2008 consisted therefore of 56,611,465 shares of € 2.50 par value, or a total of € 141,528,662.50. Should all outstanding share options be exercised and all bonus shares awarded become vested, the company's share capital at March 11, 2009 would be diluted by 0.04 %.

There are no other securities representing potential share capital.

B4. Share Options and Bonus Shares Awarded to Corporate Officers and Employees

The particulars of the various share option and bonus share award plans are shown in Note D4 to the consolidated financial statements.

2. Corporate Governance

1. Board of Directors and Supervisory Board

Teleperformance is a company governed by a Board of Directors and a Supervisory Board. Further to a series of decisions taken by the Supervisory Board, the company complies with the corporate governance principles laid out in the recommandantions of the Apef/Mefed report of October 2003.
On 11 December 2008 the Supervisory Board reviewed the 6 October 2008 Afep-Medef recommendations regarding the remuneration of officers and directors (*dirigeants mandataires sociaux*).
In its 29 December 2008 press release the board stated that it unanimously approved these recommendations, subject to modification of certain thereof.
These qualifications are explained in the section 3. entitled *Remuneration of Management and Oversight Bodies*.

A. The Supervisory Board

A1. Membership

At March 10, 2009 the members of the Teleperformance Supervisory Board were as follows:

Full name, age	*Initial appointment / end of term of office*	*Current position in the company*	*Other current positions held during the last financial year (Art. L.225-102-1 of the Commercial Code)*	*Number of shares held in the company*
Daniel JULIEN 56	06/26/2003 2009	Chairman of the Supervisory Board	**Positions held within the French companies in the group**: *Member of the Supervisory Board:* Teleperformance France (formely Rochefortaise Marketing Services and TP Technical Help) *Member of the Management Board* of Teleperformance Europe Middle East & Africa **Positions held within the foreign companies in the group**: *Chairman* of Hispanic Teleservices Corp., Hispanic Teleservices International, Hispanic Teleservices de Guadalajara *CEO* of TP Group Inc. *Director of* FST (TP Argentina), Citytech, TP Chile, Voice FX, Americall Group Inc., TP USA, AllianceOne Holding, TP Nearshore, Merkafon de Mexico, Merkafon Management Corporation, SPCC, Teleperformance CRM, Telemarketing Asia (Singapore), Hong Kong Asia United CRM (TP Hong Kong), IMC Marketing Inc. (TP Korea), Telephilippines Inc., MMCC Solutions Philippines, In & Out TP Italy, Iberphone (TP Spain), Service 800 Teleperformance (TP Greece), Plurimarketing (TP Portugal), MM Teleperformance Holdings, Teleperformance Nordic, GN Research Luxembourg, GN Research Italy **Positions held outside the group**: none	658,314
Martine DASSAULT 53 Independent member	06/24/2002 2012	Vice-Chairman of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: none	2,000
Philippe DOMINATI 55	06/17/1996 2012	Deputy Vice-Chairman of the Supervisory Board	**Positions held within the French and foreign companies in the group**: *Chairman of* Teleperformance France (formely Rochefortaise Marketing services and Teleperformance Technical Help) **Positions held outside the group**: *Manager* of Isado (SARL) and Trocadero (SCP) *Director of* Caisse d'Epargne SLE Paris Ouest	2,134

Philippe SANTINI 66 Independent member	09/30/2002 2011	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Director of* Zodiac Marine, Altamir *Manager* of PHS Consultant, Calvex	1,500
Philippe GINESTIE 66	06/25/2001 2011	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Director of* HR Oblig., Cotrafi, NBLAN, Gondrand SA *Manager* of SCI Denebola, Château de Montaren, Malaquais, EURL Generativ *Co-Manager* of SARL GMG	2,752
Alain LAGUILLAUMIE 66	06/17/1996 2012	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Chairman of the Baord of Directors of* B.H.L. *Chairman of* SAS CAP 33 *Director of* Hébrard *Manager* of SCI Auguste Cestas and Bellefont-Belcier	12,897
Daniel BERGSTEIN 66 Independent member	09/30/2002 2011	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Attorney and partner* with the international law firm Paul Hastings, resident in New York *Director of* MxEnergy Inc., Fifth Generation Systems Inc., Cequel III LLC, Foundation Fighting Blindness	7,500
Eric DELORME 55 Independent member	06/23/2005 2011	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Manager* of SARL ED associés	1,406
Bernard CANETTI 60 Independent member	06/23/2005 2011	Member of the Supervisory Board	**Positions held within the French and foreign companies in the group**: none **Positions held outside the group**: *Chairman of the Board of Directors of* Editions Atlas *Member of the Board of* Cont Première SA (Marathon Group)	9,482

The Supervisory Board comprises nine members, of whom five are independent in accordance with the principles laid down in the Afep-Medef Report of October 2003.
No members of the Supervisory Board were co-opted during Financial Year 2008 nor 2009 and the date of the Annual Report.
Their term of office is four years.
Each member of the Supervisory Board must hold at least 1,000 shares, according to the Articles of Incorporation.

Other information about the Supervisory Board members

Additional information required in accordance with point 14.1, Annex I of EC Regulation 809/2004 of April 29, 2004

1. Positions held over the last five years and now expired

Daniel JULIEN	**Positions held within the French companies in the group**: *Director of* TP France (formely TP Technical Help and Rochefortaise Marketing services) **Positions held within the foreign companies in the group**: *Director of* CKAPT (Brésil), Call Tech communications, Noble Systems Corp., Nova Scotia Company, Inverpanamerica, MMCC Solutions Inc. H-tel Holdings, Merkafon International, CRM Service India private, Americall de Mexico, TP telemarketing Indonesia, Teleperformance Australia, Grandi Numeri **Positions held outside the group**: *Director of* Crédit du Nord et de Frens Inmobiliaria
Philippe DOMINATI	**Positions held outside the group**: *Chairman of Teleperformance France (formely TP Technical Help and SRMS)* *Director of* Optimise, Pédagogie du Management, IDCC, groupe Présence +, Akoa *Board member* of SAS Akoa Interactive
Philippe SANTINI	**Positions held outside the group**: *Chairman of* SAS Aprovia Gun,aprovia GT, Aprovia GE, Bedouk éditions, GIE emploi pro *Chairman and CEO* of Aprovia and Industrie Service Info *Vice Chairman of the Sueprvisory Board* of Sial *Director of* Exposium, groupe Tests, cadre on line
Philippe GINESTIE	**Positions held outside the group**: *Member of the Supervisory Board of* Aurel Leven, NextStage Private Equity *Director of* A.R.A.A., R.S.A., Dynaction et CC group
Daniel BERGSTEIN	**Positions held outside the group**: *Member of the Supervisory Board* of Catalyst Partners Inc. *Director* of cebridge connections llc, towervision Ltd
Bernard CANETTI	**Positions held outside the group**: *Chairman of* SAS Provea, Centre de formation européen, Editions Atlas Inc. (Canada)
Eric DELORME	**Positions held outside the group**: *Director and CEO* of SAS Calisto

2. To the best of the company's knowledge, no member of the Supervisory Board currently in office has indicated to the company that he/she has been found guilty of criminal offence over the past five years, nor been associated with a bankruptcy, subject to receivership or liquidation, and has not been incriminated, subject to an official sanction or disqualification, as provided in point 14.1 of Annex I of EC Regulation 809/2004 of April 29, 2004.
3. The members of the Supervisory Board have not brought to the attention of the company any potential conflicts of interest between their duties to the issuer and their private interests.
4. There are no restrictions on the transfer of shares in the issuer for certain periods, with the exception of the 84,093 bonus shares granted in 2008 to Mr. Daniel Julien, who must retain these shares for two years after the grant thereof.
5. There is no service contract linking any member of the Supervisory Board to the company or to any of its subsidiaries, providing for the grant of particular benefits.
6. The members of the Supervisory Board of the company have indicated there was no agreement with a major shareholder, client or supplier of the company pursuant to which they may have been appointed as corporate officers.
7. No assets belonging directly or indirectly to the company's top managers are used in the group's operations.

A2. Operation of the Supervisory Board

The operating rules and conditions of the Supervisory Board and of the specialist Committees are described in the report by the Chairman of the Supervisory Board on the operations and internal control on page 33 to 48 of this document.

B. The Board of Directors

B1. Members of the Board of Directors

At March 10, 2009 the members of the Teleperformance Board of Directors were as follows:

Full name, age	*Initial appointment / end of term of office*	*Current position in the company*	*Other current positions held during the last financial year (Art. L.225-102-1 of the Commercial Code)*	*Number of shares held in the company*
Jacques BERREBI 66	02/04/2008 06/30/2012	Chairman of the Board of Directors	**Positions held within the French companies in the group**: none **Positions held within the foreign companies in the group**: *Chairman* of Société Tunisienne de Télémarketing, TP Group Inc., Russia Contact Center *Chairman of the Supervisory Board* of TP Indonesia *Director of*: FST (TP Argentina), Citytech, Merkafon de Mexico, Merkafon Management Corp., Merkafon International, SPCC (TP Brazil), Teleperformance CRM, MCCI Multi-Channel Communications Inc., TPUSA, Voice FX, AllianceOne Holdings, TP Nearshore, TP Chile, Telephilippines Inc., Telemarketing Asia Singapore, Hong Kong Asia United CRM (TP Hong Kong), TP China, IMC Marketing (TP Korea), Mauritius Contact Center, service 800 Teleperformance, Iberphone, Plurimarketing, In & Out, Photel, MM Teleperformance Holdings, Teleperformance Nordic, Luxembourg contact center **Positions held outside the group**: *Managing Director* of Bercom-International and Berpress	1,000,900
Michel PESCHARD 59	07/01/2003 06/30/2012	Finance Managing Director	**Positions held within the French companies in the group**: *Chairman and CEO* of Teleperformance Intermédiation (formely. Rochefortaise Santé) *Director of* JRT Participation *Member of the Supervisory Board* of Teleperformance France (formely Rochefortaise Marketing Services and Teleperformance Technical Help), *Member of the Management Board* of Teleperformance Europe Middle East & Africa **Positions held within the foreign companies in the group**: *Director* of Teleperformance Nordic, Luxembourg contact center, Mauritius contact center, GN Research Luxembourg, Société Tunisienne de Télémarketing	22,505
Olivier DOUCE 51	06/17/1996 06/30/2012	Member of the Board of Directors	**Positions held within the French companies in the group**: *Director of* JRT Participation *Member of the Management Board* of Teleperformance Europe Middle East & Africa **Positions held within the foreign companies in the group**: *Chairman of the Supervisory Board* of Lion Teleservices CZ *Member of the Supervisory Board* of Centrum Telemarketingowe Poland, twenty4help Knowledge service AG **Positions held outside the group**: *Chairman* of SAS Angyal *Director* of BCD & Associés *Manager* of Always (EURL), Davic Music, Editions "Coups de soleil", SCGFC Victor Douce, SCI Douce	1,669,980

Other information about the Board members

Additional information required in accordance with point 14.1, Annex I of EC Regulation 809/2004 of April 29, 2004

1. Positions held over the last five years and now expired

Full name	
Jacques BERREBI	**Positions held within the companies in the group**: *Vice Chairman of the Supervisory Board* of Teleperformance *Chairman* of Merkafon USA *Director* of Call Tech communications, Americall Group Inc., Noble Systems, MMCC Solutions Canada, Inverpanamerica, CKAPT (Brazil), SET Belgium, Centrum Inwestycine Poland, TP BT, Design Board, Teleperformance Australia **Positions held outside the group**: *Chairman* of Cimber Création Inc. and Post A Photos LCC *Manager* of Jacdom International Consulting *Managing Director* of MBI and ICB *Director* of Berfilms, I de B
Michel PESCHARD	**Positions held within the companies in the group**: *Director* of : Optimise, Business Fil, Design Board, FCS, Synerfil, Infomobile, SRBV, TechCity solutions France, Teleperformance Technical Help (formely SRMS), groupe Présence +, Teleperformance France *Chairman* of SAS Synerfil Multi Info
Olivier DOUCE	**Positions held within the French companies in the group**: *Director* of FCS, New Way, SRMS *Permanent representative* of: - SRMS in TP Est and TP Nord, - Teleperformance in TP France **Positions held outside the group**: *Director* of Aware, Desirade

2. To the best of the company's knowledge, no member of the Supervisory Board currently in office has indicated to the company that he/she has been found guilty of criminal offence over the past five years, nor been associated with a bankruptcy, subject to receivership or liquidation, and has not been incriminated, subject to an official sanction or disqualification, as provided in point 14.1 of Annex I of EC Regulation 809/2004 of April 29, 2004.

3. The members of the Supervisory Board have not brought to the attention of the company any potential conflicts of interest between their duties to the issuer and their private interests.

4. There are no time restrictions on the sale or transfer of the issuer's stock, with the exception of the bonus shares awarded in 2008 to Mssrs Jacques Berrebi and Michel Peschard, who must hold the same for a period of two years from the date of the awards. This restriction applies to 80,900 shares of Mr. Berrebi's and 13,838 of Mr. Peschard's.

5. There is no service contract linking any member of the Supervisory Board to the company or to any of its subsidiaries, providing for the grant of particular benefits.

6. The members of the Supervisory Board of the company have indicated there was no agreement with a major shareholder, client or supplier of the company pursuant to which they may have been appointed as corporate officers.

7. No assets belonging directly or indirectly to the company's top managers are used in the group's operations.

B2. Operating Rules of the Board of Directors

The members of the Board of Directors are appointed for four years by the Supervisory Board, acting on the basis of prior opinion by the Appointments and Remunerations Committee, and the age limit is set at 70 years old. They may be re-elected. The Board of Directors is currently composed of three members. The Chairman of the Board of Directors represents the company in relations with third parties. The Supervisory Board may grant the same powers of representation to one or more members of the Board of Directors, who shall then bear the title of Managing Director.

The Board of Directors shall meet as often as the interests of the company may require. It shall present a quarterly business report to the Supervisory Board. For verification and control purposes, it shall also submit the parent company and consolidated annual financial statements and, within two months of the close of the first half during the current period, the half-year consolidated financial statements. These presentations are supplemented with management forecasts and explanatory material, as provided in Article L.232-2, paragraph 3 of the French Commercial Code.

The Board of Directors calls all shareholders' General Meetings, determines their agenda and carries out their decisions.

2. Statutory Auditors

A. Terms of Office of the Auditors

Auditors	*Substitutes*	*Initial appointment date*	*Expiry date of current term of office*
KPMG Domaine de Pelus 11 rue Archimède 33692 Bordeaux Mérignac Cedex Tel : +33 5 56 18 81 81	SCP de commissaires aux comptes, Mr. Jean-Claude ANDRE et autres 2bis rue de Villiers 92309 Levallois Perret France	June 25, 1987	2011
MG SOFINTEX, **membre de Deloitte, Touche Tohmatsu** 23 rue de Lille 94701 Maisons-Alfort Tel : +33 1 45 18 33 10	Mr. Joël ASSAYAH 185 av. Charles de Gaulle 92524 Neuilly-sur-Seine France	June 30, 1999	2011

B. Auditors' Fees

The fees received by the auditors and the members of their networks in 2007 and 2008 financial year may be broken down as follows (in thousands of euros):

	KPMG				MG Sofintex, member of Deloitte, Touche Tohmatsu			
	Amount		*%*		*Amount*		*%*	
	2008	*2007*	*2008*	*2007*	*2008*	*2007*	*2008*	*2007*
Audit :								
Audit, certification, review of the parent and consolidated financial statements								
- Issuer (parent company)	434	383	23 %	20 %	253	228	17 %	27 %
- Globally integrated subsidiaries	1,414	1,269	74 %	65 %	587	573	40 %	67 %
Other procedures and services directly related to the auditor's engagement								
- Issuer (parent company))	12	0	1 %	0 %	0	14	0 %	2 %
- Globally integrated subsidiaries	0	252	0 %	13 %	33	10	2 %	1 %
Subtotal I	1,860	1,904	98 %	98 %				
Other services rendered by the network to globally integrated subsidiaries:								
- Legal, tax, employment	25	44	1 %	2 %	35	15	2 %	2 %
- Other	21	0	1 %	0 %	573	12	39 %	1 %
Subtotal	46	44	2 %	2 %	608	27	41 %	3 %
Total	**1,906**	1,948	100 %	100 %	**1,481**	852	100 %	100 %

3. Remuneration of the Board of Directors and Supervisory Board

Executive remuneration is proposed by the Remunerations Committee, then set and authorized by the Supervisory Board.
The shareholders' General Meeting, acting on a proposal of the Supervisory Board, authorizes the amount of directors' fees allocated to the members of the Supervisory Board every year.
The Supervisory Board allocates a portion of these fees to the members of the specialist Committees and the balance to all members. In making this allocation, it takes into consideration the attendance records of the members.

With respect to the remuneration of senior executives, this includes a fixed portion and a variable portion, in keeping with the recommendations of the Afep-Medef report.

Remuneration of Mssrs Jacques Berrebi and Daniel Julien
Given the disparities among the various social benefits programs that apply to the group's executives depending on their geographical location (NAFTA and Europe) and the nature of their emoluments, total gross remuneration is calculated by combining the overall cost to the group, including both direct compensation and employer contributions. This overall envelope includes both a fixed and variable portion.

Based on a proposal by the remuneration Committee, the Supervisory Board adopted procedures for calculating variable remuneration.

The Remunerations Committee laid out for each executive the qualitative and quantitative criteria determining the amount of this yearly variable remuneration.

These criteria reflect the performance achieved by the executives in the operating regions they manage.

The quantitative criteria include operating results in terms of sales and profitability in their respective areas of authority (Europe and NAFTA). They also include value creation as it applies to the whole group, both in terms of profitability (measured as growth in net profit attributable to the group) and of stock performance (change in share price).

The purpose of the qualitative criteria is to measure each executive's performance in implementing the strategic plans for the region they manage. These criteria may measure, for example, the ability to expand existing businesses, to bring off a successful reorganization or to integrate recent acquisitions or new physical locations.

The following sections present the quantitative and qualitative criteria used to determine the variable portion of remuneration for our senior management, with the understanding that following the resignation of Mr. Christophe Allard, operating management of the entire network was assumed by Daniel Julien in February 2008 and that Jacques Berrebi took on responsibility for all the group's corporate functions. The Remunerations Committee therefore considered that the quantitative criteria for Mssrs Julien and Berrebi should refer to the entire scope of consolidation.

Quantitative criteria

These involve reaching the growth objectives in terms of network-wide revenues, EBITDA (excluding foreign exchange effects) and net profit attributable to the group, plus the stock performance. The Appointments and Remunerations Committee found that, aside from the share price, the other measures of growth in revenue, EBITDA and net profit attributable to the group all exceeded the objectives set. The Committee therefore awarded the two executives, who are also corporate officers, the maximum score relating to the quantitative criteria

As for the share price, it seemed to the Committee more appropriate, given the great volatility in the financial markets, to compare the performance of Teleperformance stock with the leading market indexes and the stock performance of our listed competitors.

Research showed that the company's stock in 2008 held up better than that of our chief competitors and also outperformed the various market indexes we looked at.

Consequently the Appointments and Remunerations Committee proposed weighting this quantitative criterion in light of this research. The two executives were awarded a fraction of the score for this criterion.

Qualitative criteria

These involve actions taken by management based on a strategic plan. The actions taken in 2008 have to do with developing our debt collections business in the NAFTA region, pursuing our start-up in China, accomplishing our reorganization in Brazil and unifying our management for the acquisitions completed in the NAFTA region.

The Appointments and Remunerations Committee found that all these actions were carried out successfully and awarded the executives the maximum score.

Each of them therefore received a bonus of € 788,500 (including employer contributions) out of a possible € 830,000.

Remuneration of Mr. Michel Peschard

With regard to Mr. Michel Peschard, who is a member of the Board of Directors and the Finance Managing Director, the criteria for evaluating his performance are specific to his contract as corporate secretary.

The criteria applied in 2008 involved shortening the time to produce the consolidated financial statements, the process begun in 2007 of setting up centralized cash management both for cash pooling and currency hedging, and updating the IFRS accounting guidelines. The Appointments and Remunerations Committee found that Mr. Michel Peschard achieved all the objectives assigned to him.

He was therefore awarded the entire bonus available to him, or € 117,000 of gross compensation.

With regard to fees for the members of the Supervisory Board, the Combined General Meeting of May 29, 2009 will be asked to approve a total of € 145,800 as payments for 2008, of which € 87,000 shall be allocated to the members of specialist Committees. In 2007, the overall sum for Directors' fees allocated to the Supervisory Board amounted to € 150,000, of which € 60,050 was paid to those who served on specialist Committees.

Total gross remuneration and benefits of all kinds (in euros) allocated to each member of the management and supervisory bodies over the past three financial years *by Teleperformance and all companies in which the group has a controlling interest within the meaning of Article L.233-16 of the French Commercial Code (Article L.225-102-1 of the Commercial Code, paragraphs 1, 2 and 3)*

Summary of cash compensation, stock options and shares awarded to each senior executive who is also a corporate officer (in €):

Christophe Allard, *Chairman of the Board of Directors till February 4, 2008*	*period n-1 (2007)*	*period n (2008)*
Remuneration for the reporting period	2,696,804	7,210,700
Value of options granted during the reporting period	none	None
Value of stock incentives awarded during the reporting period	none	None

Daniel Julien, *Chairman of the Supervisory Board*	*period n-1 (2007)*	*period n (2008)*
Remuneration for the reporting period	2,497,500	2,645,115
Value of options granted during the reporting period	none	None
Value of stock incentives awarded during the reporting period	none	None

Jacques Berrebi, *Vice-Chairman of the Supervisory Board then Chairman of the Board of Directors since February 4, 2008*	*exercice n-1 (2007)*	*exercice n (2008)*
Remuneration for the reporting period	1,887,541	1,379,315
Value of options granted during the reporting period	none	None
Value of stock incentives awarded during the reporting period	none	None

Michel Peschard, *member of the Board of Directors and Finance Managing Director since June 3, 2008*	*period n-1 (2007)*	*period n (2008)*
Remuneration for the reporting period	444,680	422,480
Value of options granted during the reporting period	none	None
Value of stock incentives awarded during the reporting period	none	None

Olivier Douce, *member of the Board of Directors*	*period n-1 (2007)*	*period n (2008)*
Remuneration for the reporting period	88 140	90 000
Value of options granted during the reporting period	none	None
Value of stock incentives awarded during the reporting period	none	None

Summary of the compensation of every executive/corporate officer

Christophe Allard	*period n-1 (2007)*		*period n (2008)*	
	due	*paid*	*due*	*Paid*
Fixed remuneration (1)	1,440,000	1,440,000	1,561,163	1,561,163
Variable remuneration (2)	490,000	536,500	none	490,000
Bonus	760,000	none	710,000	1,470,000
Non-compete compensation	none	none	4,922,987	4,922,987
Director's fees	none	none	none	None
Perquisites	6,804	6,804	16,550	16,550

(1) For the 2008 period, remuneration as Chairman of the Board of Directors for the month of January 2008 and under an employment contract for the February 4 - October 31 period (notice contractually provided by his non-compete agreement).
(2) Payments represent variable remuneration based on the prior year.

Daniel Julien	*period n-1 (2007)*		*period n (2008)*	
	due	*paid*	*due*	*paid*
Fixed remuneration (1)	1,851,570	1,851,570	1,749,231	1,749,231
Variable remuneration (1)	638,560	606,452	768,844	643,836
Bonus	none	none	none	none
Fee for chairing the Board			120,000	120,000
Director's fees	7,370	7,370	7,040	7,040
Perquisites	none	none	none	none

(1) Remuneration in USD converted at the average 2008 exchange rate of $1.4635 to the euro.

Jacques Berrebi	period n-1 (2007)		period n (2008)	
	due	paid	due	paid
Fixed remuneration (1)	1,222,461	1,222,461	983,943	983,943
Variable remuneration (1)	638,560	606,452	369,332	643,836
Bonus	none	none	none	none
Director's fees	26,520	26,520	26,040	26,040
Perquisites	none	none	none	none

(1) Remuneration in USD converted at the average 2008 exchange rate of $1.4635 to the euro.

Michel Peschard	period n-1 (2007)		period n (2008)	
	due	paid	due	paid
Fixed remuneration (1)	277,200	281,200	299,000	299,000
Variable remuneration (2) (3)	96,000	94,500	117,000	96,000
Bonus (2) (3)	65,000	none	none	65,000
Director's fees	none	none	none	none
Perquisites	6,480	6,480	6,480	6,480

(1) Including remuneration under his employment contract of € 259,200 in 2007 and € 281,000 in 2008.
(2) Variable remuneration paid under the employment contract.
(3) Payments represent variable remunerations based on the prior year.

Olivier Douce	period n-1 (2007)		period n (2008)	
	due	paid	due	paid
Fixed remuneration	88,140	88,140	90,000	90,000
Variable remuneration	none	none	none	none
Bonus	none	none	none	none
Director's fees	none	none	none	none
Perquisites	none	none	none	none

Table of Directors' fees and other remuneration received by corporate officers who are not also executives:

Corporate officers who are not also executives		period n-1 (2007)	period n (2008)
Martine Dassault	Director's fees	14,120	19,040
Philippe Santini	Director's fees	20,870	26,040
Philippe Ginestie	Director's fees	7,370	7,040
Alain Laguillaumie	Director's fees	6,220	7,040
Bernard Canetti	Director's fees	6,220	5,740
Eric Delorme	Director's fees	16,370	17,040
Daniel Bergstein	Director's fees	9,570	8,940
Philippe Dominati	Director's fees	25,370	26,040
	other fees	90,750	76,800

Subscription or share purchase options granted during the financial year to each officer or director: None

Performance shares granted to each officer or director: None

Subscription or share purchase options exercised during the financial year by each officer or director : None

Bonus shares vesting during the reporting period, listed by corporate officer

	date of the plan	*number of shares vesting during the period*
Daniel Julien	2 August, 2006	84,093
Jacques Berrebi	2 August, 2006	80,900
Christophe Allard	2 August, 2006	79,000
Michel Peschard	2 August, 2006	13,838

Options for subscription or purchase of shares granted to the ten employees excluding corporate officers who have received the most options, and options exercised by such employees

	number of options awarded/vested	*weighted average exercise price*
Options granted in 2008 by the issuer or any company in the group of companies eligible for stock option allocation to the ten employees of the issuer or any other company in the group who have received the most options	none	none
Options issued by the issuer and the aforementioned companies that were exercised in 2008 by the ten employees of the issuer or any other company in the group who have received the most options	163,951	17.34

Bonus shares granted to the ten employees excluding corporate officers who received the most such shares and shares vesting for such employees

	number of shares awarded
Bonus shares awarded in 2008 by the issuer, or any company in the group of companies eligible to award shares, to the ten employees of the issuer or any other company in the group who have received the most shares	4,000
Shares in the issuer and the aforementioned companies that vested during 2008 for the ten employees of the issuer and these companies who received the most shares	150,090

History of options granted to subscribe or purchase shares

Information concerning share purchase or subscription options

	plan n°1	*plan n°2*	*plan n°3*
Date of the Board of Directors' meeting authorizing the plans	06.25.01	06.25.01	06.24.04
Total number of options that may be subscribed (including additional options issued as a result of the capital increase of 11/06/2006)	634,161	254,349	745,250
Including those that may be subscribed by corporate officers	*133,017*	*198,994*	*180,981*
Christophe Allard	*122,375*	*196,865*	*159,689*
Michel Peschard	*10,642*	*2,129*	*21,292*
Start date for exercising options/shares	06.26.05	06.26.05	06.25.08
Expiration date	06.25.07	06.25.07	06.25.09
Adjusted option exercise price	27.6	27.6	17.34
Number of shares subscribed before 12/31/08	293,052	18,421	321,524
Total subscription options canceled or expired	341,109	235,928	222,508
Subscription options outstanding at end of period	-	-	201,218

Apart from the exception mentioned hereafter, none of the individuals listed above had or received:
- a bonus for joining or leaving the company,
- perquisites in payment for their services,
- any supplemental pension plans besides the statutory ones (see following table).

Corporate officers also executives	*Employment contract*	*Supplemental pension plan*	*payments or benefits due or liable to be due upon termination or change of responsibilities*	*payments relating to a non-compete clause*
Jacques Berrebi	No	No	No	Yes
Michel Peschard	Yes	No	Yes	No
Olivier Douce	Yes	No	No	No
Daniel Julien	No	No	No	Yes

The Supervisory Board meeting of March 16, 2006 authorized non-compete agreements for Mssrs. Julien and Berrebi.

These agreements have the following features:

- Nine months' notice by either party in the event of termination of managerial functions within the Teleperformance group,
- Non-compete obligation in the event of termination of managerial functions,
- Non-solicitation obligation prohibiting the hiring of a top executive from the Teleperformance group,
- Limitation of the two obligations (non-compete and non-solicitation) to those countries in which the group is operating at the time of termination of managerial functions,
- Duration of the two obligations (non-compete and non-solicitation) limited to two years, although the Teleperformance group may decide to limit it to one year only,
- A compensating indemnity payment for the first year of the obligations, equal to the total remuneration received in the calendar year preceding the termination of managerial functions, including social charges, less any expenses and withholdings related to the payment of the indemnity; for the second year, the indemnity will be 150 % of the amount paid in the first year,
- The Supervisory Board also authorized a non-compete agreement for Mr. Christophe Allard on March 16, 2006.

Following his departure from the company and the company's decision to set the obligation at two years, Mr. Christophe Allard received € 4,922,987 in application of this agreement.

On March 16, 2006, the Supervisory Board authorized amending the employment contract of Mr. Michel Peschard.

The rider to his employment contract involves the following:

- 12 months' notice by either party in the event of termination of his employment, for any reason,
- In the event of termination by the company, and if the 12-month notice is respected, or reduced by agreement of both parties, an additional redundancy payment will be made in addition to that legally or contractually due, in the amount of the total remuneration received in the year preceding the termination of employment,
- After the age of 60, in the event of termination for any reason whatsoever, and if the 12-month notice is respected, or reduced by agreement of both parties, an additional redundancy payment will be made in addition to that legally or contractual due, in the amount of the total remuneration received in the year preceding the termination of employment.

Teleperformance has created a provision for liability with respect to the commitments made in amending Mr. Michel Peschard's employment contract.
These agreements and amendments were approved by the Ordinary and Extraordinary General Meeting of June 1, 2006.

The Supervisory Board meeting of June 3, 2008, as part of the renewal of Mr. Michel Peschard's term as a member of the Board of Directors, voted to comply with the French TEPA law of August 21, 2007 concerning corporate officers also executives and defined the terms of performance by Mr. Michel Peschard and by the group. These terms were made public in the manner, and within the timeframes, prescribed by the Decree of May 7, 2008.

Mr. Christophe Allard also received a bonus voted by the Supervisory Board pursuant to the recommendation of the Remunerations Committee.

Recommandations of the Afep-Medef report of October 6, 2008

We undertook a study of this report and came to the following conclusions:

1. Stop the practice of abusive severance (« golden parachutes »)

Severance payments made to an executive who is also a corporate officer are not to be made:
- if he or she leaves the company on his or her own initiative to take a new position,
- if he or she changes jobs within the group,
- if he or she will soon be entitled to his or her retirement benefits.

Severance payments shall not exceed two years' remuneration (fixed and variable).
These rules and this ceiling apply to all payments, specifically including any payments made under a non-compete provision.

With regard to payments made to Mssrs. Berrebi and Mr. Julien under their non-compete agreements, we have two comments:

- These agreements provide that the maximum 250 % of total remuneration is due in the event the non-compete period is set at two years, at the company's option should it be in the company's interest;
- With regard to eliminating severance payments in the event of resignation by an executive who is also a corporate officer, the Afep-Medef recommendations appear contrary to the company's best interest in that such a contract is specifically meant to protect the company against client or employee solicitation when an executive leaves voluntarily.

2. Make further restrictions on pension plans

Teleperformance is unaffected by this recom-mendation as no supplemental pension plans are granted to executives who are also corporate officers.

3. Defining additional rules on options for subscription or purchase of shares and equity incentives

These rules shall apply to new plans authorized by the shareholders' meeting, as the Board of Directors has awarded all the shares permitted by previous plans.

4. Report of the Chairman of the Supervisory Board

Pursuant to the provisions of Article L. 225-68, paragraph 7 of the French Commercial Code, I herewith present the following report on:

- The terms and conditions pursuant to which your Supervisory Board prepared and organized its work during the course of the financial year ended on December 31, 2008
- The internal control procedures implemented by the company

This report has been prepared with the support of the Administration and Financial Department on the basis of the reports submitted regarding the assignments carried out by the Audit Committee. The preparation of this report has also been supported by meetings with the company's Top Management team and Auditors. The report was finally examined by the members of the Supervisory Board during their meeting of March 10, 2009.

A. Procedures for Preparing and Organising the Activities of the Supervisory Board

A1. Composition of the Supervisory Board – Membership of "Independent" Members

The Supervisory Board is striving to have half its members independent as defined by the five criteria for independence of the AFEP/MEDEF Report of October 2003.

The independence of each member was reviewed during the meeting of December 11, 2008 following the report of the Appointments and Remunerations Committee of December 10, 2008 based on the written responses of each member with respect to these five criteria.

As of the date of this Annual Report, your Supervisory Board consists of the nine members listed below. If they hold any other position in or out of the Teleperformance Group, this is noted in the Board of Directors' management report, in part A1 of Chapter *Corporate Governance.*

D. Julien	Chairman of the Supervisory Board
M. Dassault	Vice-Chairman (Incumbent) of the Supervisory Board and independent member
P. Dominati	Vice-Chairman (Deputy) of the Supervisory Board
A. Laguillaumie	Member of the Supervisory Board
P. Ginestié	Member of the Supervisory Board
B. Canetti	Independent member of the Supervisory Board
E. Delorme	Independent member of the Supervisory Board
P. Santini	Independent member of the Supervisory Board
D. Bergstein	Independent member of the Supervisory Board

The expiration date of the terms of the nine members of the Board (financial year) is indicated in Chapter 2 *Corporate Governance* of the Annual Report.

In accordance with the AFEP/MEDEF Report of October 2003, the terms of office for the Supervisory Board members was reduced from six years to four at the Shareholders' Meeting of June 1, 2006, without effect on the terms in progress.

A2. Operating Rules of the Supervisory Board – Internal Regulations

The operating rules of the Supervisory Board, and the rights and duties of their members, are described in the Articles of Incorporation.

The Supervisory Board's Internal Regulations were adopted on June 26, 2003 and amended on March 18, 2005, March 11, 2008 and December 11, 2008. A supplement to these regulations was voted on March 11, 2008 setting forth the terms and conditions for videoconferencing and telecommunicating in Supervisory Board meetings.

These internal regulations, which complement the rules appearing in the Articles of Incorporation, are available to the public upon written request directed to the Legal Department at the Company's registered office - 6-8 rue Firmin Gillot – 75015 Paris, France.

All members of the Supervisory Board have been informed of the minimum number of shares in the Company they must own during their term of office under Article 23 of the Articles of Incorporation, as well as:

- Their obligation to convert into registered shares all Company shares held in their name or that of their spouse or minor children; and
- Their duty to declare directly to the French securities regulator (AMF) any transaction involving Teleperformance shares that was carried out either by them or by persons with whom they have close personal ties.

A3. Continuous Oversight over the Board of Directors

The Supervisory Board continually monitors the management of the company by the Board of Directors. It may conduct the verifications and reviews that it deems necessary at any time and may obtain the documents that it deems necessary to fulfil its responsibilities.

As part of this continuous oversight and in accordance with its internal regulations, the Supervisory Board is responsible for:

- issuing opinions, when it so deems appropriate, regarding the strategic choices that are submitted to it (strategic options, annual budgets and any material transactions planned by the Board of Directors that are not provided for in the budget or that fall outside stated strategy);
- issuing *post hoc* opinions on the management decisions of which it becomes aware, in particular, based on the quarterly reports that are submitted to it by the Board of Directors;
- ensuring equality among shareholders;
- presenting its comments at annual ordinary shareholders' meetings on the report of the Board of Directors and the accounts; and
- approving the draft report of the chairman on the activities of the Supervisory Board and internal control.

A4. Contractual Limitation on the Authority of the Board of Directors

As part of transactions that are subject by law to the prior authorisation of the Supervisory Board, the Board of Directors is only authorised to sell real property, to sell all or part of the holdings of the company or to grant security interests to guarantee undertakings assumed by the company itself up to a limit of € 1.5 million per undertaking. If any such undertaking exceeds this limit, it may only be approved by the Board of Directors with the prior authorisation of the Supervisory Board in accordance with Article 28.2 of the articles of association.

Security interests, endorsements and guarantees issued by the company to cover third-party undertakings, in particular, those of a company in the group, may only be granted by the Board of Directors up to the total annual limit of twenty million euros fixed by the Supervisory Board or based on a special authorisation from the Supervisory Board.

Article 15 of the articles of association provides that members of the Board of Directors may be dismissed by the shareholders and by the Supervisory Board.

Article 18 of the articles of association provides that that the chairman and senior managers who are also members of the Board of Directors may be dismissed at any time pursuant to a decision of the Supervisory Board.

A5. 2008 Supervisory Board Meetings

A5/a Holding meetings

Article 27 of the articles of association provides that the Supervisory Board must meet as often as necessary in the best interests of the company. In practice, it meets at least four times per year.

Supervisory Board meetings generally take place at the registered office and last three to four hours.

All members of the Board of Directors regularly attend these meetings to, in particular, submit their accounts and their reports, obtain any necessary authorisations and provide any explanations or information to allow the Supervisory Board to perform its duties of on-going oversight of the Board of Directors' management.

At these meetings the Board of Directors shall also submit any transactions planned or completed in France or abroad as part of the group's development.

The minutes of Supervisory Board meetings are prepared upon adjournment of each meeting and submitted to all Supervisory Board members, the auditors and the members of the Board of Directors.

During 2008, after its 4 February 2008 meeting described in the report of the chairman of the Supervisory Board on the 2007 financial year, the Supervisory Board met four times as described below:

The **board met on 11 March 2008** to address the following:

- Review of the accounts and consolidated accounts for the 2007 financial year based on a report of the audit Committee on the said accounts; review of the documents and draft resolutions to be submitted by the Board of Directors and/or the Supervisory Board at the combined ordinary and extraordinary share-holders' meeting called to meet on 3 June 2008;
- Review of the report of the Board of Directors on the business of the company and the group during the fourth quarter of 2007;
- Review of the provisional management documents and the explanatory report of the Board of Directors;
- Review of the report of the chairman on the activities of the Supervisory Board and internal control;
- An update regarding security interests, endorsements and guarantees authorised and to be authorised;
- Changes to the internal regulations of the Supervisory Board and Committees;
- Appointment of a Managing Director;
- Authorisations to be granted.

The **Supervisory Board met on 3 June 2008** to address the following:

- Re-election of the members of the Board of Directors;
- Allocation of directors' fees;
- Review of the report of the Board of Directors on the business of the company and the group during the first quarter of 2008;
- Various authorisations.

The **board met on 4 September 2008** to address the following:

- Review of the group's half-year consolidated accounts, the quarterly financial report and the updated forecasts for the 2008 financial year;
- Review of the half-year accounting status and the updated 2008 forecasts for the company;
- Review of the report of the Board of Directors on the business of the company and the group during the second quarter of 2008;
- Review of the provisional management documents and explanatory reports of the Board of Directors;
- Authorisations to be granted;
- Update on the developments in current strategic thought.

The **board met on 11 December 2008** to address the following:

- Review of the accounts and consolidated accounts as at 30 September 2008, update of the forecasts as at 31 December 2008, presentation of 2009 forecasts;
- Review of the report on the activities of the audit Committee;
- Review of the report of the Board of Directors on the business of the company and the group during the third quarter of 2008;
- Review of the reports of the remuneration and appointments Committee: remuneration of the members of the Board of Directors, AFEP/MEDEF recommendations;
- Review of the remuneration of the chairman of the Supervisory Board;
- Changes to the internal regulations of the Supervisory Board and the remuneration Committee;
- Update on the activities of the Supervisory Board and the specialised Committees and on the independence criteria applicable to Supervisory Board members;
- Authorisations to be granted.

A5/b Meeting notices and participation of the members of the Supervisory Board and the auditors

The schedule for the annual meetings of the Supervisory Board is provided several months in advance to members of the Supervisory Board, the auditors and members of the Board of Directors.
Further, Supervisory Board members are notified by regular post of each meeting.
The auditors are notified in accordance with Article L.225-238 of the French Commercial Code, by registered letter with acknowledgement of receipt, of meetings of the Supervisory Board called to review

and approve interim and annual accounts. In practice, they are notified by letter, with acknowledgement of receipt, of all meetings of the Supervisory Board.

The average rate of attendance by the members of the Supervisory Board was 94 % at the four aforementioned 2008 meetings. The company's two auditors attended all of those meetings, except on 11 December 2008 when one attended.

A5/c Information for board members

All documents, technical files and information necessary for Supervisory Board members to fulfil their duties are provided prior to each meeting, with the exception of confidential information that is only provided at meetings. This information is contained in a complete file provided to members of the Supervisory Board and the Board of Directors and to the auditors upon entering the meeting, supplemented by information on recent events, in particular, completed or current developments.

In addition to the issues on the agenda, specific information was made available to board members at the following two meetings:

During the 11 March 2008 meeting, four Teleperformance USA managers were invited to each explain their area of expertise: client management and the methods used on the US and NAFTA markets, the technologies used and the security systems implemented, business intelligence, business development, new business and the certifications obtained. These presentations, which were duly documented and followed by question-answer sessions, were valued as a result of their contribution to the awareness of Supervisory Board members of the techniques employed in the group's development.

During the 11 December 2008 meeting, Mr. Daniel, as the TGI CEO responsible for worldwide transactional development, presented a detailed, quantified report on the activities of the group's subsidiaries in all countries, as well as a general assessment of the group's current status.

A5/d Decisions approved by the Supervisory Board

During the financial year just ended, and since the 4 February 2008 meeting described in the previous report of the chairman on the 2007 financial year, the Supervisory Board approved, after review, all accounts and reports presented by the Board of Directors.

Further, the Supervisory Board took the following decisions:

At the 11 March 2008 board meeting:

- Addition to the agenda of the combined ordinary and extraordinary shareholders' meeting called to meet on 3 June 2008 of (i) the renewal for a term of four years of the terms of three members of the Supervisory Board, and (ii) the renewal for a term of 26 months of the delegations of power to be granted to the Board of Directors to increase the company's capital.
- Approval without reservation of the report of the chairman of the Supervisory Board on the activities of the Supervisory Board and internal control during the 2007 financial year.
- Approval of the security interests, endorsements and guarantees issued by the company under the annual overall envelope authorised by the Supervisory Board on 15 March 2007; renewal of this authorisation until the meeting of the board called in 2009 to review the accounts for the 2008 financial year.
- Changes to the internal regulations of the Supervisory Board, the audit Committee and the remuneration and appointments Committee; adoption of provisions supplementing the internal regulations of the Supervisory Board regarding the rules and conditions relating to the use of videoconference and telecommunication resources for its meetings.
- Appointment, based on a proposal from the remuneration and appointments Committee, of Mr. Michel Peschard, member of the Board of Directors, as Managing Director specifically responsible for financial operations, authorised to represent the company in its dealings with third parties.
- Authorisation given to sell the last premises (co-owned offices and parking spaces) owned by the company in Puteaux (92800).
- Authorisation to allocate between the company and its subsidiary, TGI, the total remuneration costs of the two major officers of the group, based on the amount of activity assumed by each of them since 4 February 2008.
- Authorisation given to implement the company's share repurchase programme approved at the 1 June 2007 shareholders' meeting in order to cancel the said shares.

At the 3 June 2008 Supervisory Board meeting:

- Unanimous re-election of three members of the Board of Directors based on a proposal of the remuneration and appointments Committee, with an extension of Mr. Jacques Berrebi's term as chairman and Mr. Peschard as Managing Director, finance.
- Resignation of a member of the audit Committee and appointment of his replacement.
- In accordance with the TEPA Act following the reappointment of Mr. Peschard, authorisation granted as part of "super-regulated" agreements governed by Article L.225-90-1 of the French Commercial Code: analysis and adoption of the proposals of the remuneration Committee on determining the performance conditions of both the group and of Mr. Peschard to allow him to receive the remuneration specified in his employment contract in the event of the termination of his employee functions; authority granted to the Board of Directors to publicise these decisions in accordance with the procedures set out in the Decree of 7 May 2008.
- Authorisations granted as part of agreements regulated by Article L.225-86 of the French Commercial Code on:
  - the in-kind contribution of the business of the company to its subsidiary Teleperformance France, thereby terminating the lease management agreement concluded by those two companies;
  - the assumption of indirect control, through a subsidiary of the subsidiary Luxembourg Contact Center, of 67 % of the equity of a company located in Luxembourg;
  - the transfer by the company to Teleperformance Technical Help of 5 % of the equity in two foreign subsidiaries.
- Other authorisations:
  - Counter guarantee for a foreign subsidiary.
  - Definition of the remuneration rules for security interests and guarantees issued by the company in favour of group subsidiaries.
  - Authorisation given to the Board of Directors to cancel, in August 2008 through a capital reduction, the 100,000 treasury shares purchased by the company based on an 11 March 2008 authorisation of the Supervisory Board.

At the 4 September 2008 Supervisory Board meeting:

- Approval of an internal reorganisation plan of the operational subsidiaries in France and authorisations given, as part of the regulated agreements, for:
  - the prior purchase by the company of the shares held by minority shareholders in certain of these subsidiaries: a member of the Board of Directors and a member of the Supervisory Board who held several shares, followed by;
  - the in-kind contribution of all securities held by the company in the 10 French operational subsidiaries to Teleperformance Technical Help.

At the 11 December 2008 Supervisory Board meeting:

- Review of the report of the remuneration and appointments Committee; approval of the 2008 bonuses granted to senior officers and directors of the group based upon the achievement of their quantitative and qualitative goals; approval of the total costs for all direct and indirect remuneration borne by the group for each of the said persons for 2008 compared to the maximum limits set by the Supervisory Board in December 2007; review of the remuneration of the members of the Board of Directors and Mr. Julien (as TGI CEO) for 2009; approval of the parameters for issuing their 2009 bonuses and determination of the maximum total cost for all types of their remuneration for 2009.
- As of the 2009 financial year, elimination of the compensation and fees granted to Mr. Julien as chairman of the Supervisory Board.
- Review of the report of the remuneration and appointments Committee on the AFEP/MEDEF recommendations relating to remuneration of officers and directors: unanimous approval of the members of the Supervisory Board of the 6 October 2008 AFEP/MEDEF recommendations, subject only to any changes that may be necessary under specific circumstances that will be explained to justify them; authorisation given to publicise this decision by the end of the year.
- Approval of the changes to the internal regulations of the Supervisory Board and the

remuneration and appointments Committee based on the AFEP/MEDEF recommendations.

- Assessment of the independence criteria applicable to members of the Supervisory Board, based on the opinion issued on 10 December 2008 by the remuneration and appointments Committee pursuant to which Mrs. Martine Dassault and Messrs. Philippe Santini, Daniel Bergstein, Bernard Canetti and Eric Delorme are independent Supervisory Board members.
- Postponement until the next board meeting of the analysis of the summary document describing the responses and comments of the Supervisory Board members on the questionnaire that was sent to them on the activities of the Supervisory Board and the specialised Committees.
- Authorisation given to the plan to acquire 100 % of the equity and voting rights of a company located in Florida.
- As part of the regulated agreements, authorisation given to transfer the ownership interests held by the company in two European subsidiaries to another European subsidiary for an internal reorganisation of the central Europe.

A6. Assessment of the Supervisory Board's activities

In accordance with the recommendations of the October 2003 AFEP/MEDEF report, on 10 March 2009 the Supervisory Board allocated an item on its agenda to discussing its operation and that of its specialised Committees based on a document containing a summary of the responses and comments made by the Supervisory Board members on the questionnaire that was sent to them.

This discussion related mainly to the composition of the Supervisory Board, the conduct of its activities and assignments, the type and format of its meetings, the frequency and applicability of the information provided, the relationship of the Supervisory Board with the Board of Directors and the organisation and the operation of the Committees.

A7. Specialised Committees

To fulfil its responsibilities, the Supervisory Board is assisted by two permanent specialised Committees that are assigned to it:

- the audit Committee;
- the remuneration and appointments Committee.

A7/a The audit Committee

As at date of this report, the audit Committee consists of:

Philippe Santini	chairman, independent member
Eric Delorme	independent member
Martine Dassault	independent member
Alain Laguillaumie	member since 3 June 2008 replacing Philippe Dominati, who resigned on the same day

The activities of the audit Committee are formalised in its internal regulations adopted by the Supervisory Board on 26 June 2003, as amended on 18 March 2005 and 11 March 2008.

The audit Committee is responsible for preparing and facilitating the oversight work of the Supervisory Board. In this regard, it reports on its activities to the Supervisory Board, in particular, on those related to:

- the accounts and consolidated accounts; and
- the review of internal control mechanisms within the group.

During 2008, the audit Committee met four times, with all members present. The audit Committee reviewed all subjects requiring special attention, *i.e.*, the following:

- Review of the report of the chairman of the Supervisory Board on the activities of the Supervisory Board and internal control;
- Determination of the schedule for the 2008 internal audit and a detailed review of internal audit work methodology and programmes;
- Review of the 2007 financial year accounts and consolidated accounts, including the group's financial structure;
- Description of their work by the auditors;
- Description of the independence rules applicable to the group's auditors and the procedures implemented to ensure the independence of the auditors;
- Review of the group's consolidated accounts for the first half of 2008;

- Report on the 2008 internal audit assignments and review of the reports' conclusions;

- Update on the work related to the use of the French Financial Markets Authority reference framework and the procedures put into place within the group;
- Update on the work related to currency hedging and cash pooling within the group.

The Committee stated to the Supervisory Board that it had no objection in respect of the subjects reviewed.

A7/b The remuneration and appointments Committee

As at the date of this report, the Committee consists of:

Martine Dassault	chairman, independent member
Philippe Dominati	member
Philippe Santini	independent member
Daniel Bergstein	independent member

The activities of the remuneration and appointments Committee are established in its internal regulations adopted by the Supervisory Board at its 26 June 2003 meeting, as amended on 11 March 2008 and 11 December 2008.

Pursuant to these internal regulations, the remuneration and appointments Committee issues opinions on, *inter alia*, the following:

- All remuneration and benefits of the members of the Board of Directors and senior officers and directors of the group, with a determination of the variable portion of their remuneration by assessing:
  - the definition of the rules for calculating this variable portion; and
  - the annual application of these rules;

- The general policy for granting share purchase and subscription options, bonus shares and performance shares;

- Candidates for membership of the Board of Directors;

- Candidates for membership of the Supervisory Board, their qualifications and whether or not they are "*independent*" based on the aforementioned criteria.

During 2008, the compensation and appointments Committee met three times.
The following subjects were addressed:

- Review of the independence criteria applicable to Supervisory Board members;
- Analysis of whether the officers and directors met the quantitative and qualitative criteria defined in advance for each of them to receive their bonuses for 2008 and a proposal to determine these bonuses.
- Proposal to determine the remuneration of the officers and directors for the 2009 financial year, *i.e.*, their fixed remuneration and the maximum amount of their bonuses, with a determination of the parameters for granting these bonuses;
- Recommendation for the remuneration level within the group for the 2009 financial year;
- Analysis of the 6 October 2008 AFEP/MEDEF recommendations and their application to officers and directors;
- Review of the renewal of the appointment of three outgoing members of the Board of Directors and extension of Mr. Berrebi's term as chairman and Mr. Peschard as Managing Director, finance.
- To ensure that the 1 June 2006 amendment to Mr. Peschard's employment contract complies with the TEPA Act: analysis and proposal to determine the performance conditions to allow him to receive the remuneration specified in the event of the termination of his employee functions.
- Proposal to appoint Mr. Peschard as Managing Director, finance.

A7/c Remuneration of the members of the specialised Committees

The members and chairmen of the audit Committee and the remuneration and appointments Committee receive specific fees the amount of which is determined by the Supervisory Board and which is included in the total envelope granted thereto at the annual shareholders' meeting in accordance with the internal regulations of these Committees.

The Supervisory Board takes into consideration the diligence with which its members attend the meetings of the specialised Committees in granting these specific fees.

A8. Remuneration of Officers and Directors

The total remuneration, including all charges, granted to the four senior officers and directors of the group, *i.e.*, the members of the Board of Directors and Mr. Julien, in particular, as TGI CEO, was approved for 2008 and determined for 2009 in accordance with the aforementioned decisions of the Supervisory Board on 11 December 2008, after an analysis of the report of the remuneration and appointments Committee. This remuneration is specified in Chapter 2 of this reference document in accordance with December 22, 2008, French securities regulator (the AMF) recommendations.

At its 11 December 2008 meeting, the Supervisory Board complied with the 6 October 2008 AFEP/MEDEF recommendations on the remuneration of officers and directors of listed companies, subject only to any changes that may be necessary under specific circumstances that will be explained to justify them. This compliance, included in Chapter 2 of the reference document, was publicised on 29 December 2008.

At its 3 June 2008 meeting, following the same day shareholders' meeting that reappointed Mr. Peschard to the Board of Directors, the Supervisory Board approved as part of the agreements regulated by Article L.225-90-1 of the French Commercial Code, and in accordance with the TEPA Act, the proposals of the remuneration Committee on determining the performance conditions for the group and Mr. Peschard to allow him to receive the remuneration specified in his employment contract in the event of the termination of his employee functions. These performance conditions (which are stated in the paragraph headed *Compliance of the employment contract of a member of the Board of Directors with the 21 August 2007 TEPA Act* in Chapter 4. *Reports and resolutions*, part 6, of the reference document) were publicised on 7 June 2008.

A9. Internal Control Procedures

A9/a System of reference used

The group has used the manual "*Internal Control: a Reference Framework*" developed under the aegis of the French securities regulator (the AMF) as the basis for drafting this section on internal control procedures.
What follows spells out the *General Principles of Internal Control* laid out in the *Reference Framework*, i.e., the definition and the objectives of internal control together with a description of the system and those who operate it.

Mention is also made of how the group has used the *Application Guide* from the *Reference Framework* for its internal control procedures regarding financial and accounting information by setting up a self-assessment system in each subsidiary.

A9/b Definition and objectives of internal control

The group has adopted the definition of internal control that appears in the AMF *Reference Framework*:

Internal control, as defined and implemented at Teleperformance, i.e. the parent company and the companies included in its consolidated financial statements ("the group"), is a system meant to ensure:

- Compliance with legislation and regulations;
- The implementation of the instructions and orientations set by the General Management or the Board of Directors;
- The company's internal processes run smoothly, especially those affecting the protection of the company's assets;
- The reliability of financial data.

Generally, the internal control system contributes to the management of the company's business, to the effectiveness of its operations and to the efficient use of its resources.

By helping to predict and limit the risks of not achieving the objectives that the company has set for itself, the internal control system plays a key role in the management and operation of our various activities.

Nevertheless, internal controls cannot give an absolute guarantee that the company's objectives shall be achieved. They depend primarily on individuals observing the procedures that have been put in place.

A9/c Summary description of the internal control system

A9/c1 The management control environment and the organization

The management control environment is an essential ingredient in our internal control system. It is based on behavior, organizational structure, individuals and procedures.

Teleperformance values

The group's internal control system is based on five core values: *Integrity, Respect, Professionalism, Innovation and Commitment*. These values affect the group's current policies with respect to consolidation and integration.

These values have been communicated to every manager in the group. They make up the key value charter for the group's subsidiaries and are made known to all our employees in 46 countries.

A broad-scale training program will be organized into 2009 in order to keep inculcating these values in our employees.

Organization and responsibilitis

Our operating management is headquartered at US-based Teleperformance group, Inc. (TGI). The objective is to see that the group develops and does so uniformly, with performance regularly and carefully monitored by the Teleperformance Board of Directors and its Supervisory Board.

TGI senior management is responsible for devising and monitoring policies which will enable the group to meet its various objectives, in terms of overall growth, technology decisions, implementation of consistent operating processes throughout all geographical areas, and optimal use of our human resources.

This consolidation and integration policy depends on a matrix management organization, which purpose is to create direct links among geographical areas, business lines, sales forces and support staff.

Human Resources Management

Skills management is a major component of the internal control system, the more so because our business consists in putting *"people at the service of others"*.

Our Human Resources policy at Teleperformance is defined by continually trying for excellence in hiring employees and developing their skills. Teleperformance takes great care to offer specialized training programs at all levels of the company.

Becoming a company that creates value by valuing its employees is one of the group's major objectives. Our aim is to build seniority among our 88,000 employees by offering them a chance to take on added responsibilities in our 248 contact centers and to do so by favoring nationals as far as possible and limiting the number of expatriates.

Based on a broad opinion survey conducted in 2008 among over 39,000 employees in 30 countries, Teleperformance has implemented numerous processes to pass on our key values, improve working conditions and build corporate spirit, while supporting employees' personal and professional development

The information systems

The group's IT Department sets the strategic thrust with respect to tools and information systems related to production at the subsidiary level. The Department sees to it that these information systems are developed to support the group's objectives.

In that connection, it has worldwide responsibility in the group's principal entities for implementing an integrated software suite for managing our services in the contact centers—*the Contact Center Management System*. This implementation, which will continue into 2009, helps to make our operating processes more internally consistent. The IT Department also issues directives concerning operating security and recovery.

Management and industry procedures

The internal control system also depends on the subsidiaries' implementation of the corporate *TOPS (Teleperformance Operational Processes and Standards)*, as well as of international management standards such as *ISO 9001* or telemarketing standards such as *COPC (Customer Operations Performance Centers).*

The standardization and application of these procedures and standards enable us to make our global network more internally consistent, while providing greater control over our operations.

TOPS (Teleperformance Operational Processes and Standards)

The group designed *TOPS* in order to manage our operations uniformly across subsidiaries. The *TOPS* therefore give us better quality control. The *TOPS* were implemented throughout all subsidiaries in 2008. These procedures may make use of the group's integrated software suite for service management *(CCMS).* The *TOPS* provide the group with a reference framework for all its operations.

ISO 9001 : a management standard

The ISO 9000 series standards are applied in those of our subsidiaries that account for a significant portion of the group's revenues.

Changes in the AMF *Internal control reference framework* to make it conform better to ISO 9001 reveal the areas of convergence and complementarity between the two sets of standards. In that light, this ISO standard does a great deal to stabilize the management control environment on which our internal control system is based.

It sets forth what is required in terms of quality management systems. It ensures our ability to meet quality requirements and to improve our clients' satisfaction with us as providers. It is based on a "process approach", which assumes that clear responsibility is set out for the management of key activities.

COPC (Customer Operations Customer Centers): an industry standard

The COPC-2000® standard supplies contact center management teams with the necessary information to improve their operational performance. The COPC certification also provides a model for global performance management linking all business areas of the company. It also ensures operational consistency by meeting the high performance criteria required by the COPC standard.

Since 2004 our company has worked in close collaboration with the Customer Operations Performance Center Inc. (COPC), based in Amherst, New York, and has developed its own in-house team of COPC-certified auditors.

Teleperformance continues to have its inbound call centers annually certified in the Americas and plans to broaden its efforts to obtain certification in Europe by 2010.

A9/c2 Release of information

The group makes certain to release internally all relevant information, whether financial or operating data, that enables everyone to perform their job.

Such corporate information and procedures are sent regularly to all those in charge of the consolidated subsidiaries, via the Intranet, or during international working seminars or presentations. These rules are also brought up at Board meetings. The Managing Directors of the subsidiaries are expected to relay instructions from group Management to their employees.

The Heads of Staff Departments also lead their networks of experts by means of meetings and training sessions.

A9/c3 Risk management system

group management has inventoried the major identifiable risks, both internal and external, that may prevent it from achieving its objectives. The chief risks are presented in the *Risk Factors* section of the Management Report. Particular mention is made of financial risks, business-related risks and others. The steps taken to limit the consequences of these risks are also mentioned under *Risk Factors.*

These steps have been presented to the Audit Committee in documents based on the *Risk Factors* section of the Management Report. These documents list the risks that have been identified and for each, the plans intended to reduce them, whether as a matter of accounting, finance, human resources, technology, sales development or business-related matters. These plans rely upon specific management tools, procedures and people in charge of monitoring these risks. Our analysis of the findings of these management tools results in action plans to monitor the risks identified.

This monitoring process, along with the operating priorities, the strategy and the management controls to be adopted with respect to the analysis of these risks, is reviewed with all Teleperformance Managing Directors, meeting together as a group or at the time of Board meetings or executive Committee meetings.

group Management pays particular attention to the development and dissemination of these management tools. They enable the group and each subsidiary to take the necessary steps to run our operations smoothly and to prevent risks, with regard to the rules that define Teleperformance objectives and strategy.

In addition, a formal analysis of the main accounting and financial procedures concerning the subsidiaries' processes which underlie the group's principal financial statements was undertaken and presented to the Audit Committee. These procedures cover the main risks identified as liable to affect the way we construct the published financial and accounting information. This formal analysis relies on the self-assessment system implemented by each subsidiary as described in paragraph *B4/e1*.

A9/c4 Management control activities

Over the last six years the group's revenues have gone from € 900 million to € 1.8 billion and its workforce from 30,000 to about 88,000 employees. This growth occurred both through organic and external growth.

The management control process, which is designed to see that the necessary steps are taken to limit the risks liable to affect the achievement of our objectives, is developed by group Management, using centralized procedures, and by local management, using decentralized procedures.

Centralized procedures

The internal control procedures centralized at headquarters level cover areas common to all the companies within the group. These procedures involve finance, legal, IT and sales activities.

Financial procedures

The financial procedures related to the preparation of financial data are detailed in a specific section hereinafter.

The group's policy for managing foreign exchange and interest rate risks, and which is meant to limit these risks, preserve sales margins and control financial expense, is presented in the *Risk Factors* section.

Legal procedures

The group's Legal Department has for several years implemented a monitoring system for the brands used and registered by the companies within the group, and in particular a system for a worldwide monitoring of the corporate name and brand "Teleperformance" and its logo.

A procedure defining the powers of the Managing Directors of subsidiaries to commit them legally vis-à-vis third parties has been implemented under the supervision of the French and International Legal Departments and the group's top management.

In order to reduce the exposure to legal risks inherent in contracts, the group has also defined the principles for drafting certain clauses which present a specific risk related to the business activity, and also for drafting responses to requests for proposals. Any departure from these rules requires specific approval.

IT procedures

In the technology area, the group has entered into partnerships with the major providers of data security solutions. Procedures for monitoring agents, workstations, and supervisory personnel strictly limiting fraud and combating security failures have been gradually installed in the group.

For its North American operations, the group's information security policy is based on compliance with ISO 17799 and the ITIL concepts *(Information Technology Infrastructure Library)* for the sake of offering our clients the best IT service we can.

The ISO international security standard makes it possible to implement additional controls in order to comply with each business segment's regulations, such as the American HIPAA *(Health Insurance Portability and Accountability Act)*, which requires every participant in the US healthcare sector to protect patient information.

As a normal part of operations, Teleperformance systematically aims to obtain any certifications recommended by its clients. Such certifications, and in particular those obtained in the United States, Brazil, Canada and in Mexico for payment services *(PCI – Payment Card Industry –* certification*)*, betoken the company's observance of strict control procedures intended to guarantee continual compliance with security and/or quality standards and processes.

Sales procedures

To manage its sales processes, Teleperformance has created a set of best practices to follow in order to standardize our approach when managing requests for proposals. Key international RFPs are handled directly by specialized staff based in Paris and Miami.

Decentralized procedures

Local internal control procedures are decentralized at the individual subsidiary level, where the management team is responsible for their implementation to prevent risks and comply with local legislation in force.

The work is approved at each subsidiary's Board meetings, where the measures to be taken are put into an action plan, to ensure that operations run properly, not forgetting each country's employment legislation or human and social factors.

A9/c5 Oversight of the internal control system

Group senior management and local senior management

Operating management, group support staff and local senior management are all involved in overseeing the internal control system so that it remains appropriate and sufficient to the group's objectives.

This oversight is part of their ongoing responsibilities. It includes regular reviews on the part of management and supervisory personnel. This oversight is supplemented by active survey of the regional best practices, which the group systematically identifies and tries to implement throughout its global network.
The oversight also makes use of our network of support services experts, and specific research that may have been undertaken by group Management.

The role of internal auditing

In 2008, 17 audit assignments were carried out in the subsidiaries of the group by the Paris and Miami audit teams. These audits focused primarily on the control procedures implemented at the local level.
As part of its assignments, the Internal Audit Department draws up action plans aimed at effecting permanent improvements in the internal control processes in collaboration with local management and under the supervision of group Management.

***A9/d* The parties involved in internal control**

The main parties involved in the management of the internal control system are:

- The Board of Directors and the Supervisory Board
- The Specialist Committees
- Headquarters, regional and local senior management
- The Internal Audit Department.

A9/d1 The Board of Directors and the Supervisory Board

Teleperformance is a public limited company governed by a Board of Directors and a Supervisory Board. This dual system promotes a clear separation of tasks between the management functions of the company, which are assumed by the Board of Directors, and the control function, which is performed by the Supervisory Board.

These two bodies closely follow the performance of the group on a regular basis, and consider all types of risks relating to our activity, whether commercial, operational, legal or corporate.

A9/d2 Headquarters, regional and local senior management

Executive management establishes policies and procedures that enable us to achieve the various goals pursued by the group and the control procedures that enable us to make sure that these internal rules are followed, together with all the rules governing the group's business and corporate activities.

A9/d3 Specialist Committees

The Specialist Committees' role is to prepare and facilitate the control work carried out by the Supervisory Board.

In this respect, the Audit Committee reports to the Supervisory Board, especially on its work related to the consolidated and parent company financial statements and to its review of the group internal control system.

Each year, this Committee undertakes an examination of the program and its objectives, as well as of the general conclusions of the Internal Audit assignments. Then the Committee prepares a memorandum for the Supervisory Board of the points raised during its meetings.

As for the Appointments and Remunerations Committee, it primarily issues opinions on the calculation of remunerations and perquisites allocated to the members of the Board of Directors and the main Managing Directors of the group subsidiaries.

A9/d4 The internal Audit Department

The Internal Audit Department was set up in 2003. This Department reports in a line relationship to a member of the Board of Directors, and in a staff relationship to the Audit Committee.

The operating rules of the Internal Audit Department were defined in its *Charter,* which refers in turn to the IFACI (French Audit and Internal Control Institute) professional standards. This *Charter* and the internal audit policy of the group set out our internal audit guidelines and how the main organizational units involved in monitoring the group's internal control system shall work.

The Internal Audit Department carries out the missions included in the yearly planning cycle established by group Management and reviewed by the Audit Committee. The summary report on the accomplishment and findings of the assignments together with the stage of completion of action plans are presented to the Audit Committee and shared with the independent auditors.

A9/e Description of the internal control system for the preparation and processing of accounting and financial information

This section derives from the Application Guide for Internal Control on Accounting and Financial Information Published by Issuers, taken from the AMF Reference Framework.

The section explains how this Application Guide was used, before proceeding to the definition and objectives of internal accounting and financial controls and a description of our two main processes.

A9/e1 Use of the Application Guide

The group used the *Application Guide* to review our internal control procedures for financial and accounting information by setting up a self-assessment system in each subsidiary.

To do this, the group included the *AMF Reference Framework* in its reference documents and disseminated it to the group's Managing Directors and Chief Financial Officers in a summary booklet. In 2008, the group devoted seminars, working meetings and newsletters to the *Reference Framework* in order to make sure that it was well understood and put to use by the group.

Self-assessment questionnaires from the *Guide* were also drawn up. They were sent around to all group Managing Directors and CFOs. The action plans decided on after these questionnaires were reviewed were then monitored by the Internal Audit Department. This work was presented to the Audit Committee. The responses from the main subsidiaries were also looked over by the local independent auditors.

These questionnaires have enabled every subsidiary to review their internal control procedures for financial and accounting information and thus to prepare letters of representation signed by the group's Managing Directors, in which there is a paragraph about using this *Reference Framework* in their subsidiary.

By using the *Application Guide* the group has aimed to further train employees in this regard and therefore the continued standardization and improvement of our processes, through an emphasis on documentation.

A9/e2 Definition, objectives and scope

The group has adopted the definition of accounting and financial internal control that appears in the *Application Guide* of the AMF *Reference Framework*:

A major element of a company's internal control is its accounting and financial control. It relates to all production and communication processes of a company's accounting and financial information, resulting in the production of reliable information in compliance with legal and regulatory requirements.

Its purpose is to ensure:

- The compliance of published accounting and financial information with applicable rules;

- The application of the instructions and orientations set by the General Management or the Board of Directors in connection with such information;
- The protection of assets;
- The prevention and detection of fraud and accounting and financial irregularities, to the extent possible;
- The reliability of information communicated and used internally for the purpose of management or control to the extent that it relates to the production of published accounting and financial information;
- The reliability of published financial statements and other information communicated to the market.

In the context of the production of consolidated financial statements, the scope of internal accounting and financial control covers the parent company and those companies included in the consolidated accounts ("the group").

A9/e3 Management processes in the accounting and financial organization

Organization and responsibilities

Under the supervision of the group Finance Department, the group's accounting and financial organization is managed by the Finance Department staff, in the following areas: Accounting, Treasury, Consolidation and Reporting. They are supported by the Internal Audit Department to uphold the quality of our internal controls on published accounting and financial information.
Preparation of the group's consolidated financial statements is the responsibility of the group Finance Department, who relies on the regional and subsidiary Chief Financial Officers. The latter are charged, along with their Managing Directors, with putting in place a financial organization in line with the group's best practices and capable of ensuring the reliability and uniformity of the accounting and financial data that enter into the parent company's published financial statements.

The processing and centralization of cash flows, together with hedging foreign exchange and interest rate risks, is provided by the group Treasury Department. This function, created at the start of 2008, as well the tools for managing these risks, have been gradually put in place till the entire network is now covered.

Accounting standards

The group's accounting standards comply with the IFRSs issued by the IASB and adopted by the European Union as of the balance sheet date, and this has been the basis of our accounting since 2005.

Since that time, the definitions and accounting principles, which are accessible on the group's consolidation and management system, have been conveyed and explained to the CFOs of the subsidiaries to make sure that they are applied consistently and that financial information is in compliance with these standards. Application of IFRSs is mandatory for all consolidated subsidiaries.

The group Finance Department, with the help of the independent auditors, keeps itself informed of new IFRSs under development, in order to alert top Management and anticipate their impact on the group's financial statements.

The information system

The consolidation of accounting data, monthly reports and budgets are managed on a single IT system, one well-known in the market and used by other listed companies.

It was installed during the change-over to IFRS. Since then it has been adapted to meet the group's changing needs. All group subsidiaries use this system.

In terms of controls, the objectives of the consolidation and management system are as follows:

- Automatically monitor the consistency of the financial data submitted by the subsidiaries;
- Faster and more accurate processing of collected information;
- Increase the degree of homogenization via formatted submission and retrieval tables.

A management tool

The information system makes it possible to prepare detailed monthly financial reports using a group-wide template. It also enables us to analyze precisely how funds are flowing and how performance is proceeding in comparison to budget.

This monthly reporting procedure is meant to supply senior management with a detailed analysis of the changes over time in the business, specific key indicators, and allows them to measure the effectiveness of the organizations in place.

Forecasts are reviewed on a monthly basis to ensure that objectives have been achieved. The monthly budget is a control tool for checking and analyzing monthly performance, so that any corrective measures needed may be taken.

The Audit Committee

The Audit Committee is kept informed about the group's internal control system. It examines all matters requiring particular attention, and especially the preparation of the consolidated financial statements and the work carried out by the Internal Audit Department and other staff.

It is made aware of any changes in accounting methods and alternatives adopted by the company, which may have a significant effect on the financial statements.

The topics examined during the four meetings of the Audit Committee in 2008 are described in the section on the work carried out by the Supervisory Board.

The statutory auditors

The statutory auditors of the parent company carry out a limited review on the consolidated financial statements at 30 June and certify the parent company and consolidated financial statement at 31 December.

The independent auditors took part in all Audit Committee meetings. They presented the Audit Committee with their conclusions regarding the financial statements, and on this occasion also reported on the key points raised during the auditing process.

The independent auditors, as part of their mission, prepare management letters on the procedures and the financial statements, which are followed up at the Board meetings of the subsidiaries. Board meetings are also attended by members of the group's senior management.

A9/e4 Process of preparing the accounting and financial information

The closing of accounts

The process of closing the group's accounts involves checks at every stage up the reporting ladder and the processing of the data on a schedule set by the managing Finance Director and communicated to all subsidiaries.

The information forwarded by the subsidiaries is inspected by the Headquarters consolidation staff, who eliminate internal transactions, test for consistency and check the items that pose the greatest uncertainty or risk.

The financial statements are consolidated at group level, without any intermediate consolidation stage. The group's Finance Department therefore has sole authority to make consolidation accounting entries.

The published consolidated financial statements are prepared by the Finance Department on the basis of the subsidiaries' audited financial statements. All statements submitted by the subsidiaries are subject to a limited examination at the half-yearly closing and an audit at the yearly closing.

The main accounting options and estimates used by the group are discussed with the auditors before the financial statements can be finalized.

Finalization of the financial statements

In addition, the subsidiaries' Managing Directors give group Management a formal undertaking, expressed in a letter of representation, that their financial statements present a true and fair view, that no fraud has been detected, and that all legal and regulatory provisions have been complied with.

Finally, the consolidated financial statements are presented by the Managing Director Finances to the Audit Committee, which examines them in preparation for the meetings and deliberations of the Board of Directors, which finalizes them, and of the Supervisory Board, which examines them.

Financial communications

The group communicates financial information according to a publication schedule and via news updates on the group.

The Managing Director Finances sees that all information is provided in accordance with the requirements of the securities regulator, within the legal time frames and under the conditions stipulated by law and regulations in force.

A10. Outlook

In so doing and as part of our current consolidation and integration policy, the group strives to implement the best practices, as defined by the group or the industry, in the different countries where we operate, so that we may continue to standardize and strengthen our internal control system.

5. Statutory auditors' report

on the report prepared by the President of the Supervisory Board of Teleperformance S.A. on the internal control procedures relating to the preparation and processing of accounting and financial information (art. L. 225-235 of the French Commercial Law)

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 users.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Teleperformance S.A., and in accordance with article L.225-235 of the Commercial Law, we hereby report on the report prepared by the President of the Supervisory Board of your company in accordance with article L.225-68 of the Commercial Law for the year ended 31 December 2008.
It is the responsibility of the President to describe in his report, for presentation to and approval of the Supervisory Board, the internal control and risk management procedures implemented by the company, and the other information under art. L.225-68 of the Commercial Law particularly in respect of the corporate governance system.
It is our responsibility to report to you on the information contained in the President's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information, and to certify that the report contains the other information under art. L.225-68 of the Commercial Law, without it being our responsibility to verify the fairness of such information.
We conducted our work in accordance with French professional standards.

Information concerning the internal control procedures relating to the preparation and processing of the accounting and financial information

French professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the President's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- Obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the President's report is based, and of the relevant documentation
- Obtaining an understanding of the work involved in the preparation of this information and of the relevant documentation
- Determining whether significant weaknesses, if any in the internal control procedures relating to the preparation and processing of the accounting and financial information that we noted in the course of our engagement are properly disclosed in the Chairman's report

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the President of the Supervisory Board in accordance with article L.225-68 of the Commercial Law.

Other Information

We certify that the report of the President of the Supervisory Board contains the other information under art. L.225-68 of the Commercial Law.

Mérignac and Maisons Alfort, 6 April 2009

KPMG Audit *Division of KPMG S.A.*	MG Sofintex *Member of Deloitte Touche Tohmatsu*
Eric Junières Partner	Pierre Marque, Laurent Odobez Partners

6. Workforce, Employee Share Ownership, Share Options

A. Workforce

Distribution of workforce by category at December 31

Information related to the workforce is shown in Chapter 4. *Reports and resolutions submitted to the Combined General Meeting of May 29, 2009.*

Employee share ownership

Employee share ownership agreements: None

Participation au capital des organes de direction et de surveillance

At March 11, 2009, on the basis of the declarations made under the interested parties and of the share register listing the registered shares, the members of the Board of Directors and the Supervisorory Board held 2,952,390 shares, representing 5.24 % of the share capital and 8.35 % of the voting rights.

B. Share Options

B1. In the Company

On 10 March 2009, the number of securities that might be issued reached 228,618 shares, including:

- 201,218 share subscription options from the stock options plan granted to employees and officers and directors of the group on 24 June 2004, including 21,292 options granted to Mr. Peschard, a member of the Board of Directors.
  The options may be exercised until 24 June 2009, inclusive.
- 23,400 ordinary shares to be issued to beneficiaries designated by name by the Board of Directors on 3 May 2007 from among the employees and officers and directors of certain foreign affiliates.
- 4,000 ordinary shares to be issued to beneficiaries designated by name by the Board of Directors on 10 January 2008 from among the employees and officers and directors of certain foreign affiliates.

Options for subscription or purchase of shares granted to each corporate officer, and options exercised by corporate officers	*Number of options allocated/shares subscribed or purchased*
Options allocated to corporate officers during 2008	None
Options exercised by corporate officers during 2008	None

Options for subscription or purchase of shares granted to the ten employees excluding corporate officers who have received the most options, and options exercised by such employees	*Number of options allocated/subscribed*
Options granted in 2008 by the issuer or any company in the group of companies eligible for stock option allocation to the ten employees of the issuer or any other company in the group who have received the most options	None
Options to purchase shares of the issuer and the aforementioned companies that are exercised during the 2008 financial year held by the ten employees (of the issuer and these companies) who hold the most options	163,951

B2. Share Option Plans Set up by Companies under Majority Control

There is no share option plan set up by companies in which Teleperformance has a controling interest.

3. Shareholding

1. Breakdown of Share Capital and Voting Rights

A. Change in the Breakdown of Share Capital and Voting Rights

The table below specifies the breakdown of the share capital and voting rights over the last three years:

Shareholders	At March 13, 2007			At March 11,2008			At March 10, 2009				
	Outstanding shares			*Outstanding shares*			*Outstanding shares*			*Base diluée*	
	number of shares	*% of capital*	*% of voting rights*	*number of shares*	*% of capital*	*% of voting rights*	*number of shares*	*% of capital*	*% of voting rights*	*% of capital*	*% of voting rights*
Mr. Jacques BERREBI	920,000	1.67	2.41	920,000	1.66	2.41	1,000,900	1.78	2.50	1.77	2.49
Mr. Olivier DOUCE	1,989,980	3.61	5.69	1,914,980	3.46	5.57	1,669,980	2.96	4.84	2.95	4.82
Mr. Daniel JULIEN	574,221	1.04	1.49	574,221	1.04	1.49	658,314	1.17	1.60	1.16	1.60
GIM Dassault *	2,632,901	4.78	7.13	2,830,441	5.11	7.46	2,897,541	5.14	7.44	5.12	7.41
Ms Sylvie DOUCE	670,236	1.22	1.14	670,236	1.21	1.14	670,236	1.19	1.12	1.18	1.11
Other registered shareholders with double voting rights	163,471	0.30	0.55	181,678	0.33	0.61	141,296	0.25	0.47	0.25	0.47
Other registered shareholders with ordinary voting rights	52,231	0.09	0.09	38,728	0.07	0.07	690,951	1.23	1.15	1.62	1.52
Other shareholders	48,099,700	87.29	81.50	48,253,227	87.12	81.25	48,653,629	86.28	80.88	85.95	80.58
Total	55,102,740	100	100	55,383,511	100	100	56,382,847	100	100	100	100

** A financial and property holding company located at 9, rond point des Champs Elysées, Paris, France*

As of March 10, 2009, the members the Board of Directors and Supervisory Board held altogether 6.01 % of the share capital and 9.08 % of the voting rights. To date, the company holds 78,500 of treasury shares under a liquidity agreement. To the company's knowledge, the employees of the group who are not corporate officers of Teleperformance hold at today's date 531,177 registered shares, primarily representing options exercised under stock option plans and bonus shares.

None of these shares is in a fund managed under a company savings plan.

There are no shareholders' agreements, or agreements of any nature whatsoever, that have been declared to the French securities regulator, including agreements stemming from the French Dutreil Law.

To the best of the company's knowledge and belief, no agreement exists the exercise of which could, at a date subsequent to the approval of this document, alter the control of the company.

Each share of the company gives one voting right, except where, under the shareholding terms and conditions as provided by the Articles of Incorporation, any specific share confers on its holder a double voting right.

The main shareholders do not have voting rights which are different from any other shareholder's.

The conditions on which double voting rights are granted are described in detail in Chapter 1, part 3. *General Information.*

B. Major Changes in the Breakdown of Share Capital over the Last Three Years

The company was informed of the following changes:

On January 5, 2006, **Mr. Jacques Berrebi and Mr. Daniel Julien** sold a block of 2 million shares, representing 5.7 % of Teleperformance share capital through a private placement.

The **BNP Paribas Group** gradually sold its interest in Teleperformance between January 5 and March 1, 2006. On the latter date, the group held only 0.12 % of the share capital and 0.11 % of the voting rights in Teleperformance.

As part of the cash capital increase completed on November 3, 2006, **Mr. Jacques Berrebi and GIM Dassault Group** exercised part or all of the pre-emptive rights attached to their shares:

- Mr. Jacques Berrebi subscribed for 33,307 new shares at € 22 each,
- GIM Dassault Group subscribed for 764,769 new shares at € 22 each.

Mr. Olivier Douce sold 50,000 shares between November 30 and December 12, 2007 for a total of € 1,313,523.60, representing an average selling price of € 26.27 per share.

Mr. Olivier Douce sold 25,000 shares between February 8 and February 25, 2008 for a total of € 539,340.50, representing an average selling price of € 21.57 per share.

Mr. Olivier Douce sold 245,000 shares between March 26, 2008 and February 6, 2009 for a total of € 5,782,593.50 representing an average selling price of € 23.6024 per share.

Finally, during the 2008 financial year, 80,900 bonus shares were granted to Mr. Berrebi and 84,093 bonus shares were granted to Mr. Julien in their capacity as officers or directors of the US subsidiary Teleperformance Group Inc. (TGI).

C. Crossing Thresholds

The company was informed that the following thressholds were crossed:

During 2006 :

Oddo and Cie, on January 11, 2006: the 5 % threshold for capital stock was crossed upward following the purchase of 195,000 shares under a placement operation carried out on January 5, 2006.
Oddo & Cie reported on this occasion that it held 1,836,060 shares on the date of this transaction, representing 5.2 % of the share capital and 4.22 % of the voting rights.

Mr. Jacques Berrebi, on January 10, 2006: the 5 % threshold for capital stock and for voting rights was crossed downward following the sale of 1,200,000 shares under a placement operation carried out on January 5, 2006.
Mr. Jacques Berrebi reported on this occasion that he held 966,693 shares on the date of this transaction, representing 2.74 % of the share capital and 2.22 % of the voting rights.

Mr. Daniel Julien, on January 10, 2006: the 5 % threshold for voting rights was crossed downward following the sale of 800,000 shares under a placement operation carried out on January 5, 2006.
Mr. Daniel Julien reported on this occasion that he held 574,221 shares on the date of this transaction, representing 1.63 % of the share capital and 2.02 % of the voting rights.

BNP Paribas Group, on January 13, 2006: the 15 % threshold for voting rights was crossed downward following a sale of shares on January 5, 2006.
The BNP Paribas Group reported on this occasion that it held 3,271,371 shares in total on the date of this transaction, representing 9.26 % of the share capital and 14.82 % of the voting rights.

BNP Paribas Group, on 31 January, 2006: the 10 % threshold for voting rights was crossed downward by its subsidiary, Société Centrale d'Investissement, following a sale of shares on January 24, 2006.

The BNP Paribas Group reported on this occasion that it held 2,808,761 shares in total on the date of this transaction, representing 7.95 % of the share capital and 12.71 % of the voting rights.

BNP Paribas Group, on February 9, 2006: the 5 % threshold for capital stock was crossed downward by its subsidiary, Société Centrale d'Investissement, following a sale of shares on February 3, 2006.
The BNP Paribas Group reported on this occasion that it held 2,413,087 shares in total on the date of this transaction, representing 6.83 % of the share capital and 10.88 % of the voting rights.

BNP Paribas Group, on February 15, 2006: the 10 % threshold for voting rights was crossed downward by its subsidiary, Société Centrale d'Investissement, following a sale of shares on February 9, 2006.
The BNP Paribas Group reported on this occasion that it held 1,989,204 shares in total on the date of this transaction, representing 5.63 % of the share capital and 8.93 % of the voting rights.

BNP Paribas Group, on February 23, 2006: the 5 % threshold for capital stock and voting rights was crossed downward by its subsidiary, Société Centrale d'Investissement, following a sale of shares on February 17, 2006.
The BNP Paribas Group reported on this occasion that it held 1,712,718 shares in total on the date of this transaction, representing 4.68 % of the share capital and 7.68 % of the voting rights.

BNP Paribas Group, on March 8, 2006: the 5 % threshold for voting rights was crossed downward following a sale of shares on March 1, 2006.
The BNP Paribas Group reported on this occasion that it held 43,826 shares in total on the date of this transaction, representing 0.12 % of the share capital and 0.11 % of the voting rights.

Groupe industriel Marcel Dassault, on November 6, 2006: the 10 % threshold for voting rights was crossed downward following a cash capital increase.
GIM Dassault reported on this occasion that it held 3,059,077 shares in total on the date of this transaction, representing 6.50 % of the share capital and 9.08 % of the voting rights.

During 2007

Groupe Industriel Marcel Dassault, on February 23, 2007: the 5 % threshold for capital stock was crossed downward following the capital increase resulting from the OCEANE bond conversion on February 14, 2007.
GIM Dassault reported on this occasion that it held 2,632,901 shares in total on the date of this transaction, representing 4.78 % of the share capital and 7.13 % of the voting rights.

Mr. Olivier Douce, on April 4, 2007: the 5 % threshold for capital stock was crossed downward for adjustment purposes as a result of the capital increase completed through the OCEANE bond conversion on February 14, 2007.
Mr. Olivier Douce reported on this occasion that he held 1,989,980 shares in total on the date of this transaction, representing 3.61 % of the share capital and 5.69 % of the voting rights.

Oddo & Cie, on April 17, 2007: for regularization purposes, the 5 % threshold for capital stock was crossed downward as a result of the capital increase completed on November 6, 2006.
Oddo & Cie reported on this occasion that it held 2,246,949 shares on the date of this transaction, representing 4.08 % of the share capital and 3.81 % of the voting rights.

Groupe Industriel Marcel Dassault, on December 21, 2007: the 5 % threshold for capital stock was crossed upward following the purchase of shares on the market.
GIM Dassault reported on this occasion that it held 2,794,938 shares in total on the date of this transaction, representing 5.05 % of the share capital and 7.36 % of the voting rights.

During 2008

The company has not been informed of any threshold crossing, upward or downward, during the 2008 financial year.

During 2009

Mr. Olivier Douce, on March 25, 2009, for regularization purposes, the 5 % threshold for voting rights was crossed downward.

2. Description of the Share Buy-Back Program

The shareholders' General Meeting of June 3, 2008, after having read the Board of Directors' report, resolved in its Thirteenth Resolution that the company may purchase its own shares for the purpose of:

- Canceling all or a portion of such shares, up to 10 % of the total number of shares per 24-month period, in accordance with the authorization granted for 26 months to the Board of Directors pursuant to the Fourteenth Resolution of the same shareholders' meeting,
- Implementing or honoring share option plans or other share allotments (specifically, purchase options or bonus share awards) for the benefit of employees and corporate officers of the group,
- Implementing obligations in connection with the issue of securities convertible into shares,
- Retaining shares for the purpose of allotting them at a later date in payment or exchange, as part of an external growth strategy,
- Authorizing an independent investment services company to handle the company's stock under a liquidity agreement that complies with a code of conduct recognized by the French securities regulator.

The terms and conditions of the buy-back program are based on the following characteristics:

- The maximum purchase price per share is set at € 40.00, exclusive of charges;
- The maximum funds allocated by the company to this share buy-back program may not exceed € 221,534,040 ;
- The maximum number of shares that may be repurchased may not at any time exceed 10 % of the total number of shares comprising the share capital;
- The number of shares that may be purchased by the company with a view toward retaining them and allotting them at a later date in payment or exchange under a merger, split-off or capital contribution transaction may not exceed 5 % of the shares comprising the share capital;
- The maximum number of shares that may be held by the company at any given time may not exceed 10 % of the total number of shares comprising the share capital.

The shareholders' General Meeting of June 3, 2008 set the effective period of such authorization at 18 months, that is, until December 2, 2009.

A. Description of the Current Buy-back Program in Progress

The company traded on the public market during FY2008 under a liquidity agreement with Oddo Corporate Finance taking effect January 8, 2007. This agreement complies with the Code of Conduct established by the AFEI (French Association of Investment Firms) and approved by the French securities regulator.

The resources allocated to the liquidity account include € 2 million cash and the 1,500 shares from an earlier buy-back program predating the liquidity agreement.

Summary Report Table

Declaration by the issuer for transactions carried out from June 3, 2008 to March 10, 2009 under the share buy-back program in progress in connection with the liquidity agreement in effect since January 8, 2007 with Oddo Corporate Finance, as well as the repurchase of shares for canceling.

At March 10, 2009

Percentage of direct or indirect treasury shares	0.14 %
Number of shares cancelled over the last 24 months	100,000
Number of treasury shares in stock portfolio	78,500
Number of treasury shares at program start	127,496
Number of shares bought since program start	1,735,039
Number of shares sold since program start	1,675,539
Book value of stock portfolio	€ 1,730,380.81
Market value of stock portfolio	€ 1,664,200.00

The above-declared transactions include the cancelation of 100,000 shares bought back for the purpose of cancelation and acquired between March 14 and March 21, 2008 at an average price of € 21.59, for a total of € 2,159,320.50.

This cancelation was voted on by the Board of Directors on August 4, 2008 pursuant to decisions of the Supervisory Board on March 11, 2008.

B. Description of the New Buy-back Program under Articles 241-1 et seq. of the General Regulations of the French Securities Regulator (AMF)

B1. Objectives of the Share Buy-back Program

A proposal will be made to the Combined General Meeting of May 29, 2009 to renew the share buy-back program for another 18 more months, to meet the same objectives as the previous program.

The terms and conditions of the buy-back program are the same, except for the maximum amount of funds the company can devote to the repurchase of its own shares, which may not exceed € 168,913,500.

B2. Legal Framework

The implementation of said program, which falls within the legislative scope created by Law No. 98-546 of July 2, 1998 setting forth various economic and financial provisions and under provisions of European Regulation No. 2273/2003 setting forth the terms of application for European Directive No. 2003/6/CE of January 28, 2003, is subject to approval by the shareholders' General Meeting of May 29, 2009 as expressed in the following resolutions:

B2/a1 Resolutions of the Ordinary General Meeting

Fourteenth Resolution: Authorization to engage in transactions involving company shares

The shareholders' General Meeting, acting in accordance with quorum and majority requirements for an Ordinary General Meeting, having read the Board of Directors' report, and pursuant to Articles L.225-209 et seq. of the French Commercial Code, Articles 241-1 et seq. of the General Rules and Regulations of the French securities regulator and EC Regulation No.2273/2003 dated December 22, 2003:

1. Resolved that the company may purchase its own shares by virtue of this resolution, in compliance with all existing legal provisions and regulations in accordance with positive law, for the purpose of:

- Canceling repurchased shares, subject to the meeting's adoption of the Fifteenth Resolution as written hereunder or pursuant to a similar authorization;
- Implementing or honoring share option plans or other share allotments for the benefit of employees and corporate officers, particularly by:
  - inviting employees of the company or affiliated companies, as specified under Articles L.225-180 or L.233-16 of the French Commercial Code, to acquire shares, directly or through a company-sponsored mutual fund, in accordance with legal requirements, particularly Articles L. L.3332-18 et seq. of the French Labor Code; or
  - granting share options and awarding bonus shares to employees or authorized corporate officers of the company or of affiliated companies, in accordance with Articles L. 225-177 et seq. and L. 225-197-1 et seq. of the French Commercial Code;
- Implementing or honoring obligations in connection with the issue of securities convertible into shares;
- Retaining shares for the purpose of allotting them at a later date in payment or exchange, as part of an external growth strategy;
- Authorizing an independent investment services company to handle the company's stock under a liquidity agreement that complies with a code of conduct recognized by the French securities regulator.
- And more generally, performing any transaction permitted by law.

2. Resolved that:

- The maximum purchase price per share is set at € 30.00, exclusive of charges ;
- The maximum amount of the funds the company can devote to the repurchase of its own shares may not exceed € 168,913,500 ;
- The maximum number of shares that may be repurchased and held by the company pursuant to this resolution may not exceed 10 % of the total number of shares comprising the share capital at any given time, being specified that the number of shares the company may purchase under the buy-back program with a view toward

retaining them and allotting them at a later date in payment or exchange under a merger, split-off or capital contribution transaction may not exceed 5 % of the shares comprising the share capital of the company;

- The acquisition, sale, exchange or transfer of such shares may be carried out at any time, except during a tender offer, in one or more installments, by any means within the limits of, and on terms and conditions stipulated by, the law and regulations in force. These transactions may be completed, as appropriate, by mutual agreement, through block sales, or by using forms of options or derivative instruments, excluding the sale of put options. The maximum portion of the capital stock that may be transferred in the form of blocks of shares may equal but not exceed the total of the share buy-back program.

3. Set the effective period of such authorization at 18 months from the shareholders' General Meeting, canceling the period remaining under the previous authorization and replacing the former authorization set forth under the Thirteenth Resolution of the shareholders' General Meeting of June 3, 2008, as of the effective date set by the Board of Directors.
4. Granted all powers to the Board of Directors, with right of delegation, to carry out such transactions, all formalities and declarations, to make any necessary adjustments related to equity transactions involving the company and, more generally, do everything necessary to implement the present authorization.

B2/a2 Resolutions of the Extraordinary General Meeting

Fifteenth Resolution: Authorizing the Board of Directors to cancel treasury shares held by the company, up to a limit of 10 % per 24-month period

The shareholders' General Meeting, acting in accordance with quorum and majority requirements for an Extraordinary General Meeting, having read the Board of Directors' report and the Auditors' special report, and pursuant to legal requirements, in particular Article L.225-209 of the French Commercial Code:

1. Authorized the Board of Directors, to cancel, in whole or in part, the company shares acquired by itself in implementing the authorization set forth in the Fourteenth Resolution of the Ordinary General Meeting, or company shares already held under previous authorizations, which it may do at its sole discretion, in one or more installments, up to a limit of 10 % of the total number of shares per 24-month period, by recording the difference between the purchase value of the cancelled shares and their par value in the share premiums and available reserve accounts, including the legal reserve account, up to 10 % of all shares cancelled.
2. Set the effective period of such authorization at 26 months commencing from today's date, canceling the time remaining under the previous authorization and replacing the authorization set forth under the Fourteenth Resolution of the shareholders' General Meeting of June 3, 2008, which dealt with the same subject matter.
3. Granted all powers to the Board of Directors, with right of sub-delegation, for the purpose of proceeding with the capital reduction(s), modifying the Articles of Incorporation accordingly, and carrying out all necessary formalities.

B2/a3 Terms and conditions

Maximum portion of capital stock to be purchased and maximum amount payable by Teleperformance

Pursuant to the provisions of Article L.225-209 of the French Commercial Code, the maximum portion of capital stock that Teleperformance may purchase is 10 % of the share capital, i.e. 5,638,284 shares as of the shareholders' General Meeting. The limit of 10 % shall be applied to an amount of capital stock that may be adjusted for changes in the capital stock occurring after this shareholders' General Meeting.

The company undertakes, as required by law, not to exceed the limit of 10 % of direct or indirect treasury shares or 10 % of a given class of shares. Considering the number of treasury shares already held (78,500 shares representing 0.14 % of the company's share capital at March 10, 2009), the maximum amount authorized in theory would be € 166,793,520, representing 5,559,784 shares or 9.86 % of the share capital, to remain within the limit of available reserves other than the legal reserve. The maximum purchase price per share, exclusive of charges, would be € 30.00. As of March 10, 2009, the company held

78,500 treasury shares representing 0.14 % of the share capital and declared that it complied with the provisions of Article L.225-210 of the French Commercial Code. The company also agrees to maintain a sufficient float that respects the thresholds defined by Nyse Euronext Paris.

The company shall not hold directly or indirectly more than 10 % of its share capital, pursuant to the provisions of Article L.225-210 of the French Commercial Code.

Terms and conditions for buying back shares

The shares may be bought back when trading on the market or otherwise, in particular by buying blocks of securities that may include all securities held under the program (apart from buy-backs carried out to ensure market liquidity), as well as by using derivative financial instruments, at any time, except within the limits that stock market regulations may allow during a tender offer, and with respect to all or part of the shares that may be bought back, always in compliance with regulations in force. Note that no sale of put options shall be used under the buy-back program and no derivative instrument shall be used for the purpose of ensuring market liquidity under a liquidity agreement. In any event, the company agrees not to increase the volatility of its share price with the use of derivative instruments.

Term and timetable of the buy-back program

Under the resolution that shall be submitted to the company's Combined General Meeting of May 29, 2009, the authorization to buy back the company's shares shall be granted to the Board of Directors for a term of eighteen months from the date of said meeting.

3. Regulated Agreements and Transactions with Related Parties

The statutory auditors' special report on regulated agreements for the 2008 financial year (as provided for in Articles L.225-38, L.225-42-1 and L.225-22-1 of the French Commercial Code) is presented in Chapter 4. *Reports and Resolutions*, part 6 *Statutory Auditors' Report on Regulated Agreements and Commitments* on pages 79 to 81 of the Annual Report.

The list of current regulated agreements set forth under Articles L.225-39, L.225-115, L.225-42-1 and L.225-22-1 of the French Commercial Code is made available to shareholders at the company's headquarters.

This list does not include any agreement that is liable to have a significant impact on the company's financial situation.
In particular, there is no agreement or commitment between the company and a shareholder holding in excess of 10 % of the company's voting rights.

Transactions with the related parties are presented in Note H to the consolidated financial statements.

4. Stock Market Listing

A. Place of listing

Nyse Euronext Paris, compartment A since January 18, 2007, deferred settlement service (ISIN code: FR000051807)
Since October 21, 2000, the Teleperformance share has been listed on EURONEXT 150.
Since December 21, 2000, the Teleperformance share has been one of the components of the SBF 120 index.
Since December 18, 2001, the Teleperformance share has been part of the NEXTPRIME segment in the "Business Support Services" list.
Since December 20, 2002, the Teleperformance share has been included in the Midcac index.

B. ISIN Code: FR0000051807

Monthly adjusted share price movement over the past 18 months
(source Nyse Euronext Paris)

	Higher price (in €)	*Lower price (in €)*	*Closing price (in €)*	*Number of shares traded*	*Value traded (in €)*	*Number of trading sessions*
2007						
September	30.49	27.13	27.33	3,876,254	111,071,393	20
October	28.82	26.85	27.47	6,244,639	173,690,107	22
November	28.35	22.01	26.22	6,833,719	175,354,291	22
December	26.88	25.10	26.63	3,379,472	88,027,504	19
2008						
January	27.00	17.81	20.82	7,315,591	155,654,179	22
February	23.15	19.91	20.97	5,952,152	127,785,072	21
March	23.80	18.90	23.56	6,862,130	146,560,063	19
April	26.86	23.10	26.50	5,270,658	128,648,778	22
May	27.90	25.62	27.22	4,913,607	131,883,761	21
June	27.69	22.38	23.44	7,599,173	195,975,350	21
July	25.20	21.60	24.74	5,002,542	118,331,406	23
August	25.62	22.62	24.42	4,960,530	117,547,553	21
September	26.55	18.91	19.57	13,490,435	313,330,038	22
October	19.70	13.80	16.82	14,228,407	233,381,069	23
November	19.43	16.87	18.78	6,702,806	121,976,531	20
December	20.05	17.90	19.92	5,412,108	103,440,728	21
Total	27.90	13.80	19.92	87,710,139	1,894,514,529	256
2009						
January	22.23	19.57	21.47	5,587,419	117,809,710	21
February	23.90	20.20	22.00	5,949,258	131,626,072	20

5. Dividends

A. Dividend policy

During the shareholders' General Meeting to be held on May 29, 2009, the Board of Directors will propose setting the dividend at € 0.44 per share.
The table below shows the dividends paid by Teleperformance over the last five financial years.

Dividend per share	*Dividend*	*Tax credit 50 %*	*Total income*
2004	€0.25	€0.075	€0.325
2005	€0.30		€0.30
2006	€0.37		€0.37
2007	€0.44		€0.44
2008	* €0.44		€0.44

** proposed at the shareholders' General Meeting of May 29, 2009*

Dividends not claimed five years after their payment date shall lapse and be paid over to the French government.

6. Communication with shareholders

A. Documentation

The company provides its shareholders with the following:

- The annual report, published in French and English,
- A half-year report on line on the website www.teleperformance.com.
- General, economic and financial information about the group, on line on the website www.teleperformance.com.

The statutory documents (Articles of Incorporation, General Meeting minutes and auditors' reports) are available at the Legal Affairs Department, at the company's headquarters.

B. Provisional schedule for financial publications during the 2009/2010 financial year

Quarterly publications
1st Quarter: May 5, 2009
2nd Quarter: August 5, 2009
3rd Quarter: November 5, 2009
4th Quarter: February 4, 2010

Publication of results
Half-year results: August 28, 2009
Annual results: March 10, 2010

Financial Analysts meetings
May 19, 2009
November 26, 2009

Shareholders' General Meeting
May 29, 2009

Person responsible for the financial information:
Mr. Michel Peschard, Managing Director Finance
Tel.: +33-1 55 76 40 80

4. Reports and Resolutions submitted to the Combined General Meeting of 29 May 2009

1. Management Report of the Board of Directors

A. Review of the financial position and income statement of the group
(in millions of €)

A1. The 2008 results of the group

A1/a Business

Consolidated turnover reached € 1,784.7 million or a 12 % increase over published data.
Adjusted for exchange rate effects, consolidated turnover grew 16.4 %.
The negative impact related to currency exchange rates was due for the most part to the appreciation of the euro against the US dollar and the pound sterling. This impact reached € 71.7 million for the year, broken down as follows (in millions of euros):
NAFTA zone: -49.0 %
Europe zone: -17.6 %
other: - 5.1 %

Using comparable data (adjusted for exchange rate effects and scope), group turnover grew by more than 8 %, broken down as follows within the network:
NAFTA zone: +13.9 %
Europe zone: + 9.8 %
other: -29.8 %

Business remained stable in Europe for all of 2008; it was particularly strong in the south Europe and the UK regions.
In the Nafta zone, there was an inflection during the second half related to the drop in volume with our major customers, as well as to a negative base effect.
The rest of the world region was affected by the early termination of the Brazil Telecom contract which was terminated at the end of November 2007.

The effects on the business of changes in scope during the 2008 financial year are essentially due to acquisitions that were completed in 2007:

In the Europe zone during the first half:
- Acquisition of 100 % of the German group twenty4help Knowledge Service AG, consolidated as at 1 April.
- Acquisition of 62 % of the French company The Phone House Services Telecom, consolidated as at 1 May.

In the NAFTA zone during the second half:
- Acquisition of the US company AllianceOne, consolidated as at 1 August;
- Acquisition of the Mexican company Hispanic Teleservices, consolidated as at 1 December.

The transactions completed during the 2008 financial year that had an effect on business in 2008 were mainly completed in Europe:
- Purchase of a 67 % equity interests in the GN Research group, consolidated as at 1 July.
- Sale of the training companies ISM and IDCC effective 1 January 2008. After these transactions, the group had sold all of its Marketing Services businesses.

The US company The Answer Group, which specialises in high value added technical assistance, acquired on 19 December, was consolidated as at 31 December 2008; therefore, its business has not been included in the consolidated turnover for the 2008 financial year.

The effects of changes in the scope in the 2008 financial year had a net positive impact of € 122.6 million, broken down as follows:
+ 38.6 million in Europe and
+ 84.0 million in the NAFTA region.

The allocation in terms of % of turnover can be shown geographically as follows:

In %	*31/12/08*	*31/12/07*	*change*
Europe	54.5	52.0	+2.5
of which France totalled	*20.5*	*21.4*	*-0.9*
NAFTA*	39.2	37.6	+1.6
Other	6.3	10.4	-4.1
Total	100	100	

**North America Free Trade Agreement*

A1/b Profitability

Operating income was € 177.9 million versus € 158.6 million in 2007, an increase of almost 12 %, in line with turnover growth.
The operating margin was 10 % of turnover.

Operating income was affected by the following items:

- a charge of € 5.8 million for the assessed amount of the benefits vested in employees under the bonus share and stock option plans granted to employees;
- partial depreciation of € 1.5 million on the remaining goodwill assigned to our business in Brazil, as part of the impairment test;
- a € 3 million redemption charge recorded in 2008 on intangible items (trademarks and customer relationships valued at € 38 million) identified as part of the acquisitions of HTC and AllianceOne in 2007. € 0.7 million was deducted in the 2007 accounts.
- net income of € 7.8 million realised on the sale of investment securities and on an investment property during the 2008 financial year.
- a € 6.3 million charge representing the cost, including employer charges, of the remuneration paid to Mr. Christophe Allard under his non-compete clause.

The EBITDA (operating income plus allocations to depreciation on tangible and intangible fixed assets) was € 250.7 million, equal to 14 % of turnover.

Financial results show a net charge of € 1.9 million versus € 0.3 million in 2007.
This reduction in financial results is mainly due to the reduction in income from financial investments related to acquisitions completed during the second half of 2007 and during the 2008 financial year, as well as to lower interest rates applied during the second half of 2008.

Taxes totalled € 56.4 million versus € 57.3 million in 2007. The tax rate was 32 % versus 36.2 % as at 31 December 2007.

The higher tax rate in 2007 was mainly due to consolidation entries, which were treated as permanent differences, related to adjustments for IFRS standards of the cost of the benefits vested as part of the bonus share plan granted in August 2006, the impact on the income statement of which was only felt in 2008 during the first seven months of the year.

No gain was recorded on sale of discontinued operations during the 2008 and 2007 financial years.

In total, net income was € 119.5 million versus € 101 million in 2007.

The group's portion was € 116.4 million versus € 97.9 million in 2007, an increase of 18.9 %.
Fully diluted earnings per share was € 2.09, compared to € 1.74 for the 2007 financial year, *i.e.*, an increase of 20 %.

A2. Cash flow and capital

A2/a Consolidated financial structure as at 31 December 2008

Fixed and short-term capital

Long-term capital

as at 31 December (in millions of €)	*2008*	*2007*	*2006*
Shareholders' equity	1,053.7	965.6	739.4
Non-current financial liabilities	46.8	135.9	85.3
Net total non-current capital	1,100.5	829.7	824.7

Short term capital

as at 31 December (in million of €)	*2008*	*2007*	*2006*
Current financial laibilities	216.1	101.0	245.5
Cash and cash equivalents	280.6	369.3	458.8
Cash surplus, net of current financial liabilities	64.5	268.3	213.3

Source and amount of cash flow

(in million of €)	*2008*	*2007*	*2006*
Internally generated funds from operations before changes in working capital requirements	166.6	180.8	141.7
Changes in working capital requirements	-68.4	-3.8	+0.5
Cash flow from operating activities	**+98.2**	**177.0**	**142.2**
Investments and capital expenditures	-221.2	-310.9	-93.7
Proceeds from disposals (at the sale price)	11.6	25.7	11.4
Cash flow related to investment activities	**-209.6**	**-285.2**	**-82.3**
Proceeds from share capital increase	4.8	9.2	257.6
Dividends paid	-26.3	-21.1	-14.5
Net change in financial liabilities	+59.1	+8.4	-14.5
Cash flow from financing activities	**+37.6**	**-3.5**	**228.6**
Change in cash and cash equivalents	**-73.8**	**-111.7**	**288.5**

The group's financial structure as at 31 December 2008 was particularly solid:

In summary, the Teleperformance group has:

- Shareholders' equity of € 1,053.7 million, of which € 1,041.8 million was ttributable to the group,
- cash and cash equivalents of € 280.6 million.
- financial liabilities of € 262.9 million, of which € 28 million was related to minority interest purchase commitments in subsidiaries of the group, versus € 56.4 million in 2007. This reduction was due to the Group's policy of purchasing the minority interests in certain subsidiaries that was initiated during the second half 2008. This policy should continue during the 2009 financial year.
- positive net cash assets of € 17.7 million.

A2/b Cash flow

Internally generated funds from operations before tax for the 2008 financial year was € 250.6 million, versus € 226.5 million in 2007, an increase of 10.5 %.

Taxes paid in 2008 totalled € 83.9 million versus € 45.6 million in 2007.
This significant increase was due to taxes paid in the first half of 2008 on 2007 taxable income deferred pursuant to a "business transformation" transaction.

Working capital requirements increased € 68.4 million, of which € 27 million represents the deferred income accounted for as at 31 December 2007, which was used during the 2008 financial year. Excluding this amount, working capital requirements in 2008 were € 41.5 million versus € 30.8 million in 2007.

In the end, the net cash flow generated by the operations was € 98.2 million versus € 177 million in 2007.

Net tangible and intangible investments in 2008, excluding finance lease transactions, represented a net total of € 68.8 million (*i.e.*, 3.9 % of turnover), versus € 63.6 million in 2007. This number includes € 0.5 million in proceeds from the sale of an investment property.
Free cash flow totalled € 29.4 million, versus € 113.4 million as at 31 December 2007.

Net cash outflows for external growth transactions for the same period totalled € 141.4 million. This mainly represents acquisitions completed in the NAFTA zone (The Answer Group) and the purchase from managers of their minority interests in certain network subsidiaries.
Disposals of investment in subsidiaries and affiliates generated a net cash flow of € 8 million, mainly from the sale of the training companies ISM and IDCC completed at the beginning of 2008.
Other investment transactions generated net cash expenses of € 0.6 million.

Net cash inflows related to financing activities amounted to € 37.6 million, consisting of:
- € 26.3 million in dividends paid;
+ € 4.8 million in cash capital increase;
+ € 59.1 million in increased net financial liabilities (including the € 110 million drawdown from the revolving credit facility).

Finally, after taking into consideration of all such transactions, net cash assets, excluding exchange rate effects and changes in scope, generated during the 2008 financial year decreased by € 73.8 million.

Net cash surplus developed as follows during the 2008 financial year:

(in millions of euros)	*amount*
as at 1 January 2008	+132.4
Free cash flow	29.4
Net impact of changes in the scope of consolidation	-141.4
Dividends paid	-26.3
Capital increase	+7.0
Cancellation of treasury stock	-2.2
Finance leasing	-9.8
Minority interest purchase commitments	+27.2
Translation differences	-
Other	+1.4
as at 31 December 2008	+17.7

B. Review of the Parent company's financial status and results

B1. Balance sheet

B1/a Investments

B1/a1 Capital transactions

The 2008 financial year was a year of reorganisation and regrouping for our businesses in France and central Europe; this resulted in several contribution or sale transactions that affected, in particular, subsidiaries directly held by Teleperformance.

The major transactions impacting securities are the following:

- Creation of TP EMEA, a 100 % subsidiary responsible for the commercial development of the network in the "Europe Middle East & Africa" zone.

- Contribution of all Teleperformance holdings in its subsidiaries operating in France to a pre-existing company called "Teleperformance Technical Help" that in 2009 will hold all telemarketing and teleservice activities covering France. This contribution, made at the book value of the securities, was paid for using a € 104.3 million capital increase in the subsidiary "Teleperformance Technical Help".

- Sale to the Luxembourg company LCC, a 100 % subsidiary that manages our operations in central Europe, of all of our ownership interests in All by Phone + Net (Germany) and PerfectCall (Netherlands). LCC will group all businesses in the central Europe zone; all such transactions should be finalised prior to the end of the 2009 financial year.

- Purchase from managers of their minority interests in the subsidiaries that they manage:
  - acquisition of 15 % of the equity of the Swedish subsidiary Teleperformance Nordic, increasing our ownership interest to 100 %.
  - acquisition of 10 % of the capital of the Czech company Lion Teleservices, increasing our ownership interest to 100 %

- Sale of our entire ownership interests in the training company IDCC (Institut du call center), thereby completing our disinvesting policy of from Marketing Services operations

- Subscription for the capital increases to finance the development of subsidiaries by incorporating receivables or cash contributions.

  This impacted the following subsidiaries:

  - MM Teleperformance (UK) for € 12.1 million, by incorporating part of the loan.
  - SPCC (Brazil) for € 30.4 million by cash contribution and incorporation of the loan;
  - Telephilippines for € 2.1 million.

Finally, Teleperformance increased the capital of its Teleperformance France subsidiary through an in-kind contribution of the telemarketing business operated by Teleperformance France under the *Teleperformance* brand, valued at € 25.8 million.

The completion of this transaction on 30 July terminated the lease management agreement between the two companies.

B1/a2 Other financial transactions

The loans granted to subsidiaries as at 31 December 2008 reached € 127.6 million, consisting mainly of:

- a £ 7.3 million loan to MM Group. This loan was hedged against exchange rate risks by a foreign currency advance for an amount of € 7.8 million;

- a US$ 145 loan million to the wholly-owned subsidiary, TGI, responsible for managing the NAFTA network, as part of its acquisitions in this territory. This loan was financed by drawing € 110 million of the € 300 million revolving credit facility. This loan, denominated in US$, was hedged by a foreign exchange rate.

B1/b Shareholders' equity

The following transactions were completed:

- a capital increase in the total amount of € 5.6 million (of which € 803,810 at par and the balance as a share premium), following various option exercises that were completed during the 2008 financial year by the beneficiaries under the 24 June 2004 option subscription plan. As a result of these transactions, 321,524 new shares were subscribed for;
- a bonus share grant under the 2 August 2006 plan. The number of new shares issued reached 777,812. Capital was increased by € 1.9 million by a deduction from reserves;
- cancellation of 100,000 shares that were purchased as part of the repurchase and cancellation programme for € 2.2 million.

Capital as at 31 December 2008 consisted of 56,382,847 shares with a par value of € 2.50.
On 9 June 2008, a dividend of € 0.44 per share was distributed.

B1/c Terms of borrowings and financing structure

Financial liabilities as at 31 December 2008 reached € 126.3 million, of which € 110 million was due to the partial drawdown of the five-year revolving credit facility that was obtained on 31 January 2008.

The conditions relating to compliance with the covenants under this credit line are addressed in the note C8 of the schedule to the consolidated accounts.

B1/d Cash and cash equivalents

As at 31 December 2008, the company had net cash asset of € 93.9 million, versus 162.8 million as at 31 December 2007.
The net reduction of € 68.9 million can be broken down as follows:

Capital increase	+5.6
Net cash flow generated by business	-8.1
Net cash flows paid for financial investments	-22.2
Net cash flows of the other financial activities	-7.4
Net reduction in financial liabilities	-12.5
Dividends paid	-24.3
Total	-68.9

B2. Income statement

Turnover was € 33.1 million versus € 34.8 million in 2007, a reduction of € 1.7 million.

It is broken down as follows:

	2008	2007
Fees received from subsidiaries	29.4	28.5
Commercial activity	1.5	2.7
Other revenue (including real property leases)	2.2	3.6

This revenue reduction was due to the in-kind contribution on 1 July 2008 of the telemarketing business that was transferred pursuant to a lease management agreement to the Teleperformance France subsidiary. The resulting royalty is € 3.3 million, compared to € 6.2 million in 2007.

In addition, it should be noted that the compensation paid under the non-compete clause between Mr. Christophe Allard and the company was paid in full during the 2008 financial year, representing a total cost of € 6.3 million.

Finally, and in light of the foregoing, the operating results for this year were in the balance compared to a profit of € 12.2 million in 2007.

Financial results were € 14.7 million versus € 23 million in 2007. They are broken down as follows:

	2008	2007
Dividends	25.8	19.1
Interest income (net)	+6.3	+12.2
Write-off of receivables		- 4.1
Provisions for depreciation (net)	-16.1	- 3.5
Exchange rate difference	-1.1	-0.7

The provisions for securities include an € 11 million provision for the securities of the Brazilian subsidiary SPCC.

Current results show a profit of € 14.7 million, versus € 35.2 million.

Exceptional result showed net proceeds of € 36.5 million, € 25.8 million of which represents the value of the business contributed to Teleperformance, and € 10.8 million of which corresponds to the net capital gain on sales or contributions of securities.
After paying corporate income tax representing proceeds of € 6.3 million, net results showed a profit of € 57.6 million versus € 166.5 million in 2007.

Financial results over the last five financial years

		2004		2005		2006		2007		2008	
I	**Year-end financial position**										
	Share capital	88,281,040		88,281,040		118,014,183		138,458,777		140,957,117	
	Number of shares issued	35,312,416		35,312,416		47,205,673		55,383,511		56,382,847	
	Maximum number of shares to be issued in the future:										
	- through the exercise of subscription rights	1,534,750	(*)	1,534,750	(*)	1,633,760	(*)	745,250	(*)	201,218	
	- through grants of bonus shares					826,666	(**)	850,066	(**)	27,400	(**)
	- throught bond conversions	7,521,326		7,521,326		7,882,875		-		-	
II	**Overall operating income**										
	Revenues, exclusive of taxes	26,386,485		33,565,498		34,600,546		34,752,423		33,104,256	
	Earnings before tax, depreciation and provisions	30,245,524		22,203,659		45,253,264		180,176,951		71,025,196	
	Income tax	2,673,452		4,224,624		5,028,802		9,529,495		-6,327,167	
	Earnings after tax, depreciation and provisions	20,523,976		13,597,162		48,650,339		166,457,238		57,619,190	
	Distributed earnings	8,828,104		10,593,725		17,466,099		24,368,745		24,808,459	
III	**Operating earnings per share**										
	Earnings after tax, but before depreciation and provisions	0.78		0.51		0.85		3.08		1.37	
	Earnings after tax, depreciation and provisions	0.58		0.39		1.03		3.01		1.02	
	Dividend per share	0.25		0.30		0.37		0.44		0.44	
IV	**Employees**										
	Number of employees	31		31		31		31		33	
	Total payroll	2,977,187		3,813,663		3,967,838		5,623,349		11,708,210	
	Employment benefits paid (social security, welfare actions, etc)	1,110,427		1,421,627		1,455,022		2,015,442		3,402,558	

(*) After the authorisation given to the Board of Directors to grant share subscription options (23 June 1997, 30 June 1999, 25 June 2001 and 24 June 2004 Extraordinary General Meetings).
(**) After the authorisation given to the Board of Directors to grant bonus shares (1 June 2006 Extraordinary General Meeting)

C. Trends and prospects

Prospects

In an unsteady economic environment, faced with many uncertainties and events impacting our clients' business, as well as our clients' customers' daily life, it is particularly difficult to have a crystal clear vision of the group's short-term outlook.

The first weeks' business in 2009 did not have a major impact on our activity.

The objectives announced in November 2008 will be fine-tuned, like every year, during our next financial meeting on May 19, 2009, based on the first quarter 2009 achievements and market trends.
As far as we are concerned, we remain fairly confident in the strengths of our group to face up to the very challenging economic situation.

Risks and uncertainty

The group's business is subject to market risks (sensitivity to economic and financial factors), as well as to the political and geopolitical uncertainties related to its global footprint.

A detailed description of these risks is provided in the *Description of the business* section of the *Risk factors* paragraph.

D. Further information

D1. Workforce and remunerations – France's « Nouvelles régulations économiques »

The following employment information relates to all companies in the group.

Breakdown of average workforce by geographical area (in K€)

	2008		2007	
	workforce	*Personnel expenses*	*workforce*	*Personnel expenses*
Europe	36,491	715,352	29,660	585,101
NAFTA	31,215	395,695	27,763	353,407
Rest of the World	23,637	135,043	28,216	176,179
Total	**91,343**	**1 246,090**	**85,639**	**1 114,687**
Average cost per employe		13.64		13.02

Breakdown of average workforce by gender

	At December 31, 2008	*At December 31, 2007*
Men	40,599	38,758
Women	50,744	46,838
Total	**91,343**	**85,595**

Breakdown of average workforce by category

	2008			2007		
	Managers	*Employees*	*Total*	*Managers*	*Employees*	*Total*
Permanent contract	5,672	65,799	71,471	4,074	64,971	69,045
Fixed-term contract	192	15,078	15,270	117	11,995	12,111
Subtotal	**5,864**	**80,877**	**86,741**	**4,191**	**76,966**	**81,157**
Temporary	20	4,582	4,602	55	4,384	4,439
Total	**5,884**	**85,459**	**91,343**	**4,245**	**81,350**	**85,595**

Change over time in the average workforce by category

Managers	*Permanent contract*	*Fixed-term contrat*	*Temporary*	*Total*	*inc. disabled*
At January 1, 2008	4,735	128	110	4,973	48
Structural *	-8	-1		-9	
Hiring	437	110	-12	535	4
Positions eliminated	-47	0	-6	-53	-5
Dismissales for individual reasons	-132	-3	0	-135	
Transfers	362	11	-1	372	
At December 31, 2008	5,347	245	91	5,683	47

Employees	*Permanent contract*	*Fixed-term contrat*	*Temporary*	*Total*	*inc. disabled*
At January 1, 2008	71,570	15,260	6,756	93,586	419
Structural *	-178	-9	-43	-230	
Hiring	13,671	5,103	191	18,965	148
Positions eliminated	-4,529	-87	-109	-4,725	-69
Dismissales for individual reasons	-9,665	-886	-170	-10,721	
Transfers	1,387	-1,985	226	-372	
At December 31, 2008	72,256	17,396	6,851	96,503	498
Total workforce					
At January 1, 2008	**76,305**	**15,388**	**6,866**	**98,559**	**467**
At December 31, 2008	**77,603**	**17,641**	**6,942**	**102,186**	**545**

** Structural :*

- *Additions to scope: Teleperformance Albania, Teleperformance Denmark AS, GN operations France, GN Research Germany, GN Research France, GN Research SA, GN Research Tunisia, TP EMEA, The Answer Group.*
- *Removed from scope : Teleperformance Brasil Telemarketing, ISM, IDCC, société Technologique Interactive, H-tel Holdings Inc..*

Information about the Contact Center Division in France only:

- Length of working time: Pursuant to the French regulation, the standard average weekly working time of a full-time employee is 35 hours, all categories included.
- Absenteeism: We registered 357,258 days of absenteeism in 2008, of which 53.13 % is due to illness/maternity leave, 3.49 % due to accident/traveling and 43.38 % due to other causes. The number of days is calculated across all contact centers located in France, includes all categories and does not take paid time off and French RTTs (Reduction of working time) into account.
- Social welfare initiatives: The total budget allocated by the contact centers located in France to social welfare amounted to € 6,135K in 2008, of which 52.75 % for meals, 41.40 % for worker's councils, 1.58 % for transportation and 4.27 % for housing.

D2. Share capital ownership

In compliance with Article L.233-13 as amended of the French Commercial Code and in light of the information received per Articles L.233-7 and L.233-12 of said Code, we declare that to our knowledge the individuals and entities owning more than 5 %, 10 %, 15 %, 20 %, 25 %, 1/3, 50 %, 2/3, 90 % or 95 % of share capital or shareholder voting rights on the date of this report are as follows:

In capital: 5 % threshold GIM Dassault
In voting rights: 5 % threshold GIM Dassault
Olivier Douce,
(with the stipulation that we have been informed, as of the date of March 10, 2009, of no threshold in capital and voting rights since our last FY2007 report)

D3. Company shares held by employess

In compliance with the provisions of Article L.225-102 of the French Commercial Code, we declare that, to the best of our knowledge and as of the date of this report, group employees, excluding corporate officers of Teleperformance, own 531,177 registered shares in the company, due especially to the exercise of options under our share option plans and to bonus shares awarded for the 2008 year.

D4. Appropriation of profit

We submit for your approval the following appropriation of 2008 profit:

Profit for the period	€ 57,619,189.98
Retained earnings	€ 58,396,827.50
Total to be appropriated	€ 116,016,017.48
Added to legal reserves	€ -249,834.00
Added to ordinary reserves	€ -30,000,000.00
Distributable profit	€ 85,766,183.48
Total dividend	€ -24,808,452.68
Balance to retained earnings	**€ 60,957,730.80**

A dividend of € 0.44 per share shall be paid out on the 56,382,847 Company shares outstanding at December 31, 2008.

In compliance with Article L.225-210 of the French Commercial Code, the amount of dividends on the company's treasury shares as of the dividend payment date will be allocated to Retained Earnings.

According to 2008 French law (Article 158-3-2 of the General Tax Code), private individuals who are French tax residents and have not opted for income tax withholding will be allowed a 40 % income tax exclusion on the net dividend, after social security levies.

Previously paid :

Dec. 31,	*dividend*	*income tax exclusion for individual French tax residents (unless they elect the 18% fixed withholding known as prélèvement forfaitaire libératoire)*
2007	€ 0.44	40 %
2006	€ 0.37	40 %
2005	€ 0.30	40 %

D5. Own shares purchased by the company

To comply with the requirements of Article L.225-211 of the French Commercial Code, we are providing you with the following information regarding the conduct of the share buy-back program authorised at the 1 June 2007 and 3 June 2008 shareholders' meetings.
The share buy-back program was only used in connection with a liquidity agreement managed by Oddo that was implemented as at 8 January 2007 in accordance with the ethical charter of the AFEI approved by the French Financial Markets Authority.

The resources that have been allocated to the liquidity account include € 2 million in cash, as well as 1,500 shares from a prior share buy-back program.

Position as at 31 December 2008

	number of securities	Book value	market value
shares held	62,500	€ 1,180,879	1,245,000

Transactions completed in 2008 under:

	number of securities	amount	average price
➢ **the 1 June 2007 agreement**			
purchases	1,420,310	€ 32,478,383	22.87
sales	-1,414,914	€ -32,327,779	22.84
➢ **the 3 June 2008 agreement**			
purchases	1,275,923	€ 27,760,152	21.76
sales	- 1,240,919	€ -27,260,521	21.97

D6. Share options and bonus shares granted by the company

We summarise for you the current share subscription option plan implemented by the company:

- Teleperformance share subscription option plan approved by the Board of Directors at its 24 June 2004 meeting based on an authorisation at the extraordinary shareholders' meeting held on the same day, relating to 700,000 new shares with a par value of € 2.50 for a unit price of € 18.46, granted to 86 managers and employees of the group.
- The number of new shares granted under this plan was increased from 700,000 to 745,250 after the capital increase completed in November 2006, and the subscription price was adjusted to € 17.34. The options may be exercised until 24 June 2009.

As at the date of this report, the number of options exercised reached 321,524, the number of unexercised options reached 201,218 and the number of options that were cancelled as a result of the loss of rights by beneficiaries who left the group reached 222,508.

D7. Grants of bonus shares to be issued by the company based on the authorisation at the combined 1 June 2006 ordinary and extraordinary shareholders' meeting

- Plan to grant 776,600 bonus shares approved by the Board of Directors of 2 August 2006, readjusted to 826,666 shares on 6 November 2006:

  The Board of Directors made an irrevocable grant of 735,950 bonus shares on 2 August 2008 and 41,862 bonus shares on 6 November 2008, or a total of 777,812 bonus shares through a capital increase, which shares must be retained by their beneficiaries in a registered account until 2 August 2010 and 6 November 2010, respectively.
- Plan to grant 23,400 bonus shares approved by the Board of Directors on 3 May 2007:
  These shares, granted to 15 managers and employees of the group's foreign subsidiaries, will not be fully vested until 3 May 2009 and must be held in a registered account until 3 May 2011.
- Plan to grant 12,000 bonus shares approved by the Board of Directors on 10 January 2008:
  Initially granted to three managers and employees of a foreign subsidiary, this number was reduced to 4,000 shares following the departure of one of them. These shares will not be fully vested until 10 January 2010 and must be held in a registered account until 10 January 2012.

No officer or director of the company may receive a grant of bonus shares under the 3 May 2007 and 10 January 2008 plans.

D8. Share options and bonus shares granted by companies in which our company has a controlling interest

In accordance with the provisions of the last paragraphs of Articles L.225-180 and L.225-197-2 of the French Commercial Code, we hereby inform you that there are no share option plans or bonus share plans set up by companies in which Teleperformance has a controlling interest, whether directly or indirectly.

D9. Significant new shareholdings and new controlling interests

Pursuant to Article L.233-7 of the French Commercial Code, we hereby disclose the significant new shareholdings and new controlling interests, whether direct or indirect, that we acquired during 2008 in companies whose registered offices are located in France.

Indirect controlling interest taken: 67 % of the share capital in the company GN Research France.

D10. Corporate officers

In compliance with the provisions of Article L.225-102-1 as amended of the French Commercial Code, we report below the remuneration and perquisites paid to each company officer during 2008, either by Teleperformance or by companies under its control as defined in Article L.233-16 of the French Commercial Code.

Received during the past financial year:

Mr.JacquesBerrebi,as*Chairman oftheBoardof Directors*:
- from Teleperformance, Director's fees:€ 26,040
- from TGI (USA), *Chairman* : gross pay US$ 2,370,000

Mr.MichelPeschard,as M*ember of the Board of Directors*:
- from Teleperformance:€ 466,480 gross pay, including € 6,480 of fringe benefits.

Mr. Olivier Douce, M*ember of the Board of Directors*:
- from Teleperformance: € 90,000€ gross pay.

Mr. Daniel Julien, *Chairman of the Supervisory Board*:
- from Teleperformance: € 120 000 gross pay, for serving as *Chairman of the Supervisory Board,* and € 7,040 Director's fees.
- from TGI (USA): US$ 3,500,000 gross pay.

Mr. Philippe Dominati, *Vice-Chairman (Deputy) of the Supervisory Board*:
- from Teleperformance : Director's fees: € 26,040
- from Teleperformance France (formely TP Tech): € 76 800 gross pay.

Mrs Martine Dassault, *Member of the Supervisory Board*:
- de Teleperformance : Director's fees: € 19,040

Mr. Daniel Bergstein, *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 8,940

Mr. Philippe Santini, *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 26,040

Mr.PhilippeGinestié, as *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 7,040

Mr.AlainLaguillaumie, as *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 7,040

Mr. Eric Delorme, as *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 17,040

Mr. Bernard Canetti, *Member of the Supervisory Board*:
- from Teleperformance: Director's fees: € 5,740

Mr. Christophe Allard, as *Chairman of the Board of Directors* till February 4, 2008 and then on his employment contract up to October 31, 2008 in accordance with his notice of termination:
- from Teleperformance: remuneration and compensation for not competing: € 7,210,170 gross.

In the Annual Report you will find the information disclosed by the Members of the Board of Directors and the Supervisory Board relating to the offices or functions exercised by each of them in all companies, whether French or foreign.

D11. Summary statement of share transactions by corporate officers between March 11, 2008 and March 10, 2009

The company has been informed of the following transactions declared by the corporate officer.

Olivier Douce

During the financial year 2008, sale of 95,000 shares:

date	number	amount	price
03/26/2008	5,000	€ 111,214.50	€ 22.2429
04/02/2008	10,000	€ 240,060.00	€ 24.0060
04/03/2008	10,000	€ 235,673.00	€ 23.5673
04/16/2008	20,000	€ 489,422.00	€ 24.4711
04/17/2008	10,000	€ 247,200.00	€ 24.7200
05/09/2008	20,000	€ 542,014.00	€ 27.1007
05/21/2008	20,000	€ 535,420.00	€ 26.7710

During the financial year 2009, sale of 150,000 shares :

date	number	amount	price
02/06/2009	130,000	€ 2,927,340.00	€ 22.5180
02/06/2009	20,000	€ 454,250.00	€ 22.7125

D12. Delegation of powers to the Board of Directors with respect to capital increases (Article L.255-100 of the French Commercial Code)

None of the authorizations given by the Combined General Meeting of June 3, 2008 in Resolutions 15, 16, 17 and 18 has been implemented by the Board of Directors as of the date of the Annual Report.

The delegations of powers granted to the Board of Directors with respect to share capital increases are shown in Chapter 1. *General Information*, parts B3/a and B3/b .3.2 of the Annual Report.

D13. Events occuring between the balance sheet date and the Management Report date

Acquisition on January 23, 2009 of a 38 % interest in TPH Services Telecom (TPH ST), bringing our ownership to 100 %.

D14. Information requested by Article L.225-100-3 of the French Commercial Code

Information to be provided pursuant to Article L.225-100-3 of the French Commercial Code is indicated in Chapter 1 part 3A *General Information Aboutthe Company*, Chapter 2 part 3 *Remuneration of the Board of Directors and the Supervisory Board* Chapter 2 part 4 *Report of the Chairman of the Supervisory Board* and Chapter 3, part 1 *Breakdown of Share Capital and Voting Rights* of the Annual Report. Only the elements listed in the aforementioned chapters may have an impact in the event of a public offering.

We invite you to adopt the resolutions that have been submitted to you.

The Board of Directors

2. Special report of the Board of Directors (subscription and share purchase options)

on the transactions completed pursuant to Articles l. 225-177 to l. 225-186 of the French Commercial Code

Dear shareholders,

In accordance with the provisions of Article L.225-184 of the French Commercial Code, we have the pleasure of reporting to you on the transactions completed during 2008 pursuant to Article L.225-177 to L.225-186 of the said Code with respect to share purchase and subscription options.

Involving Teleperformance shares:

Options exercised in 2008:

The company's 24 June 2004 share subscription option plan, open from 25 June 2008 until 24 June 2009:

We remind you that, under this plan, 86 beneficiaries of the group were granted a total of 700,000 new stock options at a unit price of € 18.46, readjusted to 745,250 stock options at a unit price of € 17.34 following the cash capital increase completed on 3 November 2006.

Between 25 June and 31 December 2008, four employees of the company (non-officers) subscribed for a total of 23,956 new shares and the 10 largest beneficiary employees of the group (non-officers) subscribed for a total of 163,951 new shares.

No option was exercised by an officer of the company.

Options granted in 2008:

No subscription or share purchase option plan was approved and no options were granted in 2008.

Involving the shares of companies affiliated with or controlled by Teleperformance:

There are no subscription or share purchase option plans in the companies affiliated with or controlled by the company.

The Board of Directors

3. Special report of the Board of Directors
(grants of bonus shares)

on the transactions completed pursuant to Articles L.225-197-1 to L.225-197-5 of the French Commercial Code

Dear shareholders,

In accordance with the provisions of Article L.225-197-4 of the French Commercial Code, we have the pleasure of reporting to you on the transactions completed pursuant to Articles L.225-197-1 to L.225-197-5 of the said Code with respect to grants of bonus shares.

Involving Teleperformance shares

August 2, 2006 bonus share grant plan

We remind you that, under this plan, on 2 August 2006 the Board of Directors granted 169 beneficiaries a total of 776,600 bonus shares with a unit value of € 29.21 in the consolidated accounts and, on 6 November 2006, it granted them 50,066 additional bonus shares with a unit value readjusted to € 27.4409 following the cash capital increase completed on 3 November 2006, thereby increasing the total grant to 826,666 bonus new shares to be issued through a capital increase.

Under this plan, the Board of Directors made the following irrevocable grants:

On 2 August 2008, after a two-year vesting period from the initial grant on 2 August 2006, a total of 735,950 bonus shares were irrevocably granted to 145 beneficiaries, out of the total grant of 776,600 shares. Among the beneficiaries are:

- Mr. Michel Peschard, member of the Board of Directors and Managing Director, finance: 13,000 bonus shares;
- Mr. Jacques Berrebi, chairman of the Board of Directors and director of Teleperformance Group Inc. (TGI): 76,000 bonus shares;
- Mr. Daniel Julien, chairman of the Supervisory Board and director of Teleperformance Group Inc. (TGI): 79,000 bonus shares;
- 10 employees of the company (non-officers): a total of 21,000 bonus shares;
- 10 major grantee employees of the group (non-officers): a total of 141,000 bonus shares.

Mr. Christophe Allard, chairman of the Board of Directors until 4 February 2008, was also included among the beneficiaries. Mr. Allard worked his complete notice period until 31 October 2008 in accordance with his 1 June 2006 undertakings approved at the combined ordinary and extraordinary shareholders' meeting held on 1 June 2006; he had received 79,000 shares.

On 6 November 2008, after the conclusion of the two-year vesting period for the additional shares granted on 6 November 2006, a total of 41,862 bonus shares was irrevocably granted to 139 beneficiaries out of the total additional grant of 50,066 shares. Among the beneficiaries are:

- Mr. Michel Peschard, member of the Board of Directors and Managing Director, finance: 838 additional bonus shares;
- Mr. Jacques Berrebi: 4,900 additional bonus shares;
- Mr. Daniel Julien: 5,093 additional bonus shares;
- 10 employees of the company (non-officers): a total of 1,353 additional bonus shares;
- 10 major grantee employees of the group (non-officers): a total of 9,090 additional bonus shares.

In total, 777,812 bonus shares have been irrevocably granted out of the 826,666 shares approved on 2 August 2006 and 6 November 2006.

Involving shares of the companies affiliated with or controlled by Teleperformance:

There are no bonus share plans in the companies affiliated with or controlled by the company.

The Board of Directors

4. Report of the Board of Directors – extraordinary section

Dear shareholders,

We would like to submit the following authorisations for your approval as part of the extraordinary resolutions presented at this meeting:

Power to the Board of Directors to cancel treasury stock

We request that you authorise your Board of Directors to cancel, at its own discretion, all or part of the shares of the company acquired in the implementation of the share buy-back program listed in the fourteenth ordinary resolution of this meeting, up to the limit of 10 % of the total number of shares per 24-month period. All power will be given to the Board of Directors to formally acknowledge the capital reductions corresponding to the cancellation of the said shares.

In accordance with legal requirements, the term of this authorisation will be 26 months and it will cancel the unused portion of and replace the authorisation granted at the 3 June 2008 meeting with the same purpose.

Delegation of power to the Board of Directors to increase capital by issuing ordinary shares or any securities granting access to the equity of the company or subsidiaries

To allow your company to use the financial markets if necessary to continue the group's development strategy and to finance critical technological expenditures, it is proposed that you delegate to your Board of Directors the power to decide to increase capital, while maintaining shareholders' pre-emptive subscription rights, on one or more occasions and at the times that it deems appropriate, by issuing

- ordinary shares up to a maximum par value of thirty seven million five hundred thousand euros, which amount will be increased, if appropriate, by the par value of the shares to be issued to preserve the rights of the holders of securities granting rights to the shares, or

- up to a maximum par value of three hundred million euros of any securities, including independent warrants, granting access, immediately or in the future, to the ordinary shares of the company or of a subsidiary of the group of which the company holds more than the half of the equity. These securities may, in particular, consist of debt securities or be linked with such securities.

In accordance with legal requirements, the delegation submitted to you for the issue of the securities constitutes, by operation of law, a waiver by the shareholders of their pre-emptive subscription right for the ordinary shares to which the securities that may be issued pursuant to these delegations grant a right.

The term of this delegation will be 26 months and it will cancel the unused portion of and replace the authorisation granted at the 3 June 2008 meeting with the same purpose.

If your Board of Directors implements this delegation, it will submit to the shareholders an additional report describing the exact procedures for the issue.

Further, your Board of Directors will report to you each year, in its annual report, on the transactions completed pursuant to this delegation.

Delegation of power to the Board of Directors to increase capital through an in-kind contribution of third-party equity or securities

We propose that you also delegate to the Board of Directors the power, based on the report of a contributions auditor (*commissaire aux apports*), to increase capital, on one or more occasions, by up to 10 % of equity, with a waiver of the shareholders' pre-emptive subscription right, by issuing ordinary shares of the company or securities granting access, immediately and/or in the future, to existing shares or to shares to be issued to pay for the in-kind contributions made to the company that consist of third-party equity or equity securities if the provisions of Article L.225-148 do not apply.

The term of this delegation will be 26 months and it will cancel the unused portion of and replace the authorisation granted at the 3 June 2008 meeting with the same purpose. Your Board of Directors will report to you, in its annual report, on the transactions completed pursuant to this delegation.

Delegation of power to the Board of Directors to increase capital by incorporating reserves

We also request that you delegate to your Board of Directors the power to increase capital, on one or more occasions, by incorporating reserves, income, premiums or other amounts that may be capitalised, by granting bonus shares and/or increasing the par value of existing shares, up to a total of one hundred and fifty million euros, plus any additional value of shares to be issued to preserve the rights of the holders of equity securities in the company.

In accordance with legal requirements, the term of this authorisation will be 26 months and it will cancel the unused portion of and replace the authorisation granted at the 3 June 2008 meeting with the same purpose.

Delegation of power to the Board of Directors to increase capital, on one or more occasions, reser-ved for employees

In accordance legal requirements, it is proposed that you delegate to your Board of Directors the power to increase capital, on one or more occasions, and at its sole discretion, up to a maximum par value of two million euros per issue, of shares or equity securities reserved for members of a company or group savings scheme as provided for in Articles L.3332-18 *et seq.* of the French Employment Code, with a waiver of the shareholders' pre-emptive subscription right in favour thereof.

This proposal is being submitted to you as a result of a legal obligation that requires shareholders to vote on such a resolution when a decision or delegation to complete a capital increase is submitted for their approval. However, your Board of Directors does not feel that, at the present time, it would be appropriate to allow the employees of the company to purchase shares through a company savings scheme, and issued an opinion against the adoption of this resolution. As a result, your Board of Directors requests that you reject this resolution.

The term of this delegation, if approved, will be 26 months; it will cancel the unused portion of and replace the authorisation granted at the 3 June 2008 meeting with the same purpose.

Your Board of Directors will report to you, in its annual report, on the transactions completed pursuant to this delegation.

Authorisation given to the Board of Directors to grant bonus shares to officers, directors and employees of the company and/or of affiliates

We request you to authorise your Board of Directors to grant, on one or more installments, within a maximum of 38 months, current or future bonus shares of the company to salaried employees and officers and directors of the company and the group, or to certain categories thereof, up to a limit of 3 million shares, representing almost 5.1 % of equity as at the date of the decision by the Board of Directors to grant them; this limit shall be calculated taking into account the said shares granted.

These grants will be conditional, progressive, and subject to individual and/or collective performance levels.

The identity of the beneficiaries of these grants and the grant criteria, *e.g.*, in particular, the conditions relating to the continuation of an employment contract or appointment as officers or directors, as well as any other financial or individual and/or collective performance condition will be, each time this delegation is used, determined by the Board of Directors in light of an opinion issued by the remuneration Committee to the Supervisory Board and the authorisations established thereby.

If grants are made to officers and directors governed by Article L.225-197-1 II of the French Commercial Code, the Board of Directors must (i) ensure that the company meets one or more of the conditions set out in Article L.225-197-6 of the said Code and take all steps to ensure that it does so, and (ii) decide that the shares granted may not be sold prior to the termination of their duties or establish the number of such shares that must be retained in registered form until the termination of their duties.

We propose that you set:

- the minimum duration of the vesting period after which these rights will be permanently vested in their beneficiaries at four years from the date on which the grant is approved by the Board of Directors; and
- the minimum term the beneficiaries must retain their shares, with an authorisation given to the Board of Directors to reduce or withdraw this

retention period if the vesting period listed in the prior paragraph is no less than four years, at two years after vesting.

If future shares are granted, your delegation constitutes a waiver of the shareholders' pre-emptive subscription right to the bonus shares, in favour of the beneficiaries of the said grants.

You are asked to authorise the Board of Directors to allocate to a permanent reserve, created to protect the rights of the beneficiaries, an amount equal to the total par value of the shares that might be issued through a capital increase, by deducting the amounts necessary from any reserves that the company may freely access, as well as to complete any withdrawals necessary from this permanent reserve to pay the par value of the shares to be issued to their beneficiaries.

A special report of the Board of Directors will inform the shareholders each year of the transactions completed pursuant to this authorisation.

The Board of Directors

Letter to the shareholders: conditional and gradual incentive and retention plan

The Appointments and Remunerations Committee, the Supervisory Board, the Board of Directors, the founders and a number of major shareholders want you to know of their unanimous belief that under the present economic conditions it is necessary to establish a gradual, conditional equity incentive plan.

You will find here below the letter for the shareholders concerning this plan.

Dear shareholders,

Over the past twelve months the market capitalization of the SBF 120 (on the NYSE Next) has declined considerably, falling 42%.

During the same period Teleperformance stock has acquitted itself well, particularly since the outbreak of the financial crisis in October 2008, holding 32nd place in the top-performing SBF 120 (source: Palmares Boursorama, post-closing 3/31/09.)

The performance of our stock can be traced to the excellent performance of our group in 2008:
- *Sales revenue: € 1,784.7 million, up 12 % vs. 2007*
- *EBITDA: € 250.7 million, up 11 % vs. 2007*
- *Net profit, Group share: € 116.4 million, up 19 % vs. 2007*

These numbers resulted from our management's and leading employees' ability to organize and motivate our operating personnel, satisfy our clients, gain market share and win the confidence of investors and the stock market.

This is how the Teleperformance Group grew in a matter of years from a regional leader into a worldwide leader in its market, taking over the number one spot in 2007 and now leaving its competitors only further behind.

Still, the next few years will be challenging. The latest forecasts by the IMF show a severe drop in global production, with 2009 output off 2.6% in the US and 3.2% in Europe. Meanwhile the WTO is foreseeing a 9% decline in trading volume.

Our group does not live in an ivory tower and the contraction of the world's economy will automatically impact our business models and our ability to create value.

We all have to accept that the coming years are plagued with uncertainty.

Under these circumstances, your Board of Directors together with your Supervisory Board have decided to submit for your approval an incentive plan for more than 150 managers and employees throughout the world. This plan is based on a blend of value creation in terms of our business and in terms of our stock.

We are convinced that the greater the stake managers have in creating value, the more likely it is that value will be created. The whole-hearted commitment of our senior and mid-level executives should create wealth for our shareholders, and the plan we propose will give them their rightful share of that wealth.

The plan is based on a principle and a mechanism:

The principle: To reserve for those who create the wealth of our group, throughout the world, a portion of our earnings growth (entirely potential growth at this point) and our market capitalization. This incentive is actually linked to the creation of additional wealth and acts as a four-year retention bonus.

The mechanism: A conditional and gradual (four-year) award of bonus shares based on four objective, quantitative measures of performance in terms of revenue growth, EBITDA, EBIT and stock price. See the attached Plan. The plan involves about 3 million shares, representing 5% of total capital stock.

This plan is no gift. It is in fact tied to very high performance levels, levels hardly to be taken for granted and quite beyond the forecasts that we are currently projecting in the present business climate.

The managers we have who will qualify for these shares are men and women who have proven themselves and will only strengthen their commitment over time. Recognized and coveted by other companies around the world, they are the spearhead of our plan for value creation. To profit from this plan, they will have to deliver the added wealth it calls for within the specified timeframe—both to our shareholders and to the company.

The natural consequences of their success will be:

- Improved business performance
- A higher valuation of our stock
- Preservation of employment and very likely job growth
- A bolstering of our position of leadership.

In a time of severe crisis, we deeply believe that it is necessary to forge a tight bond between the interests of shareholders and those of our top management and senior employees, over 150 around the world, who battle daily for our success in reaching our goals.

We should add that Jacques Berrebi, Chairman of the Board of Directors and an original investor who today holds over one million shares, gives this initiative his full support.

Furthermore, Mr. Berrebi has no desire to be one of the beneficiaries of this plan. He hopes that his position on this will demonstrate his impartiality and his conviction that such an incentive plan, encouraging participants around the world to apply their fullest efforts, is in the best interest of the company, its employees and its shareholders.

In conclusion, the Board of Directors, the Supervisory Board and the principal original investors unanimously and strongly recommend adoption of this conditional and gradual incentive and retention plan and that you vote overwhelmingly for the resolution put before the shareholders' General Meeting of May 29, 2009.

Thanks for your confidence and your vote in favor of this plan

The Board of Directors, the Supervisory Board and the founding shareholders

5. Report of the Supervisory Board

Dear shareholders,

You have just heard the report of the Board of Directors on the business, accounts and consolidated accounts for your company's prior financial year ended 31 December 2008. These documents were submitted to us within the legal and regulatory deadlines.

We have no comment to make on the reports, accounts and consolidated accounts submitted by the Board of Directors, or on the draft resolutions that have been submitted to you.

In accordance with Article L.225-37, paragraph 6, of the French Commercial Code, a report from the chairman of the Supervisory Board on the conditions under which the work of your Supervisory Board was prepared and organised and the internal control procedures put into place by the company in 2008 is attached to the management report of the Board of Directors.

This report was approved by the Supervisory Board at its 10 March 2009 meeting.

At this meeting, we propose that you:

- grant € 145,800 to the Supervisory Board as fees for the 2008 financial year; and
- renew the appointment of Mr. Daniel Julien as member of the Supervisory Board for a term of four years expiring upon adjournment of the shareholders' meeting to be held in 2013 to vote on the accounts for the prior financial year.

Finally, during its last meeting, your Supervisory Board reviewed the agreements concluded or renewed during the last financial year. These agreements will be described to you in detail in the auditors' special report.

The Supervisory Board

6. Statutory Auditors' Report on Regulated Agreements and Commitments

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby present to you our report on the regulated agreements and commitments.

Regulated agreements and commitments authorized in 2008

In accordance with article L.225-88 of the French Commercial Law we have been advised of regulated agreements and commitments which have been subject to prior authorization by your Supervisory Board.
We are not required to ascertain whether any other regulated agreements or commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of those of which we were notified. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of article R.225-58 of the Commercial Law, to evaluate the benefits arising from these regulated agreements and commitments prior to their approval.
We conducted our work in accordance with professional standards applicable in France; those standards require that we perform procedures to verify that the information provided to us is in agreement with the underlying documentation from which it was extracted.

1. Contribution of the Teleperformance business by your company to its subsidiary Teleperformance France

Related parties: Mr. Michel Peschard
Mr. Olivier Douce

Terms and conditions: On 3 June 2008, the Supervisory Board authorized the contribution by your company to its wholly-owned subsidiary, Teleperformance France, of the intangible assets (customer relationships and the Pronytel brand name) of the telephone marketing business operated in France under the Teleperformance name by the subsidiary in terms of a business management contract entered into on 29 December 1989.
The contribution was valued at an amount of € 25,800,000, remunerated by the issue of shares by Teleperformance France.

2. Controlling interest taken in GN Research Luxembourg by Luxembourg Contact Center ("LCC")

Related parties: Mr. Jacques Berrebi
Mr. Daniel Julien
Mr. Michel Peschard

Terms and conditions: On 3 June 2008, your Supervisory Board authorized its wholly-owned subsidiary, LCC, to take a controlling interest in GN Research Luxembourg, through:

- The subscription, for consideration of € 4,987,400, to an issue of shares by GN Research Luxembourg representing 61.25 % of the latter's share capital.
- The acquisition of 5,401 shares of the company held by its managers (other than Mr. Daniel Julien) for an amount of € 540,100.

The controlling interest of LCC in GN Research Luxembourg amounts to 67 %. Following these operations, Mr. Julien's holding has been reduced from 37 % to 10 %.

3. Transfer of 5 % of the share capital of Citytech and FST by your company to Teleperformance Technical Help

Related parties: Mr. Daniel Julien
Mr. Philippe Dominati
Mr. Michel Peschard
Mr. Jacques Berrebi

Terms and conditions: On 3 June 2008, your Supervisory Board authorized the transfer of 5 % of the share capital of Citytech and FST to your wholly-owned subsidiary, Teleperformance Technical Help.
Estimated transfer consideration of € 308,111 and € 918,967, respectively, have been recorded in 2008,

and will be finalized on the basis of the two companies' 2008 audited financial statements.

4. Purchase of minority interest in certain of its French subsidiaries by your company

Related parties: Mr. Olivier Douce
Mr. Daniel Julien

Terms and conditions: As part of the restructuring of the French subsidiaries, the Supervisory Board authorized your company on 4 September 2008 to acquire the following holdings:

- 25 shares of Teleperformance Midi Aquitaine held by Mr. Douce for a price of € 8,754.25
- 50 shares of Teleperformance Rhône Alpes and 2 shares of Teleperformance Nord held by Mr. Julien, at a cost of € 37,420 and € 8,603.20 respectively.

5. Contribution of your company's shareholdings in its French operating subsidiaries to Teleperformance Technical Help

Related parties: Mr. Daniel Julien
Mr. Philippe Dominati
Mr. Michel Peschard

Terms and conditions: On 4 September 2008, as part of the restructuring of the French subsidiaries, the Supervisory Board authorized the contribution of all the shareholdings of your company in the French operating companies to its wholly-owned subsidiary, Teleperformance Technical Help, in a total amount of € 104,339,229. As this is an internal group restructuring, the contribution was made at the carrying value of the shares.

6. Transfer of your company's shareholdings in PerfectCall and All by Phone + Net to Luxembourg Contact Center ("LCC")

Related parties: Mr. Jacques Berrebi
Mr. Michel Peschard

Terms and conditions: On 31 December 2008, as part of the restructuring of the European (non-French) subsidiaries, the Supervisory Board authorized the transfer of your company's shareholdings in its German subsidiary, All by Phone+Net, and its Dutch subsidiary, PerfectCall, to its wholly-owned subsidiary, LCC, for consideration of € 7,659,000 and € 11,783,000, respectively. The profit recorded by your company on this transfer amounts to € 7,995,994.

7. Remuneration of a member of the management board in respect of his employment contract

Related party: Mr. Michel Peschard

Terms and conditions: Mr. Peschard has been granted a gross bonus of € 160,000 (including all social charges) in 2008 under his employment contract as corporate secretary.
The Supervisory Board has fixed the annual remuneration of Mr. Peschard at € 450,000 (including social charges) from 1 January 2009, and has capped his total remuneration package for 2009 including amounts received in his capacity as a company officer at € 670,000, including all social charges.

8. Compliance with the "TEPA" law of 21 August 2007 in respect of the employment contract of a member of the management board

Related party: Mr. Michel Peschard

Terms and conditions: Mr. Peschard has an employment contract with your company. An amendment was agreed on 1 June 2006 in respect of the financial conditions of the future termination of his employment, authorized by the Supervisory Board on 16 March 2006 and approved by the shareholders in General Meeting on 1 June 2006.
As required by the "TEPA" law of 21 August 2007, the Supervisory Board approved on 3 June 2008 the performance conditions, determined by the Remunerations Committee, which must be respected before the indemnity can be paid:

Group performance: an average annual increase of 6,5 % in both consolidated revenues as reported and EBITDA between 1 January 2008 and Mr. Peschard's effective termination.

Individual performance: achievement of at least 75 % on average of the qualitative and quantitative objectives fixed by the Remunerations Committee for the determination of the variable part of his remuneration, from 1 January 2008 until his effective termination.

Continuing regulated agreements and commitments which were approved in prior years

Moreover, in accordance with the Commercial Law, we have been informed of the following regulated agreements and commitments which were approved during previous years and which continued to apply during the year:

1. Non-compete agreement with Mr. Christophe Allard

Terms and conditions: Your company has entered into an agreement with Mr. Christophe Allard in the interests of the group to prevent the possibility of his being in competition with it after the termination of his functions. This agreement was authorized by the Supervisory Board on 16 March, 2006 and approved by the Shareholders' General Meeting held on 1 June 2006.

Following Mr. Allard's resignation from his appointment of Chairman of the Management Board on 1 February 2008, the agreement was put into effect during the year:

- notice period of nine months, incumbent on both parties, terminating on 31 October 2008;
- non-compete commitment by Mr. Allard for a period of two years;
- his commitment not to employ any senior manager of the group;
- indemnity payment fixed for the two years' commitment at 2 ½ times his total remuneration (including all social charges) in the calendar year preceding his resignation, less all withholdings and charges related to the indemnity payment.

The amount of the indemnity paid to Mr. Christophe Allard, included in 2008 expenses of the company, is € 4,922,987.

2. Business management contract in favor of Teleperformance France

Terms and conditions: Your company receives an annual fixed fee of € 4,000,000, plus 7 % of the gross margin if this does not exceed € 40,000,000, increasing to a rate of 8 % if the gross margin exceeds that amount.
Your company recorded related income of € 3,269,000 in 2008.
This agreement terminated on 30 July, 2008, when the business was contributed by your company to Teleperformance France.
The rent and charges for the Lyons premises made available to Teleperformance France were invoiced in 2008 by your company in an amount of € 435,995 excluding VAT.

3. Guarantee commitment of your company in favor of IBM in the context of the contract entered into by your subsidiary, Merkafon de Mexico

Terms and conditions: Merkafon de Mexico has entered into a contract with IBM to manage customer relations and call center services for Sprint PCS. IBM requested that your company guarantee Merkafon de Mexico's performance of the contract. Your company gave the guarantee, with a counter-guarantee of 50 % from your subsidiary, TGI. The guarantee given by your company is remunerated by a commission of 0,5 % of contract sales, and your company recorded income of € 211,773 during 2008.

Mérignac and Maisons-Alfort, 6 April 2009

KPMG Audit *Division of KPMG S.A.*	MG Sofintex *Member of Deloitte Touche Tohmatsu*
Eric Junières Partner	Pierre Marque, Laurent Odobez Partners

7. Statutory Auditors' Report on the Share Capital Operations concerned by the 15th, 16th, 19th and 20th Resolutions to be put to the Shareholders' General Meeting on 29 May 2009

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your company, and in accordance with the requirements of the French Commercial Law, we hereby report on the transactions on which you are requested to vote.

1. Reduction of share capital by cancellation of repurchased shares (15th resolution)

In accordance with the terms of art. L.225-209 ss.7 of the French Commercial Law, which relates to the reduction of share capital by cancellation of repurchased shares, we report to you on our assessment of the reasons for and conditions of the proposed reduction of share capital.

We have performed the procedures we considered necessary under French professional standards relating to this type of engagement. The procedures are designed to determine whether the reasons for and conditions of the reduction of share capital are in conformity with the law.
The present operation relates to the repurchase by your company of its shares, limited to a maximum of 10 % of its outstanding share capital, under the terms of art. L.225-209 of the French Commercial Law. The authorization to repurchase during a period of 18 months will be proposed to the General Meeting.

The management board is requesting you to delegate to it, for a period of 26 months, in the context of the repurchase by your company of its shares, all powers required to cancel the repurchased shares, up to a maximum of 10 % of the outstanding share capital, by period of 24 months,

We have no matters to report concerning the reasons for and the conditions of the reduction of share capital, which can be realized only if you give prior approval to the repurchase of the shares.

2. Issue of share capital or other financial instruments with retention of preferential subscription rights and related authorizations (16th resolution)

In accordance with the terms of the French Commercial Law, particularly art L.225-135 and following articles, and art. L.228-92, we report to you on the proposed delegation to the management board of the right to issue ordinary shares or other financial instruments giving right to share capital and/or to debt instruments, operations on which you are being requested to vote.

The management board is requesting you to delegate to it for a period of 26 months, on the basis of its report, the right to decide to proceed on one or more occasions with the following operations and to determine their final conditions:

- issue of ordinary shares with retention of preferential subscription rights,
- or issue of financial instruments giving right to the share capital of your company or of that of its subsidiaries, with retention of preferential subscription rights. These financial instruments may take the form of debt instruments or have a debt instrument component.

The total nominal amount of the increase in share capital, either with immediate effect or at a later date, is limited to a maximum of (i) € 20 million for the issue of ordinary shares, and (ii) € 300 million for the issue of other financial instruments.

The management board is responsible for the preparation of a report in accordance with arts.

R.225-113, R.225-114, and R.225-117 of the French Commercial Law. Our role is to report to you on the fair presentation of the information obtained from the financial statements and on certain other disclosures concerning these operations which are contained in its report.

We have performed the procedures which we considered necessary under French professional standards relating to this engagement. These procedures relate to the verification of the disclosures in the report of the management board concerning these operations and the method of determining the issue price for the shares.

As the report of the management board does not include any information on how the issue price for the shares concerned by the 17th resolution is to be determined, we are unable to report on the information to be used in determining the issue price. As the issue price for the shares is not yet fixed, we cannot report on the final conditions under which the operations will be realized.
In compliance with the terms of art. R.225-116 of the French Commercial Law, we shall prepare another report, if necessary, when the management board decides to issue financial instruments giving right to share capital and/or to the grant of debt instruments.

3. Grant of bonus shares of your company, in issue or to be issued, to employees and company officers (19th resolution)

In accordance with the terms of the French Commercial Law, particularly art. L.225-197-1 of the French Commercial Law, we hereby report to you on the proposed bonus share award plan, concerning shares in issue or to be issued, in favor of employees and company officers of Teleperformance S.A. and of its related companies in the terms of art. L.225-197-2 of the French Commercial Law.

The management board is requesting you to authorize it, for a period of 26 months, to make grants of bonus shares in issue or to be issued. The management board is responsible for the preparation of a report concerning the operation it wishes to undertake. Our role is to report to you, as necessary, on the information given to you on the proposed operation.

We have performed the procedures which we considered necessary under French professional standards relating to this engagement. These procedures covered principally the verification that the methods to be used, as described in the report of the management board, are in conformity with the law.
We have no comment to make on the information in the report of the management board on the proposed bonus share award plan.

4. Issue of share capital or other financial instruments reserved to members of a company or group savings plan in the terms of the French Commercial Law and art. L. 3332-18 and following articles of the French Labor Law (20th resolution)

In accordance with the terms of art. L.225-135 and following articles of the French Commercial Law, we hereby report to you on the proposed delegation to the management board of the right to decide to make an issue, or several issues, of share capital, with cancellation of preferential subscription rights, reserved to employees who are members of a company or group savings plan, in a maximum amount of € 2 million, an operation on which you are being requested to vote.

The proposed increase of share capital requires your approval in the context of art. L.225-129-6 of the French Commercial Law, and art. L.3332-18 and following articles of the French Labor Law.
The management board is requesting you, on the basis of its report, to delegate to it for a period of 26 months, the right to make one or more increases in share capital, and to waive your preferential subscriptions rights. It will fix the final conditions of any issue.

The management board is responsible for the preparation of a report in accordance with arts. R.225-113, R.225-114 and R.225.117 of the French Commercial Law. Our role is to report to you on the fair presentation of information obtained from the financial statements, the proposed cancelling of preferential subscription rights, and certain other disclosures concerning these operations which are contained in its report.

We have performed the procedures which we considered necessary under French professional standards relating to this engagement. These procedures related to the verification of the disclosures in the report of the management board concerning these operations and the method of determining the issue price for the shares.

Subject to our future assessment of the conditions under which the increases of share capital will be decided, we have no comment to make on the methods of determining the issue price of the shares as disclosed in the report of the management board.

As the issue price for the shares has not been fixed, we cannot report on the final conditions under which any share capital increases will be made, nor, in consequence, on the proposed cancellation of preferential subscriptions rights.

In accordance with the terms of art. R.225-116 of the French Commercial Law, we shall report to you again if the management board uses this authorization.

The auditors

Mérignac and Maisons-Alfort, 15 April 2009

KPMG Audit *Division of KPMG S.A.*	MG Sofintex *Member of Deloitte Touche Tohmatsu*
Eric Junières Partner	Pierre Marque, Laurent Odobez Partners

8. Text of the resolutions

ordinary resolutions

First resolution – Approval of the company accounts

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed:

- the Board of Directors' report on the company's business and the auditors' report on the company accounts for the financial year ending 31 December 2008; and
- the report of the Supervisory Board;

approved the annual accounts produced as of 31 December 2008 as submitted to them, showing a net profit of € 57,619,189.98.
They also approved the transactions referred to in these accounts and summarised in these reports.
The shareholders at the General Meeting therefore discharged the members of the Board of Directors in full for the performance of their duties for the last financial year.
It also discharged the auditors in full for the performance of their duties.

Second resolution – Approval of the consolidated accounts

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the Board of Directors' report on the group's business and the auditors' report on the consolidated accounts for the financial year ending 31 December 2008, approved the said accounts which showed a total net profit after tax of € 119.5 million, including group net profit of € 116.4 million.

Third resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the in-kind contribution of the telemarketing business to its subsidiary Teleperformance France as referred to in the report.

Fourth resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the takeover of GN Research Luxembourg by the subsidiary Luxembourg Contact Centers as referred to in the report.

Fifth resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the assignment by the company of 5 % of the equity of Citytech and FST to Teleperformance Technical Help as referred to in the report.

Sixth resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the acquisition by the company of the 25 shares held by Mr. Olivier Douce in Teleperformance Midi Aquitaine, the 50 shares in Teleperformance Rhône Alpes and the 2 shares in Teleperformance Nord held by Mr. Daniel Julien as referred to in the report.

Seventh resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the in-kind contribution of the ownership interests held by the company in its French operating subsidiaries to Teleperformance Technical Help as referred to in the report.

Eighth resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved the assignment of the securities held by the company in PerfectCall and in All by Phone + Net to Luxembourg Contact Centers as referred to in the report.

Ninth resolution – Regulated agreement

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, approved Mr. Michel Peschard's remuneration, under his contract of employment as referred to in the report.

Tenth resolution – Regulated agreement - the TEPA Act

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the special report produced by the auditors on agreements and undertakings regulated by Articles L.225-86 *et seq.* of the French Commercial Code, in particular Article L.225-90-1 thereof introduced by the TEPA Act of 21 August 2007[1], deliberating in accordance with Article L.225-79-1, approved the renewal of the agreement containing performance conditions as set out in the said report relating to aspects of remuneration, allowances and benefits to be paid by the company should Mr. Michel Peschard leave.

Eleventh resolution – Allocation of profit

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), on a proposal by the Board of Directors, and in accordance with Article L.232-11 of the French Commercial Code, resolved to allocate the profit for the 2008 financial year as follows:

Profit for the financial year	€ 57,619,189.98
Retained earnings	€ 58,396,827.50
Total to be allocated	€ 116,016,017.48
Provision to the statutory reserve	-€ 249,834.00
Provision to the ordinary reserve	-€ 30,000,000.00
Distributable profits	€ 85,766,183.48
Total dividend	-€ 24,808,452.68
Retained balance	€ 60,957,730.80

A dividend of € 0.44 per share shall be paid on the 56,382,847 shares comprising the company's share capital as at 31 December 2008.

The payment shall be made on 5 June 2009.

[1] "*La Loi du 21 août 2007 en faveur du travail, de l'emploi et du pouvoir d'achat*" or the labour, employment and purchasing power Act of 21 August 2007

The shareholders at the General Meeting resolved that, in accordance with the provisions of Article L.225-210 of the French Commercial Code, the amount of the dividend to be paid on treasury stock as at the date of payment shall be allocated to the "retained earnings" account.

In accordance with Article 158-3-2 of the French General Tax Code, individuals who are domiciled from a tax point of view in France shall benefit from a 40 % deduction on this gross dividend for income tax purposes as long as they have not elected for the 18 % flat-rate withholding tax which exempts the balance of income from taxation (excluding social security contributions) set out in Article 117 *quater* of the French General Tax Code.

As a reminder, the following have been paid in the last three financial years:

Financial year	*Dividend*	*Income tax adjustment for individuals resident in France (except election for the 18 % flat-rate withholding tax)*
2007	€0.44	40 %
2006	€0.37	40 %
2005	€0.30	40 %

Twelfth resolution – Fees

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting) resolved to set the total amount of the fees to be shared amongst the members of the Supervisory Board, for the 2008 financial year, at € 145,800.

Thirteenth resolution – Renewal of appointment

As Mr. Daniel Julien's appointment as a member of the Supervisory Board is about to expire, the shareholders at the General Meeting resolved to renew it for a period of four years, ending at the close of the ordinary General Meeting convened in 2013 to consider the accounts for the last financial year.

Fourteenth resolution - Authorisation to trade in the company's shares

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the Board of Directors' report and, in accordance with the

provisions of Articles L.225-209 *et seq.* of the French Commercial Code, Articles 241-1 *et seq.* of the General Rules of the Financial Markets Authority and Regulation (EC) No. 2273/2003 of the European Commission of 22 December 2003:

1. resolved that the company could acquire its own shares pursuant to this resolution, provided that it complies with applicable legislative and regulatory provisions in accordance with positive law, in order to:

- cancel the shares acquired, provided that the shareholders at the General Meeting adopt the fifteenth resolution below on the terms set out therein or a similar authorisation;

- establish or honour stock option plans or other allotments of shares in favour of employees and corporate officers and directors (*mandataires sociaux*), including by:
  - offering employees of the company or affiliates (as defined in Articles L.225-180 or L.233-16 of the French Commercial Code) the opportunity to acquire shares, directly or via an employees' mutual fund, on the terms and conditions laid down by law, in particular Articles L.3332-18 *et seq.* of the French Employment Code;
  - granting share purchase options and by allotting bonus shares to authorised employees or corporate officers and directors of the company or affiliates as defined in Articles L.225-177 *et seq.* and L.225-197-1 *et seq.* of the French Commercial Code;

- establish or honour obligations relating to the issue of securities granting access to share capital;

- retain them in order to provide them later as payment or in exchange as part of acquisitions;

- appoint an independent investment services provider to trade in the company's shares pursuant to a liquidity contract in accordance with a code of conduct that is recognised by the French Financial Markets Authority;

- generally, effect any other transactions that are admissible under regulations in force.

resolved that:

- the maximum purchase price per share is set at € 30, excluding costs;
- the amount of the funds that the company could use for the acquisition of its own shares shall not exceed € 168,913,500;
- the maximum number of shares that can be held by the company under this resolution shall not exceed 10 % of the total number of shares comprising the share capital at any time, provided always that the number of shares that the company may acquire during the acquisition scheme to be retained and later provided as payment or in exchange as part of a merger, demerger or contribution shall not exceed 5 % of the shares of the company.
- the shares may be acquired, sold, exchanged or transferred at any time, except during public offering periods, on one or more occasions and by any means, within the limits of and in accordance with the terms defined by the laws and regulations in force. If applicable, these transactions may occur over the counter, in block sales, or using options or derivatives, other than through the sale of put options. The entire shares acquisition scheme may be transferred in blocks of securities.

2. set the duration of this authorisation, which shall cancel (for the unexpired period and shall replace, as from the date of implementation by the Board of Directors) the authorisation given by the shareholders at the General Meeting of 3 June 2008 in the thirteenth resolution thereof, at 18 months from this meeting.
3. conferred all powers on the Board of Directors, with the power to delegate, to carry out these transactions, carry out all formalities and make all filings, carry out (if applicable) the adjustments regarding any transactions affecting the company's equity and, generally, do all that is required to implement this authorisation.

extraordinary resolutions

Fifteenth resolution: Authorisation given to the Board of Directors to cancel up to 10 % of its treasury stock per 24-month period

The shareholders at the General Meeting (being quorate and having the majority required for an extraordinary General Meeting), after having reviewed the Board of Directors' report and the auditors' special report, in accordance with statutory provisions, in particular Article L.225-209 of the French Commercial Code:

1. authorised the Board of Directors to cancel, whenever it so decides, on one or more occasions, all or some of the shares of the company acquired by it as part of the implementation of the authorisation given in the fourteenth ordinary resolution of this General Meeting or already held by it under previous authorisations, up to 10 % of the total number of shares per 24-month period, by setting off the difference between the purchase price of the securities cancelled and their nominal value against premiums and available reserves, including in part against the statutory reserve of up to 10 % of the capital cancelled.
2. set the duration of this delegation, which cancels for the unexpired period and replaces the one granted by the shareholders at the General Meeting of 3 June 2008 in the fourteenth resolution thereof relating to the same subject matter, at 26 months from the date hereof.
3. conferred all powers on the Board of Directors, with the power to subdelegate, to carry out capital reduction(s), amend the memorandum and articles of association accordingly and carry out all necessary formalities.

Sixteenth resolution: Delegation of power to the Board of Directors, for 26 months, to increase share capital, maintaining the pre-emptive right, by the issue of ordinary shares or any securities granting access to the share capital of the company or subsidiaries, for a nominal maximum amount of thirty seven million, five hundred thousand euros (ordinary shares) and three hundred million euros (debt securities)

The shareholders at the General Meeting (being quorate and having the majority required for an extraordinary General Meeting), after having reviewed the Board of Directors' report and the auditors' special report and in accordance with statutory provisions, in particular Articles L.225-129 to L.225-129-6 and L.228-91 to L.228-93 of the French Commercial Code:

1. delegated to the Board of Directors, with the power to subdelegate to any person authorised by law, the power to increase share capital (maintaining the pre-emptive right), both in France and abroad, in such proportion and at whatever times it shall decide, on one or more occasions, by the issue of ordinary shares in the company or any securities, including detachable warrants, granting access by all means, immediately and/or in the future, to ordinary shares in the company or a company in which the company directly or indirectly holds more than half of the equity (a "subsidiary").
   The securities granting access to the ordinary shares in the company or a subsidiary thus issued can, in particular, consist of debt instruments or be related to such securities.
   The ordinary shares shall be denominated in euros; securities other than the ordinary shares shall be denominated in euros, foreign currency, or any monetary unit introduced by reference to a basket of currencies.

2. resolved that the limits of the transactions thus authorised shall be as follows:

   a) the nominal maximum amount of the ordinary shares which can be issued pursuant to this delegation, immediately or in the future, is set at thirty seven million, five thousand euros, provided always that this amount shall, if necessary, be increased by the additional amount of the shares to be issued to preserve, in accordance with the law, the rights of the holders of securities granting rights to shares;

   b) the nominal maximum amount of the debt securities granting access to ordinary shares is set at three hundred million euros;

3. if the Board of Directors uses this delegation:

   a) resolved that the shareholders shall have a pre-emptive right (*pro rata* the amount of their shares) to subscribe for the ordinary shares and securities issued pursuant to this delegation;

   b) resolved, in accordance with Article L.225-134 of the French Commercial Code, that if the mandatory and any optional subscriptions have not absorbed the entirety of an issue of ordinary shares or securities, the Board of Directors may, if it so chooses and in the order that it decides, limit the issue to the amount of the subscriptions received on the condition that it achieves at least three quarters of the agreed issue, freely allot some or all of the unsubscribed securities and/or offer them to the public;

   c) officially acknowledged that this delegation constitutes an automatic waiver by the shareholders of their pre-emptive right to the ordinary shares in the company that result from the securities that may be issued pursuant to this delegation.

4. set the duration of this delegation, which cancels for the unexpired period and replaces the one granted by the shareholders at the General Meeting of 3 June 2008 in the fifteenth resolution thereof relating to the same subject matter, at 26 months from the date hereof.

5. conferred all powers on the Board of Directors, with the power to subdelegate, to implement this delegation of power on the terms and conditions laid down by law and to amend the memorandum and articles of association accordingly.

Seventeenth resolution: Delegation of power to the Board of Directors, for 26 months, to increase the share capital by up to 10 % to remunerate the in-kind contributions of the equity securities or securities granting access to the share capital of third-party companies

The shareholders at the General Meeting (being quorate and having the majority required for an extraordinary General Meeting), after having reviewed the Board of Directors' report and in accordance with the provisions of Articles L.225-129 to L.225-129-6 and L.225-147 of the French Commercial Code:

1. delegated to the Board of Directors, with the power to subdelegate to any person authorised

by law, the power, on the basis of the report(s) by the *commissaire aux apports* [contributions auditor], to carry out one or more share capital increases, by the issue of ordinary shares in the company or securities granting access by any means, immediately and/or in the future, to shares in the company that are in existence or to be issued in order to remunerate in-kind contributions made to the company and comprising equity securities or securities granting access to capital, if the provisions of Article L.225-148 of the French Commercial Code do not apply.

2. capped at 10 % of the share capital the amount of the capital increase, immediately or in the future, that may result from the issues carried out pursuant to this delegation.

3. resolved to waive, in favour of the holders of the securities that are issued against in-kind contributions, the shareholders' pre-emptive right to the ordinary shares thus issued and officially acknowledged that this delegation constitutes a waiver by the shareholders of their pre-emptive right to the ordinary shares in the company that result from the securities which may be issued on the basis of this delegation.

4. set the duration of this delegation, which cancels for the unexpired period and replaces the one granted by the shareholders at the General Meeting of 3 June 2008 in the sixteenth resolution thereof relating to the same subject matter, at 26 months from the date hereof.

5. conferred all powers on the Board of Directors, with the power to subdelegate, to approve the valuation of the contributions, to proceed with and officially acknowledge the capital increase remunerating the contribution transaction, to set off against the contribution premium, if applicable, all expenses and duties incurred by the capital increase, to deduct from the contribution premium, if it deems it appropriate, the sums required for the statutory reserve provision, to amend the memorandum and articles of association accordingly and, generally, to take all necessary steps.

Eighteenth resolution: Delegation of power to the Board of Directors, for 26 months, to increase capital by incorporation of premiums, reserves, profits or other sums that can be capitalised

The shareholders at the General Meeting (being quorate and having the majority required for an ordinary General Meeting), after having reviewed the Board of Directors' report and in accordance with statutory provisions, particularly Articles L.225-129 to L.225-129-6 and L.225-130 of the French Commercial Code:

1. delegated to the Board of Directors, with the power to subdelegate to any person authorised by law, the power to increase share capital, in such proportion and at whatever times it shall decide, on one or more occasions, by the incorporation in the capital of reserves, profits, premiums or other sums that can be capitalised, to be carried out by the creation and allotment of bonus shares, by increasing the par value of the existing shares or by using these two procedures together.

2. resolved that the nominal value of the capital increases which may be carried out under this delegation is set at one hundred and fifty million euros, provided always that to this cap shall be added, if applicable, the additional amount of the shares to be issued to preserve, in accordance with the law, the rights of the holders of securities granting a right to equity securities in the company.

3. if the Board of Directors uses this delegation, resolved, in the event of a capital increase in the form of bonus issues and in accordance with the provisions of Article L.225-130 of the French Commercial Code, that the fractional rights shall not be negotiable or assignable and that the corresponding shares shall be sold, the proceeds of the sale being allocated to the holders of the rights within the time frame set by the regulations in force.

4. set the duration of this delegation, which cancels for the unexpired period and replaces the one granted by the shareholders at the General Meeting of 3 June 2008 in the seventeenth resolution thereof relating to the same subject matter, at 26 months from the date hereof.

5. conferred all powers on the Board of Directors, with the power to subdelegate, to implement this delegation of power on the terms and conditions laid down by the law, to deduct all sums required to bring the statutory reserve back up to one tenth of the share capital and to amend the memorandum and articles of association accordingly.

Nineteenth resolution: - Authorisation given to the Board of Directors to carry out a bonus issue to managers and employees of the company and/or of affiliates

The shareholders at the General Meeting (being quorate and having the majority required for extraordinary General Meetings), after having reviewed the Board of Directors' report and the auditors' special report,

authorised the Board of Directors (in accordance with and on the terms and conditions set out in the provisions of Articles L.225–197–1 to L.225–197–6 of the French Commercial Code) to carry out on one or more occasions (to members of the company's salaried staff and/or to the managers referred to in Article L.225–197–1 II of the French Commercial Code, and members of the salaried staff and/or managers of the network of affiliates on the terms and conditions set out in Article L.225–197–2 of the French Commercial Code, or certain categories of them) the bonus issue of shares in the company, in existence or to be issued, in conditional and progressive form connected to individual and/or collective performance levels.

resolved that the total number of shares that may be granted shall not exceed 3 million shares, representing nearly 5.1 % of the share capital as at the date of the Board of Directors' decision to grant them, this limit being computed by taking into account the said allotted shares.

The shareholders at the General Meeting authorised the Board of Directors to grant, either alternatively or cumulatively, within the limit laid down in the preceding paragraph:

- shares arising out of the acquisitions carried out by the company on the terms and conditions set out in Articles L.225–208 and L.225–209 of the French Commercial Code; and/or
- shares to be issued by means of a capital increase; in that case, the shareholders at the General Meeting authorised the Board of Directors to increase share capital by the maximum nominal value of the number of shares granted, and officially acknowledged that, in accordance with the law, the grant of shares to the beneficiaries designated by the Board of Directors constitutes an express waiver by the shareholders of their pre-emptive right to the shares to be issued in favour of the said beneficiaries;

The shareholders at the General Meeting resolved:

- to set the minimum duration of the vesting period at the end of which these rights shall irrevocably vest in the beneficiaries thereof at four years from the date of the grant by the Board of Directors;
- to set the minimum duration that the shares must be retained by the beneficiaries thereof at two years after the vesting thereof; however, the Board of Directors may reduce or waive this retention period if the vesting period referred to in the preceding paragraph is at least four years.

The shareholders at the General Meeting conferred all powers on the Board of Directors, within the limits set above:

- to determine the identity of the beneficiaries or the category or categories of beneficiaries of the share grants, provided always that shares cannot be granted to employees and corporate officers and directors each holding more than 10 % of equity, and that the grant of bonus shares cannot cause any of the said employees and corporate officers and directors to exceed the shareholding threshold of more than 10 % of equity;
- in the event of an allotment to the managers referred to in Article L.225–197–1 II of the French Commercial Code, to:
  - ensure that the company fulfils one or more of the conditions set out in Article L.225–197–6 of the said Code, and to take all measures to that effect;
  - decide that the shares granted cannot be transferred before their appointments terminate, or set a quantity of these shares

that they must retain in registered form until their appointments terminate;

- allocate the share allotment rights on one or more occasions and whenever it shall deem it appropriate;

- fix the terms, conditions and criteria for granting shares, such as (and provided always that the following list shall not be exhaustive) the terms and conditions relating to the continuation of the contract of employment or appointment as corporate officer or director during the vesting period, and any other individual and/or collective financial or performance condition;

- determine the final durations of the vesting periods and length of time the shares must be retained, within the limits set above by the shareholders at the General Meeting;
- register the registered bonus shares granted in the name of the holders thereof, with the account stating the fact that they are locked-up and the duration of the lock-up period.

- credit a restricted reserve assigned to the rights of the grantees with a sum equal to the total nominal value of the shares that may be issued by means of a capital increase by deducting the necessary sums from any reserves to which the company has unrestricted access;

- make the necessary deductions from this restricted reserve in order to pay the nominal value of the shares to be issued to the beneficiaries thereof, and as a result increase the share capital by the nominal amount of the bonus shares granted;

- in the event of a capital increase, amend the memorandum and articles of association accordingly, and carry out all necessary formalities;

- if financial transactions covered by the provisions of Article L.228-99, first paragraph, of the French Commercial Code, are carried out during the vesting period, implement, if applicable and as it deems is appropriate, all specific measures required to protect and adjust the rights of the share grantees, on the terms and conditions set out in the said Article.

In accordance with the provisions of Articles L.225-197-4 and L.225-197-5 of the French Commercial Code, a special report shall notify the shareholders at an ordinary General Meeting every year of the transactions carried out in accordance with this authorisation.

The shareholders at the General Meeting set the time frame during which the Board of Directors could use this authorisation at 38 months.

Twentieth resolution: Delegation of power to the Board of Directors, for 26 months, to carry out capital increases reserved for the members of a company or group savings scheme up to a nominal maximum amount of two million euros

The shareholders at the General Meeting (being quorate and having the majority required for an extraordinary General Meeting), after having reviewed the Board of Directors' report and the auditors' special report, in accordance with statutory provisions, particularly Articles L.225-129 to L.225-129-6 and L.225-138-1 of the French Commercial Code and L.3332-18 *et seq.* of the French Employment Code:

1. delegated to the Board of Directors, with the power to subdelegate to any person authorised by law, the power to increase share capital, on one or more occasions and whenever it so decides, if applicable, in separate tranches, by a maximum nominal value of two million euros by the issue of shares or securities granting access to the capital of the company reserved for the members of a company or group savings scheme to be set up in advance.

2. resolved that this authorisation constitutes a waiver of the shareholders' pre-emptive right in favour of the said members of a company or group savings scheme, to the equity securities and securities to be issued under this resolution and a waiver of their pre-emptive right relating to the shares that result from the securities issued on the basis of this delegation.

3. resolved, in accordance with Article L.3332-19 of the French Employment Code, to set the discount at 20 % of the average of the price

quoted for the company's shares on NYSE Euronext Paris' Eurolist during the twenty trading sessions prior to the date of the decision setting the subscription commencement date. However, the shareholders at the General Meeting authorised the Board of Directors to substitute all or part of the discount by the bonus issue of shares or securities granting access to the share capital of the company, to reduce or not grant a discount, all within the applicable statutory or regulatory limits.

4. resolved that the Board of Directors may, within the limits set by Article L.3332-21 of the French Employment Code, carry out a bonus issue of shares or securities granting access to the share capital of the company with respect to the employer's contribution to the company savings scheme.

5. set the duration of this authorisation, cancelling for the unexpired period and replacing the one granted by the shareholders at the General Meeting of 3 June 2008 in the eighteenth resolution thereof, at 26 months from the date hereof.

6. conferred all powers on the Board of Directors, with the power to delegate, in particular, to:

   - finalise all the terms and conditions of the future transaction(s) and in particular, to:
     - define a list of the companies eligible for the offer that is smaller than the list of the companies eligible for the company or group savings plan;
     - set the terms and conditions of the issues which shall be carried out pursuant to this authorisation, in particular, decide the amounts proposed for the subscription, finalise the issue price, dates, deadlines and the terms and conditions for the subscription, payment, delivery and possession of the shares or securities granting access to the share capital of the company;
     - as it deems appropriate, after each capital increase, set off the costs of the capital increases against the amount of the related premiums and deduct from this amount the sums required to bring the statutory reserve up to one tenth of the new share capital;
   - carry out all acts and formalities to accomplish and officially acknowledge the capital increase or increases carried out pursuant to this authorisation, particularly, amend the memorandum and articles of association accordingly and, generally, to take all necessary steps.

Twenty first resolution: Powers

The shareholders at the General Meeting (being quorate and having the majority required for an extraordinary General Meeting) conferred all powers on a bearer of a copy or extract of the minutes of this General Meeting to carry out all filing and registration formalities relating to the above resolutions.

5. Consolidated Financial Statements and Auditors' report

1. Consolidated Balance Sheet

(in thousands of euros)

ASSETS	Note	12.31.2008	12.31.2007
Non-current assets			
Goodwill	C1	591,928	510,034
Other intangible assets	C1	47,213	50,172
Property, plant and equipment	C2	184,898	166,245
Financial assets	C11	13,826	9,718
Deferred tax assets	C3	7,535	24,063
Total non-current assets		845,400	760,232
Current assets			
Inventories	C4	520	641
Current income tax receivable		37,108	10,189
Accounts receivable - Trade	C5	433,890	390,393
Other current assets	C5	62,790	56,921
Other financial assets	C11	10,518	9,507
Cash and cash equivalents	C8	280,642	369,342
Non-current assets classified as held for sale	C10	0	5,380
Total current assets		825,468	842,374
Total assets		**1,670,868**	**1,602,606**

LIABILITIES & SHAREHOLDERS' EQUITY	Note	12.31.2008	12.31.2007
Shareholders' equity			
Attributable to equity holders of the parent	C6	1,041,806	952,336
Minority interests		11,877	12,916
Total shareholders' equity		1,053,683	965,252
Non-current liabilities			
Long-term provisions	C7	5,792	5,486
Financial liabilities	C8	43,822	135,907
Deferred tax liabilities	C3	17,128	14,089
Total non-current liabilities		69,742	155,482
Current liabilities			
Short-term provisions	C7	13,782	7,289
Income tax payable		20,294	42,347
Accounts payable - Trade	C9	77,217	75,309
Other current liabilities	C9	220,057	253,230
Other financial liabilities	C8	216,093	101,019
Non-current liabilities classified as held for sale	C10		2,677
Total current liabilities		547,443	481,871
Total liabilities and shareholders' equity		**1,670,868**	**1,602,606**

2. Consolidated Income Statement

(in thousands of euros)

	Note	*2008*	*2007*
Revenues		**1,784,752**	**1,593,795**
Other operating revenues	D2	29,997	33,873
Personnel	D3	-1,246,090	-1,114,687
External expenses	D6	299,920	-271,186
Taxes other than income taxes		-18,431	-15,723
Depreciation and amortization		-68,412	-63,862
Amortization of intangible assets acquired as part of a business combination		-2,984	-687
Impairment loss on goodwill		-1,464	-2,217
Change in inventories		-137	107
Other operating income	D5	6,236	7,028
Other operating expenses	D5	-5,695	-7,868
Net operating profit before financing costs		**177,853**	**158,572**
Income from cash and cash equivalents		12,018	14,516
Interest on financial liabilities		-14,219	-14,387
Net financing costs	**D7**	**-2,200**	**129**
Other financial income	D7	25,649	14,103
Other financial expenses	D7	-25,394	-14,509
Share in profit (loss) of associates		0	-11
Profit before taxes		**175,908**	**158,284**
Income tax	D8	-56,424	-57,281
Net profit		**119,484**	**101,003**
Net profit attributable to minority interests		-3,126	-3,142
Net profit - Group share		116,358	97,861
Basic earnings per share (in €)	**D9**	**2.09**	**1.77**
Diluted earnings per share (in €)	**D9**	**2.09**	**1.74**

3. Consolidated Cash Flow Statement

(in thousands of euros)

Cash flow from operating activities	*2008*	*2007*
Net profit group share	116,358	97,861
Net profit attributable to minority interests	3,126	3,142
Income tax expense	56,338	57,281
Depreciation and amortization	71,392	64,587
Impairment loss on goodwill	1,464	2,276
Change in provisions	4,836	167
Expense relating to share-based payments	5,836	12,116
Unrealised gains and losses on financial instruments	-618	2,336
Gains/losses on disposal of non-current assets, et of taxes	-7,952	-12,982
Income taxes paid	-83,932	-45,612
Other	-201	-314
Internally generated funds from operations	***166,647***	***180,858***
Change in working capital requirements	-68,456	-3,845
Net cash from operating activities	**98,191**	**177,013**

Cash flows used in investing activities		
Acquisition of intangible and tangible assets	-70,712	-70,941
Acquisition of subsidiaries (net of cash acquired)	-149,380	-233,880
Acquisition of financial assets	-1,192	-6,090
Disposal of intangible & tangible assets	1,925	7,350
Disposal of subsidiaries (net of cash disposed of)	7,977	10,985
Disposal of other financial assets	1,744	7,366
Net cash used in investing activities	-209,638	-285,210

Cash flows used in financial activities		
Proceeds from the issuance of capital	6,930	9,188
Purchase of own shares	-2,159	
Dividends paid to parent company shareholders	-24,316	-17,460
Dividends paid to minority interests in consolidated subsidiary	-2,032	-3,644
Proceeds from new borrowings	134,215	-56,174
Repayment of borrowings	-75,022	64,609
Net cash used in financing activities	37,616	-3,481

Change in cash and cash equivalents	**-73,830**	**-111,678**
Effect of exchange rates on cash held	*-7,489*	*-2,967*
Net cash at January 1	**319,555**	**434,200**
Net cash at December 31	**238,235**	**319,555**

4. Changes in Consolidated shareholders' Equity (in thousands of euros)

	Attribution to equity holders of the parent							Total
	Share capital	Translation reserve	Share premium	Retained earnings	Fair value of derivatives	Total	Minority interest	
At December 31, 2006	**118,014**	**-8,893**	**406,311**	**210,932**		**726,364**	**13,043**	**739,407**
Translation differences from foreign operations		-27,876				**-27,876**	84	**-27,792**
Net profit				97,861		**97,861**	3,142	**101,003**
Total income and expenses reported for the period	***-***	***-27,876***	***-***	***97,861***	***-***	***69,985***	***3,226***	***73,211***
Increase in share capital	20,445		144,148			**164,593**	143	**164,736**
Share-based payments				11,883		**11,883**	233	**12,116**
OCEANE equity component				-2,440		**-2,440**		**-2,440**
Treasury shares				-589		**-589**		**-589**
Dividends				-17,462		**-17,462**	-3,645	**-21,107**
Other				2		**2**	-84	**-82**
At December 31, 2007	**138,459**	**-36,769**	**550,459**	**300,187**	**-**	**952,336**	**12,916**	**965,252**
Translation differences from foreign operations		-11,506				**-11,506**	-301	**-11,807**
Net profit				116,358		116,358	3,124	**119,482**
Net gains on cash flow hedges					457	**457**		**457**
Total income and expenses reported for the period	***-***	***-11,506***	***-***	***116,358***	***457***	***105,309***	***2,823***	***108,132***
Increase in share capital								
Share-based payments	2,748		4,771	3,727		**11,246**	-65	**11,181**
Treasury shares	-250		-1,909	-616		**-2,775**		**-2,775**
Dividends				-24,316		**-24,316**	-2,032	**-26,348**
Other						**6**	-1,765	**-1,759**
At December 31, 2008	**140,957**	**-48,275**	**553,321**	**395,340**	**457**	**1,041,806**	**11,877**	**1,053,683**

Translation differences from converting the financial statements of foreign subsidiaries before January 1, 2004 have been reclassified as reserves in accordance with the option available under IFRS1 on transition to IFRS

5. Notes to the Consolidated Financial Statements

A. Principal accounting policies

A1. Reporting entity

Teleperformance («the company») is a company domiciled in France.
The company's consolidated financial statements for the year ended December 31, 2008 include the company and its subsidiaries, together referred to as « the group ».
The financial statements were approved by the Board of Directors on March 2, 2009, and will be submitted to the shareholders at the Annual General Meeting to be held on May 29, 2009.
All financial information presented in euro has been rounded to the nearest thousand.

A2. Basis of preparation

The consolidated financial statements for the year ended December 31, 2008 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as of the balance sheet date.
The following interpretations had no impact on the consolidated financial statements:

- IFRIC 11 « IFRS 2 – Group and Treasury Share Transactions »
- IFRIC 12 « Service Concession Arrangements »
- IFRIC 13 « Customer Loyalty Programmes »
- IFRIC 14 « IAS19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction »

New standards, amendments of standards and interpretations not yet in force for periods ending prior to December 31, 2008, and which have not been applied in the preparation of the 2008 consolidated financial statements are as follows:
- IFRS 8 «Operating Segments» introduces the « management approach » to reporting by segment, and is applicable starting January 1, 2009 ;
- IAS 23 revised «Borrowing Costs», applicable starting January 1, 2009.

The group does not expect any significant impact on its financial statements due to the adoption of these standards and interpretations.

The financial statements have been prepared on the historical cost basis, with the exception of the following assets and liabilities stated at fair value: derivative financial instruments, financial instruments held for trading and financial instruments classified as available-for-sale.

Non-current assets and groups held for sale are stated at the lower of carrying value and fair value less costs to sell.

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements.

The accounting policies have been consistently applied by all entities in the group.

The preparation of financial statements in conformity with IFRS requires making estimates and assumptions which affect the amounts reported in the financial statements, especially with respect to the following items:

- The depreciation and amortization rates,
- The calculation of losses on doubtful receivables,
- The calculation of impairment losses on intangible assets and goodwill,
- The measurement of provisions and retirement benefits,
- The estimation of the financial liability connected with minority interest purchase commitments,
- Provisions, particularly relating to legal claims,
- The measurement of employee share options,
- The measurement of intangible assets acquired as part of a business combination,
- Deferred taxation

Such estimates are based on information available at the time of preparation of the financial statements, in particular that relating to the current economic and financial crisis, and may be revised, in a future period, if circumstances change or if new information is available. Actual results may differ from these estimates.

A3. Restatement of the 2007 consolidated financial statements

The 2007 consolidated financial statements have been restated to recognize as of the date of the business combination, certain intangible assets of subsidiaries acquired in 2007, following analysis during 2008 of the identification and measurement of related assets and liabilities. Goodwill as initially recognized has been reduced, and deferred tax liabilities have been recognized.

The impact of these restatements on the 2007 consolidated financial statements is as follows:

Consolidated Balance Sheet	*As reported*	*Restatements*	*Restated*
Goodwill	532,748	-22,714	510,034
Other intangible assets	14,876	35,296	50,172
Deferred tax assets	32,620	-8,557	24,063
Total assets	**580,244**	**4,025**	**584,269**
Shareholders' equity	965,644	-392	965,252
Deferred tax liabilities	9,672	4,417	14,089
Total liabilities and shareholders' equity	**975,316**	**4,025**	**979,341**
Income statement			
Amortization of intangible assets acquired as part as a business combination	0	-687	-687
Income taxes	-57,546	265	-57,281
Net profit	**-57,546**	**-422**	**-57,968**

A4. Basis of consolidation

- Subsidiaries

Subsidiaries are entities controlled by the company. Control exists when the company has the direct or indirect power to set the operating and financial policies of the entity, so as to obtain benefits from its activities.
In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.
The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

- Joint ventures

The company is not a party to any joint venture.

- Associates

Associates are those entities in which the group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the group's share in the total recognized gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.

When the group's share of losses exceeds its interest in an associate, the carrying amount of its investment is reduced to nil and recognition of further losses is discontinued except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

- Transactions eliminated in the consolidated financial statements

Balances, any unrealized gains and losses, and income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the group's interest in the entity.
Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

A5. Foreign currency

- Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate at the dates of the transactions.
Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into euros at the foreign exchange rate at that date. Foreign exchange differences arising on translation are recognized as income or expenses. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the exchange rate at the date the fair value was determined.

- Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into euros using the exchange rate at the balance sheet date. The income and expenses of foreign operations are translated into euros using the average foreign exchange rate of the period, unless the exchange rate has fluctuated significantly. Foreign exchange differences resulting from translations are recognized in the translation reserve, as a separate equity component.
The company has no foreign operations in any country defined by the IASB as a hyperinflationary economy.

- Net investment in foreign operations

Foreign exchange differences arising from the translation of a net investment in foreign operations and of related hedges are recognized in the translation reserve. They are recognized as income on disposal of the foreign operations.

A6. Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments include investments in debt securities and equity instruments, trade and other receivables, cash and cash equivalents, loans and borrowings, and supplier and other payables.
Non-derivative financial instruments are initially recognized at fair value, plus directly attributable transaction costs in the case of instruments that are not at fair value through the income statement. After the initial recognition, non-derivative financial instruments are measured as described in the relevant notes.
A financial instrument is recognized if the group becomes a party to the instrument's contractual provisions. Financial assets are derecognized if the group's contractual rights to cash flows from financial assets expire or if the group transfers the financial asset to a third party without retaining control or nearly all the risks and benefits. "Standard" purchases and sales of financial assets are recognized on the transaction date, i.e. the date on which the group agrees to buy or sell the asset. Financial liabilities are derecognized if the group's contractually specified obligations expire or have been paid off or cancelled.

- Investments held to maturity

Whenever the group has the intention and ability to hold debt securities until they mature, they are classified as investments held to maturity. After initial recognition, investments held to maturity are valued at amortized cost, on the effective interest rate basis, less impairment losses, if any.

- Financial assets available-for-sale

Group investments in equities and certain debt securities are classified as assets available-for-sale. After initial recognition, they are measured at fair value and any resulting change is directly recorded in shareholders' equity, with the exception of impairment losses and translation differences in the case of monetary items available-for-sale. When these investments are derecognized, the accrued gains or losses recorded in shareholders' equity are transferred to the income statement.

- Investments at fair value through the income statement

An instrument is classified as an investment at fair value through the income statement if it is held for trading or designated as such on initial recognition. Financial instruments are designated as at fair value through the income statement if the group manages such investments and makes buy and sell decisions based on their fair value. On initial recognition, when directly attributable transaction costs are incurred, they are carried to the income statement. Financial instruments at fair value through the income statement are measured at fair value, and any resulting change is recorded in the income statement.

- Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost, with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest rate basis.

- Other

Other non-derivative financial instruments are stated at amortized cost on the effective interest rate basis, less any impairment losses.

Derivative financial instruments

The group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from its activities.

Gains and losses on financial instruments designated as hedges of assets or liabilities are recognized in the income statement in the case of a fair value hedge, or directly in equity in the case of a cash flow hedge.

The group may use derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks. These are contracted with high-grade financial institutions to reduce counterparty risk. The group applies hedge accounting when the hedge is shown to be effective.

Embedded derivatives are separated from the host contract and recorded separately if the following conditions are met: (i) the economic features and the risks of the host contract and those of the embedded derivative are not closely linked; (ii) a separate instrument with the same terms as the embedded derivative would fit the definition of a derivative; and (iii) the compound instrument is not measured at fair value through the income statement.

Derivatives are initially recognized at fair value, and when attributable transaction costs are incurred, they are carried in the income statement. After initial recognition, derivatives are measured at fair value, with resulting changes recognized in the income statement.

Compound financial instruments

Compound financial instruments issued by the group include convertible bonds giving the bearer the option to convert to a fixed number of shares. These bonds were either converted or redeemed in 2007.

The *liability* element of the compound financial instrument is initially recognized at the fair value that a comparable liability would have without any conversion option. The *equity* element initially recognized corresponds to the difference between the fair value of the compound financial instrument overall and the fair value of the *liability* element.

Directly attributable transaction costs are allocated to the *liability* and *equity* elements in proportion to their initial recognition amounts.

After initial recognition, the *liability* element of the compound financial instruments is measured at amortized cost based on the effective interest rate method, unless it has been designated as being at fair value through the income statement. The *equity* element of the compound financial instrument is not re-measured after its initial recognition.

A7. Equity instruments

- Ordinary shares

Ancillary costs directly attributable to the issuance of ordinary shares or share options are recognized as deductions from equity.

- Repurchase of equity instruments

If the group buys back its own equity instruments, the amount of the consideration paid, including directly attributable costs, is recognized as a change in equity. Repurchased shares are classified as treasury shares and shown as a deduction from total equity.

- Dividends

Dividends are recognized as a liability in the period in which they are declared.

A8. Non-current assets, excluding financial assets

Property, plant and equipment

- Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy A14. *Impairment*). Cost includes the asset's directly attributable acquisition costs.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

- Leased assets

Leases in terms of which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. In that case, on initial recognition, the leased asset is recognized at the fair value of the asset leased or, if that is lower, at the present value of the minimum payments under the lease. After initial recognition, the asset is measured under the accounting method applicable to that type of asset.
Any other lease agreement is an operating lease. Except for investment property, leased assets are not, in that case, recognized on the group's balance sheet.
The company has no property held under a finance lease agreement.

- Subsequent costs

The group recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, if it is probable that the future economic benefits of the item will flow to the group and the cost of the item can be measured reliably. All costs of routine repairs and maintenance are recognized in the income statement as an expense when incurred.

- Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment, from the time it is ready for use. Leased assets are depreciated over the shorter of the lease period and their useful life. Land is not depreciated.

The estimated useful lives are as follows:

Buildings	20 to 25 years
Office and IT equipment	3 to 5 years
Other	3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each period.

Intangible assets

- Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries and associates.

- **Acquisitions prior to January 1, 2004**
  On transition to IFRS the group elected to restate only those business combinations occurring on or after January 1, 2004. For companies acquired before that date, goodwill is recorded at its assumed cost represented by the amount recognized under the preceding French generally accepted accounting principles.

- **Acquisitions after January 1, 2004**
  For companies acquired after January 1, 2004, goodwill represents the difference between the acquisition cost and the group's share of the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

- **Minority interests acquired**
  Goodwill resulting from the acquisition of minority interests in a subsidiary represents the difference between the cost of the additional investment and the carrying amount of net assets acquired on the transaction date.

- **Subsequent measurement**
  Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-

generating units, and is not amortized but is tested at least annually for impairment (see accounting policy A 14. *Impairment*).

- Research & Development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the income statement as an expense when incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized if the costs can be reliably measured and if the group can show that the product or process is technically and commercially feasible, if future economic benefits are probable, and if the group has the intention and sufficient resources to complete development.

The expenditure capitalized includes the cost of materials, direct labor and an appropriate portion of overheads.

Other development expenditure is recognized in the income statement as an expense when incurred.

Capitalized development expenditure is stated at cost less accumulated amortization (see below) and impairment losses (see accounting policy A14. *Impairment*).

- Other intangible assets

Other intangible assets with a limited useful life that have been acquired by the group are stated at cost less accumulated amortization (see below) and impairment losses (see accounting policy A14. *Impairment*).
Expenditure on internally generated goodwill and trademarks is recognized in the income statement as an expense when incurred.

- Subsequent expenditure

Subsequent expenditure on capitalized intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the income statement as an expense when incurred.

- Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite.

Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date.

Other intangible assets are amortized from the date they are available for use.

The estimated useful lives are as follows:

Software	3 to 5 years
Capitalized development costs	3 to 5 years
Patents and licenses	10 years
Trade names	4 to 10 years
Customer relationships	12 to 15 years
Non-compete agreement	Duration of the agreement

Investment property

Investment property is property which is held for rental income or capital appreciation or for both. The group has elected not to record its investment property at fair value.

Investment property is stated at the lower of historical cost and fair value. Fair value is based on market value that is the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Rental income from investment property is accounted for as described in accounting policy *A19. Revenues.*

Investment property is depreciated on a straight-line basis over the estimated useful life of each property, which is between 20 and 25 years.

A9. Financial assets

Current and non-current financial assets comprise the following:

- Shareholdings in non-consolidated subsidiaries classified as financial assets available-for –sale (non-current financial assets) are stated at fair value (see accounting policy A6. *Financial instruments*). However, fair value cannot be measured reliably for shareholdings in unlisted companies, so they are stated at cost of acquisition. In the event of objective evidence of an other-than-temporary decline in value, an impairment loss is recognized in the income statement.

- Loans and other receivables, stated at amortized cost (see accounting policy *A6. Financial Instruments*): This heading particularly includes receivables or advances granted to associates or non-consolidated entities, and guarantee deposits made principally on property leases. On initial recognition these loans and other receivables are stated at fair value plus directly attributable costs; at each balance sheet date, these assets are measured at amortized cost.

- Derivative financial instruments used to hedge exposure to foreign exchange and interest rate risks, measured at fair value at each balance sheet date.

A10. -current assets held for sale and discontinued operations.

Non-current assets (or group of assets and liabilities held for sale) whose carrying amount will be recovered mainly through sale rather than continued operations are classified as assets held for sale. Immediately before classification as held for sale, the carrying amount of the assets (and all assets and liabilities in a disposal group) is measured in accordance with the group's accounting policies.

Then, on initial classification as held for sale, non-current assets and disposal groups are recognized at the lower of the carrying amount and fair value less cots to sell.

Any impairment loss in a disposal group is allocated first to goodwill, then to other assets in proportion to their carrying amount, except for inventories, financial assets, deferred tax assets, assets related to employment benefits and investment property, which continue to be measured in accordance with the group's relevant accounting policies. Impairment losses on classification of an asset (or group of assets) as held for sale are included in the income statement.

Profits and losses from subsequent measurement are similarly treated. Profit recognized may not exceed the total of impairment losses recognized.

A discontinued operation is a component of the group's business that represents a distinct line of business or a major geographical area of operations or is a subsidiary acquired solely for resale.

Classification as a discontinued operation occurs upon disposal or on an earlier date when the operation meets the criteria to be classified as held for sale. A disposal group that is to be discontinued may also qualify.

A11. Accounts receivable – Trade and Other current assets

Accounts receivable – Trade and Other current assets are initially recognized at fair value, then at amortized cost less any impairment losses at each balance sheet date.

A12. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

A13. Cash and cash equivalents

Cash and cash equivalents comprise cash balances, demand deposits and investments in mutual funds made with a short-term objective, measured at fair value, with changes in fair value recognized in the income statement (see accounting policy A6. *Financial Instruments*).

Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement, but are classified in the balance sheet as Other current financial liabilities.

A14. Impairment

- Non-financial assets

The carrying amounts of the group's non-financial assets, except for investment property, inventories (see accounting policy A12. *Inventories*) and deferred tax assets (see accounting policy A22. *Income tax*) are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

With respect to goodwill, intangible assets with an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the income statement.

An impairment loss recognized in respect of a CGU (or group of units) is first allocated to a reduction in the carrying amount of any goodwill associated with the CGU (or group of units), then to a reduction in the carrying amount of other assets in the unit (or group of units) in proportion to the carrying amount of each asset in the unit (or group of units).

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill may not be reversed.

With respect to other assets, the group assesses on each balance sheet date whether there is any indication that recognized impairment losses from previous periods have lessened or ceased. An impairment loss is reversed if there has been a change in the estimates used for determining the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

- Financial assets

The group considers a financial asset to be impaired if there is objective evidence that one or more events have had a negative effect on the asset's estimated future cash flows.

The impairment loss of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate of financial assets. An impairment loss in respect of a financial asset available-for-sale is calculated by reference to its current fair value.

An impairment test is performed individually on each significant financial asset. Other assets are tested in groups with similar credit risks.

Impairment losses are recognized in the income statement. With respect to assets available-for-sale, any accumulated loss previously recognized in equity is transferred to the income statement.

An impairment loss is reversed if the reversal can be objectively related to an event subsequent to when the impairment loss was recognized. With respect to financial assets measured at amortized cost and financial assets available-for-sale which are debt securities, the reversal is recognized in the income statement. With respect to financial assets available-for-sale which are equities, the reversal is directly recognized in equity.

A15. Financial liabilities

Financial liabilities consist primarily of:

- Convertibles bonds

Convertible bonds that can be converted to a fixed number of shares at the option of the holder, where the number of shares does not vary with changes in their fair value, are accounted for as compound financial instruments (see accounting policy A6.

Financial Instruments). The interest expense recognized in the income statement is calculated using the effective interest rate method.
All outstanding bonds were converted or redeemed in 2007.

- Interest-bearing borrowings,

are accounted for as non- derivative financial instruments in accordance with accounting policy *A6. Financial Instruments*.

- Minority interest purchase commitments

The group has committed, on either a firm or a conditional basis, to acquiring minority shareholders' interests in certain of its consolidated subsidiaries. As IFRIC has not yet issued an interpretation covering the accounting treatment for such commitments, the group has applied the following accounting treatment:

- On initial recognition, the purchase commitment is recognized as a financial liability measured as the present value of the exercise price, eliminating the related minority interests and, for any balance remaining, as goodwill.

- At each balance sheet date, the financial liability is remeasured, based on forecasts as of the estimated repurchase date and any change in the financial liability is recognized as goodwill.

- The net profit attributable to equity holders of the parent includes the share in respect of interests over which a purchase commitment has been recognized.

Dividends paid to minority shareholders are classified as financial expense when a purchase commitment exists, unless the exercise price is based on a formula which includes such dividend payments, in which case the payment to minority shareholders is treated as an adjustment to goodwill.

A16. Employee benefits

- Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense when incurred.

- Defined benefit plans

The group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on AAA credit-rated bonds that have maturity dates approximating to the terms of the group's obligations. The obligation is measured using the projected unit credit method. All actuarial gains and losses are recognized in the income statement.

- Other long-term benefits

There are no other long-term service benefits.

- Termination payments

Termination payments are recognized as expenses when the group is committed, with no realistic possibility of withdrawal, to a formal detailed plan to lay off employees before their normal retirement date. Termination payments for voluntary redundancies are recognized if the group has offered an incentive to encourage voluntary redundancies, if it is probable that such an offer will be accepted and if the number of individuals accepting the offer can be reliably estimated.

- Short-term benefits

Liabilities for short-term benefits are measured on an undiscounted basis and recognized when the corresponding service is rendered. A provision is recognized for the amount the group expects to pay under incentive plans and short-term cash bonuses if the group has a present legal or constructive obligation to make such payments as a result of past services by an employee and if the obligation can be reliably estimated.

- Share-based payments

The share option and bonus share programs enable the group's employees to acquire shares in the company. The fair value of options or bonus shares, measured on the grant date, is recognized as a personnel expense with a corresponding increase in equity over the vesting period.

This fair value has been measured by independent actuaries. The amount recognized as an expense is adjusted to reflect the actual number of options and shares that vest except, in the case of options, where forfeiture is only due to share prices not achieving the threshold for vesting.

A17. Provisions

A provision is recognized in the balance sheet when the group has a present legal or constructive obligation resulting from a past event, the obligation can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. If the time value effect is significant, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A18. Accounts payable – Trade and Other current liabilities

Accounts payable – Trade and Other current liabilities are recognized initially at fair value, and subsequently at amortized cost.

A19. Revenues

- Goods sold and services rendered

Revenues from services rendered are recognized in the income statement in proportion to the stage of completion of the transaction at the balance sheet date.

The stage of completion is assessed by reference to surveys of work performed.
Revenues from the sale of goods are recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

No revenue is recognized if there are significant uncertainties regarding (i) the recovery of the consideration due, (ii) associated past or future costs, or (iii) the possible return of goods where there exists a right to cancel the purchase and when the group remains involved in the management of the goods.

- Rental income

Rental income from investment property is recognized in the income statement on a straight-line basis over the term of the lease agreement.
Incentives granted by the group under a lease agreement are an integral part of the total net rental income and are recognized in the income statement over the term of the lease agreement.

- Government subsidies

Government subsidies are recognized in the balance sheet initially as deferred income when there is reasonable assurance that they will be received and that the group will comply with the conditions attaching to them. Subsidies that compensate the group for expenses incurred are systematically recognized as revenues in the income statement of the period in which the expenses are incurred. Subsidies that compensate the group in full or in part for the costs of an asset are systematically recognized in the income statement as other operating revenues spread over the useful life of the asset.

A20. Expenses

- Operating lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease agreement.
Lease incentives received are recognized in the income statement as an integral part of the total net lease expense over the term of the lease agreement.

- Finance lease payments

Minimum finance lease payments are apportioned between the financial expense and the reduction of the outstanding liability. The financial expense is allocated to each period during the lease term so as to produce a constant periodic interest rate on the remaining balance of the liability.

- External expenses

These principally comprise telecommunication expenses, rent of premises and related expenses, other rentals, insurance premiums, travel and entertainment, and fees (see note D6. *External expenses*).

A21. Financial income and expenses

Financial income includes interest receivable on investments, dividends, gains realized on disposal of available-for-sale financial assets, increases in the fair value of financial assets at fair value through the income statement, dividends on debt-equivalent preference shares, foreign currency gains and profits on hedging instruments that are recognized in the income statement.
Interest income is recognized in the income statement as it accrues, using the effective interest rate method. Dividends are recognized as soon as the group acquires the right to receive the payment, i.e., in the case of listed shares, on the ex-dividend date.
Financial expenses include interest due on borrowings, unwinding of the discount on provisions, foreign currency losses, decreases in fair value of financial assets at fair value through the income statement, impairment losses on financial assets and losses on hedging instruments recognized in the income statement and the financial expense connected with minority interest purchase commitments.

All costs related to borrowings are recognized in the income statement using the effective interest rate method.

A22. Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is (i) the expected tax payable on the taxable income for the year, which is calculated using tax rates enacted or substantially enacted at the balance sheet date, and (ii) any adjustment to tax payable in respect of previous years.

Deferred tax is calculated and recognized using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following items do not involve deferred tax recognition: (i) the initial recognition of goodwill, (ii) the initial recognition of assets or liabilities in a transaction which is not a business combination and that affects neither accounting profit nor taxable profit, and (iii) temporary differences relating to investments in subsidiaries and affiliates to the extent that they will probably not reverse in the foreseeable future. Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the period when the asset is realized and the liability settled, according to tax laws that have been enacted or substantially enacted at the closing date.

A deferred tax asset is recognized only to the extent that it is likely that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

A23. Earnings per share

The group reports both basic and diluted earnings per ordinary share. Basic earnings per share is calculated by dividing the earnings attributable to the owners of the company's ordinary shares by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to owners of ordinary shares and the weighted average number of ordinary shares outstanding for the effects of all potentially dilutive ordinary shares, which include convertible bonds, share options and bonus shares awarded to employees.

A24. Segment reporting

A segment is a distinct component of the group which is engaged either in providing products or services within a particular economic environment (a geographical segment) or in providing related products or services (a business segment) and which is subject to risks and rewards that are different from those of other segments.
Due to its organization, the group's primary reporting format is by geographical segment, based on customer location, and with secondary information by business segment.

The geographical segments are defined as follows:

– NAFTA (North America Free Trade Agreement): This segment includes the United States, Canada, Mexico, and their offshore locations (Dominican Republic, Philippines, India and Argentina),

– Europe: This segment comprises all European countries (France, United Kingdom, Spain, Portugal, Italy, Belgium, The Netherlands, Germany, Switzerland, Austria, Greece, Sweden, Norway, Denmark, Czech Republic, Slovakia, Poland, Lebanon, Russia and Hungary) and certain offshore locations (Tunisia, Romania, Argentina and Egypt),

– Rest of the World: This segment includes in particular South America (Brazil, Argentina, El Salvador, and Chile) and Asia (Indonesia, South Korea, Singapore, China and Vietnam).

Secondary information is provided for the following business segments: Outbound, Inbound and Other.
Inter-segment sales for both geographical and business segments are negligible and are completed under arm's length conditions.

Segment information is set out in *Note E Segment reporting*.

A25. Determination of fair value

Certain accounting policies and disclosures require determining the fair value of financial and non-financial assets and liabilities. Fair values are determined for purposes of measurement or disclosure according to the following methods.
Additional information about assumptions used in determining fair value is disclosed, where necessary, in the specific notes for the asset or liability involved.

- Property, plant and equipment

The fair value of property, plant and equipment that is recognized following a business combination is based on market value. The market value of a building is the estimated amount for which the property could be exchanged at that time between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of plant, equipment and improvements is based on the publicly available market prices for similar items.

- Intangible assets

The fair value of patents and brand names acquired during a business combination is based on the discounted present value of estimated fees avoided through the acquisition of the patent or brand. The fair value of other intangible assets is based on the present value of the cash flows expected from the use and possible sale of the assets.

The fair value of customer relationships acquired during a business combination is based on the multi-period excess earnings method, under which the asset is measured at the amount of estimated cash flows net of a reasonable return allocated to other assets.

- Investment property

Fair value is based on market value, that being the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
In the event that current active market prices are not available, the valuations are prepared by taking into consideration the estimated cash flows expected from leasing the property. The discount rate reflecting the specific risks inherent in the net cash flows is then applied to the annual net cash flow to obtain the property valuation.

- Investments in debt and equity instruments

The fair value of financial instruments at fair value through the income statement, investments held to maturity and financial assets available-for-sale is determined with reference to their quoted bid price at the balance sheet date. The fair value of investments held to maturity is determined only for disclosure purposes.

- Accounts receivables – Trade and Other current assets

The fair value of Accounts receivable – Trade and Other current assets is estimated as the present value of future cash flows discounted at the market rate of interest at the balance sheet date.

- Derivatives

The fair value of forward currency contracts is based on their quoted market price when available. If no quoted market price is available, the fair value is estimated by discounting to the present value the difference between the contractual forward price and the current forward price on the residual term of the contract, by using a risk-free interest rate (based on Treasury bonds).

The fair value of interest rate swaps is based on brokers' quoted prices and corresponds to the estimated amount that the group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and counterparty risk.

- Non-derivative financial liabilities

The fair value, which is determined for disclosure purposes, is based on the present value of future cash flows generated by principal and interest repayments, discounted at the market interest rate at the balance sheet date.
For finance lease agreements, the market interest rate is determined from similar lease agreements.

- Share-based payments

The fair value of share options and bonus shares awarded to employees is measured, respectively, using a binomial model and the Black-Scholes model. The data required in the measurement include the share price on the measurement date, the exercise price of the instrument, the expected volatility (based on the weighted average historical volatility adjusted for changes expected due to available public information), the weighted average expected life of the instruments (based on experience and the general behavior of option holders), the dividends expected and the risk-free interest rate (based on Treasury bonds). Terms of a transaction that are not market terms are not considered when determining fair value.

A26. Financial risk management

The group is exposed to the following risks connected with the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Equity risk

This note provides information on the group's exposure to each of the above risks, its objectives, policy and procedures for measuring and managing risk, as well as how it manages the share capital and equity. Quantitative disclosures appear elsewhere in the consolidated financial statements.

It is the Supervisory Board's role to define and oversee the group's risk management framework. Monitoring, measuring and overseeing financial risk is the responsibility of the group's Finance Department, for the group and group companies.

The objective of the group's risk management policy is to identify and analyze the risks that the group faces, to set appropriate risk limits and controls, to manage the risks and ensure that the limits defined are respected. The policy and the risk management systems are reviewed regularly so as to respond to changes in the market and in the group's activities.

Through its training and management rules and procedures, the group aims to develop an rigorous and constructive control environment in which every employee has a clear understanding of his or her role and duties.

The group's Audit Committee has the responsibility of making sure that senior management applies the group's risk management policy and procedures, and to assess the suitability of the risk management framework for the risks the group faces. The group's Audit Committee is assisted in its supervisory role by the Internal Audit Department.

The Internal Audit team performs both periodic and ad hoc reviews of the risk management controls and procedures, reporting to the Audit Committee.
All strategic decisions relating to the hedging policy for financial risks are the responsibility of the group's Finance Director.

- Credit risk

Credit risk is the group's risk of financial loss in the event that a customer or counterparty to a financial instrument fails to meet his contractual obligations. This risk primarily concerns Accounts receivable - Trade and Short-term investments.

- Accounts receivable – Trade and Other current assets

The group's exposure to credit risk is mainly influenced by the individual characteristics of the customers. The statistical profile of the customer portfolio, particularly the default risk for the business sector and country where customers operate, is without real impact on credit risk.

Nearly 8 % of group revenues comes from sales to one customer and about 52 % comes from the telecommunications sector and from internet service providers. There is no geographical concentration of credit risk.

The majority of our customers have been with the group for over two years.

Credit risk is continuously monitored by the group Finance Department, through monthly reports and quarterly executive Committee meetings.

The group does not require specific credit guarantees for its Accounts receivable-Trade and Other current assets.

The group determines the level of its impairment losses by estimating losses incurred on Accounts receivable-Trade and Other current assets.

- Guarantees

The group provides performance guarantees on contracts when requested by certain customers, as disclosed in note F.

- Liquidity risk

Liquidity risk is the risk that the group may not be able to meet its debts when they become due. The group's approach to managing liquidity risk is to ensure that it will have sufficient funds to pay its liabilities when they come due, whether conditions are normal or difficult, to avoid incurring unacceptable losses or harming the reputation of the group.

Short-term cash management is provided by subsidiaries' operational management which generally has access to short-term bank facilities, plus, in some cases, confirmed credit line facilities from the parent company.

All medium - and long-term financing is authorized and overseen by the group's Finance Department.

The group obtains its financing by issuing bonds, and obtaining loans and credit lines from financial institutions.

As a result of the share capital increase in 2006 and the bond conversions in February 2007, the group had a very low level of debt at the end of 2008 with net cash resources of € 17.7 million.

The liquidity risk is therefore judged to be low.

In early 2008 the group obtained a five year syndicated line of credit of € 300 million from five financial institutions, effective January 31, 2008 and repayable in fine. An amount of € 110 million had been drawn down under this facility as of December 31, 2008

Disclosures about liquidity risk are set out in note C8. *Net financial indebtedness.*

- Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and the cost of equity instruments, will affect the group's profit or the value of financial instruments it holds. The objective of managing market risk is to manage and control the market risk exposure, keeping it within acceptable limits, while optimizing returns.

- Foreign exchange risk

The group is particularly exposed to foreign exchange risk on sales denominated in a currency other than the each company's functional currency - which is principally the US$.

The group has begun to hedge this risk during 2008, covering 2008 and 2009 revenues in respect of changes in exchange rates between the Mexican peso, the Canadian dollar, the Philippines peso and the US dollar. Additional disclosures are set out in note C11.

The group is also exposed to exchange risk on its borrowings and minority interest purchase commitments denominated in currencies other than the euro or the functional currency of group companies.

Group policy is as follows:

- The group hedges loans granted to subsidiaries with loans or advances in the same currency and with the same maturities, or with foreign exchange contracts.
- The principal bank loans granted to group companies are denominated in the functional currency of the borrower.

- Interest due on borrowings is denominated in the same currency as the cash flows generated by the underlying operations of the group-primarily the euro, the US dollar and the £ sterling. This provides an economic hedge without the use of derivatives

The liability as of December 31, 2008 for minority interest purchase commitments is disclosed by currency in note G1. *Risks related to commitments for the purchase of minority interests.*

The principal minority interest purchase commitments relate mainly to subsidiaries located outside the euro zone. The main risk on these commitments, as far as these subsidiaries are concerned, is the fluctuation of the exchange rate of those currencies in which the debt is denominated.

The purchase price of the minority interests is related to the future profitability of the subsidiary and the group is therefore not exposed to risk in this respect in the event of reduced performance by the subsidiary.

Finally, the group is exposed to foreign exchange risk when translating foreign subsidiaries' financial statements for consolidation purposes.

The translation effect on the consolidated revenues of the group is disclosed in note G2. *Risk from translation of subsidiaries' financial statements on consolidation* which shows the breakdown of revenues by currency over the last two years.

The impact of changing foreign exchange rates on the group's revenues, profit before tax and net profit attributable to equity holders of the parent are disclosed in notes D1. *Effect of changes in foreign exchange rates* and G2. *Risk from translation of subsidiaries' financial statements on consolidation.*

- Interest rate risk

The group's low exposure to changes in interest rates is due to the low level of short-term debt, and does not require systematic use of derivative instruments or interest rate hedges. The interest rate risk is monitored at group level by the parent company's Finance Department. The group's exposure to a 1 % interest rate change based on its loans from financial institutions and finance lease liabilities at December 31, 2008, is disclosed in note C8. *Net financial indebtedness.*

- Equity risk

The group limits its exposure to equity risk by investing available cash reserves in short-term liquid investments and certificates of deposit, and in low risk financial instruments such as mutual funds, by choosing high-grade financial institutions and avoiding significant concentration. Group management does not expect any counterparty to default. Short-term liquid investments at December 31, 2008 amounted to 135.855 K€, principally represented by money market funds classified as "euro monetary" by the French stock exchange authority, the AMF.

The group also held 62 500 own shares at December 31, 2008, with a carrying amount of € 1.2 million shown as a deduction from shareholders equity.

- Share capital and equity management

The group's policy on share capital and equity management is to maintain a strong equity base so as to keep the confidence of investors, creditors and the market, and to support future business development. The group pays close attention to its net indebtedness and the debt-to equity ratio.

The debt-to-equity ratio has changed as follows:

in thousands of €	*12/31/2008*	*13/31/2007*
Net financial indebtedness	-17,727	-132,416
Shareholders'equity	1,053,683	965,252
Gearing ratio	-0,02	-0,14

The change is mainly due to the reduction in cash following the acquisition of the US company, The Answer Group, at the end of 2008.

From time to time the group buys back its own shares on the market.
Oddo Corporate Finance has acted on its behalf under a liquidity agreement since January 8, 2007. The agreement complies with the Code of Conduct established by the AFEI (French Association of Investment Firms) as approved by the AMF. The number of treasury shares held at the end of the year is set out in note C6. *Share Capital*

During the year the group did not make any change to its share capital management policy.

A27. Events after the balance sheet date

None

B. Acquisitions and disposals of group companies

In December 2008, the group acquired The Answer Group, a major company in the field of technical assistance in the USA.

This company, which is consolidated with effect from December 31, 2008, had revenues and net profit in 2008 of € 96.8 million and € 4.8 million, respectively. The group is in the process of identifying and measuring the assets and liabilities acquired, and will complete this during 2009. At December 31, 2008, goodwill of € 68.5 million was recognized.

This was the group's only significant acquisition in 2008.

During 2008, the group finalized the identification and measurement of assets and liabilities acquired through business combinations in 2007, and recognized additional intangible assets of € 38 million, with a corresponding reduction in the amount of goodwill initially recognized (see note C1. *Intangible Assets*).

The group completed its strategy of concentrating on its core business in 2008 with the disposal of its majority shareholdings in the training organizations ISM and IDCC. These companies were deconsolidated with effect from January 1, 2008.

In 2007, the group acquired the following companies:

- twenty4help, a German company, consolidated with effect from April 1, 2007. The company is the European leader in the fields of technical assistance and help desk services.

- The Phone House Services Telecom, a French company, consolidated with effect from May 2007. It develops overall solutions for contact center customer relations, for its French customers involved in telecommunications operations and MVNO.

- US AllianceOne, consolidated with effect from August 1, 2007, is specialized in debt collection for a large number of customers in the following sectors: financial institutions, government agencies, healthcare.

- Hispanic Teleservices was consolidated with effect from December 1, 2007, and offers English/Spanish bilingual customer relations services for the Spanish-speaking markets in the USA.

The total contribution to group revenues and net profit attributable to equity holders of the parent company in 2007 would have been € 267.8 million and € 15.5 million respectively had these acquisitions taken place on January 1, 2007.

The cost of shareholdings acquired in 2007 was € 243.1 million and goodwill recognized was € 165.3 million. Intangible assets acquired as part of these business combination were identified in an amount of € 38.0 million during 2008.

The companies acquired in 2007 contributed to 2007 group net profit attributable to equity holders of the parent and to consolidated revenues for 8,045 K€ and € 143.1 million, respectively.

Disposals in 2007 principally concerned US Noble System Corp.

Net asset warranties obtained in respect of share acquisitions

All agreements in respect of the acquisition of controlling interests by the group since 2004 include a commitment by the sellers to indemnify the acquirer (the company or a subsidiary) for any undisclosed liability as of the date of acquisition.

These commitments expire after two or three years, starting from the share transfer date, for liabilities other than tax or personnel liabilities. For these, the commitment expires only when the potential liability is prescribed.

Most of these commitments are guaranteed by escrow accounts under the control of an authorized party, due for release in two to four years on average.

No claim was made on any of these acquisition warranties during 2008.

Net asset warranties given in respect of the disposal of shares

Net asset warranties given by the group as part of the disposal of shareholdings amount to € 2.6 million, as follows:

- A warranty of an initial amount of 300 K€ for four years, given by Synerfil as part of the disposal of its subsidiary, Business Fil, on June 29, 2005; the warranty is reduced by 100 K€ each year until expiry on June 29, 2009.

- A warranty of an initial amount of 200 K€ for four years, given by SRMS as part of the disposal of its subsidiary, Akoa, on June 2, 2006; the warranty is reduced by 50 K€ each year until expiry on May 31, 2009.

- A warranty of an initial amount of 400 K€ for four years, given by Teleperformance as part of the disposal of its subsidiary, Grandi Numeri, on September 30, 2006; the warranty ceiling is reduced by 100 K€ each year.

- A warranty given by Teleperformance, with the joint and several commitments of Teleperformance Technical Help as part of the disposal of their subsidiaries ISM and IDCC on February 15, 2008. The warranty is in respect of undisclosed fiscal, personnel or customs liabilities originating prior to February 15, 2008 in an amount of € 1.7 million expiring on December 31, 2010. The group has also entered into a non-compete agreement in respect of the following activities: training in company management, marketing, personal efficiency and telephone-related activities (except when carried out in relation to customers). This agreement applies to activities in France, and is valid until February 15, 2011.

At March 30, 2009 no warranty claims were made with respect to these four commitments.

C. Notes to the balance sheet (in thousands of euros: K€)

C1. Intangible assets

Cost	Goodwill	Software	Intangible assets acquired as part of a business combination	Other	Total
At January 1, 2007	**354,455**	**41,586**	**-**	**1,940**	**397,981**
Changes in scope of consolidation	220,084	16,750		188	237,022
Increase		9,174		1,014	10,188
Decrease		-2,342		-2	-2,344
Reclassification (1)	-22,713		38,650		15,937
Remeasurement of minority interests and earnout	2,851				2,851
Exchange adjustments	-24,287	-1,615	-2,715	-130	-28,747
At December 31, 2007	**530,390**	**63,553**	**35,935**	**3,010**	**632,888**
Changes in scope of consolidation	81,734	558			82,292
Increase		7,024		4	7,028
Decrease	-1,539	-955		-59	-2,553
Remeasurement of minority interests and earnout	2,376				2,376
Exchange adjustments	809	-2,805	2,076	-166	-86
At December 31, 2008	**613,770**	**67,375**	**38,011**	**2,789**	**721,945**

Accumulated amortization and impairment losses	Goodwill	Software	Intangible assets acquired as part of a business combination	Other	Total
At January 1, 2007	**-18,645**	**-30,091**	**-**	**-1,075**	**-49,811**
Changes in scope of consolidation	500	-14,706		-59	-14,265
Increase		-7,661	-687	-1,669	-10,017
Decrease		2,253		2	2,255
Impairment	-2,217				-2,217
Exchange adjustments	6	1,230	48	89	1,373
At December 31,2007	**-20,356**	**-48,975**	**-639**	**-2,712**	**-72,682**
Changes in scope of consolidation	41	-347			-306
Increase		-8,156	-2,983	-207	-11,346
Decrease		1,307		57	1,364
Impairment	-1,540				-1,540
Exchange adjustments	13	1,754	-191	130	1,706
At December 31, 2008	**-21,842**	**-54,417**	**-3,813**	**-2,732**	**-82,804**

Net book value	Goodwill	Software	Intangible assets acquired as part of a business combination	Other	Total
At January 1, 2007	335,810	11,495	-	865	348,170
At December 31, 2007	510,034	14,578	35,296	298	560,206
At December 31, 2008	**591,928**	**12,958**	**34,198**	**57**	**639,141**

(1) The 2007 financial statements have been restated to recognize certain intangible assets as of the date of the business combination following analysis during 2008 of the identification and measurement of assets and liabilities of subsidiaries acquired in 2007. Goodwill as initially measured has been reduced and deferred tax liabilities have been recognized. These intangible assets mainly comprise brands and customer relationships, and are amortized over periods from four to fifteen years, as determined during the analysis.

Other intangible assets include patents and licenses, as well as a non-compete agreement under a business acquisition in the USA, amortized over its 10 year lifetime.

The carrying amount of capitalized development expenditures as of December 31, 2008 was € 470 K, compared with € 596 K. at December 31, 2007.

Analysis of goodwill by principal CGUs or groups of CGUs:

A subsidiary is considered to be a CGU when its cash flows are related to an indentified goodwill. Subsidiaries are grouped together to form a CGU or a group of CGUs in the following cases:

- There are significant inter-relationships formed by the existence of the same customers with common cash flows;
- Certain subsidiaries which have close ties to their offshore production units;
- Presence in the same geographical region, with a similar economic context and joint management.

At December 31, 2008, the main groups of CGUs were as follows:

NAFTA CGU:

This group of CGUs includes the contact center subsidiaries located in the USA, Canada and Mexico, and the offshore subsidiaries in the Dominican Republic, India, Philippines, Chile, and part of the Argentina entity. Goodwill allocated to this CGU group amounted to € 373.4 million at December 31, 2008, before accumulated impairment losses of € 15.8 million at December 31, 2007 and 2008.

France CGU:

This group of CGUs is formed by the French subsidiaries with contact center businesses, and the production subsidiaries in Tunisia. All these companies were brought together during 2008 under common management and a single brand. Goodwill allocated to this CGUs group amounted to € 53.7 million at December 31, 2008.

UK CGU :

This CGU is formed by the UK business and the offshore company in South Africa. Goodwill allocated to this CGU amounted to € 38.2 million at December 31, 2008.

Central Europe CGU:

This group of CGUs is formed by the businesses of companies situated in Germany, Benelux, Switzerland and Austria. This area was reorganized in 2008, particularly with respect to its management. Goodwill allocated to this CGU group amounted to € 81,2 million at December 31, 2008, before accumulated impairment losses of € 0.1 million at December 31, 2007 and 2008.

Other CGU:

Other CGUs or CGUs groups represent individually less than 5 % of total goodwill. Accumulated impairment losses were € 5.8 million at December 31, 2008 and € 4.3 million at December 31, 2007.

This CGU group includes the two Brazilian companies which form an individual CGU. Impairment losses were recognized in 2008 and 2007 of € 1.5 million and € 2.2 million respectively, as a result of the early termination by Brazil Telecom of its contract in August 2007. The carrying amount of goodwill allocated to this CGU was € 6.2 million at December 31, 2008.

The following schedule sets out the allocation of goodwill by CGU or CGU group

in thousands of €	*12/31/2008*	*12/31/2007*
NAFTA	357,609	276,648
France	53,701	49,372
UK	38,223	44,577
Central Europe	81,124	79,981
Other	61,271	59,456
Total	591,928	510,034

Goodwill was tested for impairment at December 31, 2008 as follows:

- Determination of the recoverable amount of CGUs or CGU groups

The recoverable amount of CGUs or CGU groups is represented by their value in use. This is determined by geographical area and by business, and is calculated based on the present value of estimated future cash flows using the following assumptions:

- for the first three years, forecast cash flows approved by group management are used; for the subsequent seven years, revenue growth of between 2 % and 5 % (the high end of the range concerns essentially Brazil) is assumed. These estimates are determined for each reporting unit by group management on the basis of their knowledge of the business sector, future growth possibilities, and the risk profile. The three-year forecasts were finalized at the beginning of 2009 and therefore include the effect of the economic and financial crisis as perceived at that time. Past experience in respect of the accuracy of forecast information is also considered.

- terminal values calculated after ten years without any further growth.

- the method of determining the discount rates is unchanged from that used in previous years. It takes account of the risk-free rate, the risk premium, and the beta. The risk-free rate and the risk premium have been identified for each major geographical area (euro zone, US $ zone, £ stg zone and South American zone), as in the past, to take account of the specific factors of each. The beta is that of the parent company, except for the NAFTA zone which uses an average beta derived from the average of the betas (when known) of listed companies in the USA with a business similar to that of Teleperformance. The use of a unique discount rate for each geographical area can be justified as there is a single interest rate and risk premium for each.

  The discount rates used are as follows:

	12/31/2008	*12/31/2007*
UK	9.01%	9.16%
Other European countries	8.47%	10.26%
NAFTA	12.22%	11.48%
Latin America	13.34%	14.74%
Rest of the World	8.47%	10.26%

  The 2008 discount rates have not changed significantly compared to 2007, as the betas used are constant in each year, and the reduction in the interest-free rates in all regions is offset by the increase in the risk premium.

This is the only method of determining the recoverable amount used by the group; for example, the method applying fair value less disposal costs in not used.

- Sensitivity analysis

The group has made sensitivity analyses in respect of the discount rate, with the following results:

- an increase of 100 basis points in the discount rates for each CGU would result in no increase in impairment losses recognized in 2008. The impairment loss recognized in 2008 in respect of the Brazilian CGU arose from the impairment test performed in the context of the half-year financial statements.

- an increase of 200 basis points in the discount rates for each CGU would result in impairment losses for the UK and Brazilian CGUs (an additional 2008 loss in the case of the latter, included in the Other CGU), as set out in the schedule, below.

in thousands of €	*12/31/2008*
NAFTA	0
France	0
UK	480
Central Europe	0
Other	1,640
Total	2,120

The growth rate assumptions used to estimate future cash flows are cautious, and take account of the current economic conditions in the short-term. For later years, they are based on expected inflation rates in each region.
The group has therefore focused the sensitivity analysis on the growth rate of the Brazilian CGU, which has recognized impairment losses in 2007 and 2008.
The results of this analysis are set out below:

Brazil CGU
(in thousands of €)

Discount rate	13.34%	14.34%	15.34%
Decrease of 1% in growth rate	0	0	2,850
Decrease of 2% in growth rate	0	1,125	4,000

C2. Property, plant and equipment

Cost	Land & buildings	Telephone & IT equipment	Other	in-progress	Total
At January 1, 2007	**67,144**	**202,160**	**65,255**	**646**	**335,205**
Changes in scope of consolidation	15,131	40,464	7,009	-	62,604
Increase	19,908	40,811	14,651	834	76,204
Decrease	-3,128	-22,021	-6,327	-	-31,476
Exchange adjustments	-2,026	-11,257	-1,575	-52	-14,910
At December 31, 2007	**97,029**	**250,157**	**79,013**	**1,428**	**427,627**
Changes in scope of consolidation	716	50,418	696	0	51,830
Increase	20,368	36,793	15,256	820	73,237
Decrease	-6,110	-20,446	-4,383	-863	-31,802
Exchange adjustments	-5,466	-5,779	6,157	-244	-17,646
At December 31, 2008	**106,537**	**311,143**	**84,426**	**1,141**	**503,246**

Accumulated depreciation	Land & buildings	Telephone & IT equipment	Other	in-progress	Total
At January 1, 2007	**-29,334**	**-137,559**	**-35,028**	**-**	**-201,921**
Changes in scope of consolidation	-7,284	-33,361	-3,751		-44,396
Increase	-11,161	-34,179	-10,267		-55,607
Decrease	2,975	20,883	6,108		29,966
Exchange adjustments	1,166	8,220	1,190		10,576
At December 31, 2007	**-43,638**	**-175,996**	**-41,748**	**-**	**-261,382**
Changes in scope of consolidation	-161	-32,612	-268		-33,041
Increase	-12,564	-34,619	-9,899		-57,082
Decrease	5,191	17,917	3,717		26,825
Exchange adjustments	1,954	2,202	2,175		6,331
At December 31, 2008	**-49,218**	**-223,108**	**-46,023**	**-**	**-318,349**

Net book value	Land & buildings	Telephone & IT equipment	Other	in-progress	Total
At January 1, 2007	37,810	64,601	30,227	646	**133,284**
At December 31, 2007	53,391	74,161	37,265	1,428	**166,245**
At December 31, 2008	57,319	88,035	38,403	1,141	**184,898**

Other includes principally office equipment and furniture, and motor vehicles.
No impairment loss has been recorded on these assets.
Commitments for the acquisition of property, plant and equipment were not significant as of December 31, 2008.

Property, plant and equipment held under finance lease agreements is as follows:

	12/31/2008			12/31/2007
	Cost	*Accumulated depreciation*	*Net book value*	*Net book value*
Building improvements	1,925	-1,113	812	1,421
Telephone & IT equipment	35,032	-19,776	15,256	17,773
Other	13,411	-7,441	5,970	4,746
Total	50,368	-28,330	22,038	23,940

Schedule of future minimum payments on finance leases:

Dec. 31, 2008	*less than one year*	*between 1 & 5 years*	*more than 5 years*	*Total*
Interest	917	1,229	-	2,146
Principal	7,783	9,537	447	17,767
Total	8,700	10,766	447	19,913

Dec. 31, 2007	*less than one year*	*between 1 & 5 years*	*more than 5 years*	*Total*
Interest	1,281	1,495		2,776
Principal	8,731	13,377	46	22,154
Total	10,012	14,872	46	24,930

C3. Inventories

	12/31/2008	*12/31/2007*
Carrying amount	520	641

Inventories mainly comprise I.T. Equipment.

C4. Deferred tax assets and liabilities

	Deferred tax assets	*Deferred tax liabilities*	*Net*	*Amount related to tax losses*
At January 1, 2007	**10,265**	**8,657**	**1,608**	**5,214**
Recognized in income	-9,202	-25,343	16,141	-4,010
Exchange adjustements	869	869	-	-443
Changes in scope of consolidation	7,511	15,286	-7,775	5,630
Offset of deferred tax assets and liabilities	14,620	14,620	-	
At December 31, 2007	**24,063**	**14,089**	**9,974**	**6,391**
Recognized in income	-25,150	-3,797	-21,353	-1,881
Exchange adjustements	-2,063	-1,050	-1,013	-82
Changes in scope of consolidation	2,799	-	2,799	1,331
Offset of deferred tax assets and liabilities	7,886	7,886	-	-
At December 31, 2008	**7,535**	**17,128**	**-9,593**	**5,759**

The amount of deferred tax liabilities on intangible assets recognized as part of a business combination was € 12.6 million at December 31, 2008.

Deferred tax assets amounting to € 9.2 million were not recognized at December 31, 2008 as their realization was not considered probable

C5. Accounts receivable – Trade and Other current assets

	12/31/2008			2/31/2007
	Gross	Deprec.	Net	Net
Accounts receivable - Trade	448,151	-14,261	433,890	390,393
Other	21,939	-2,198	19,741	14,505
Taxation recoverable	24,338	-	24,338	25,549
Advances & receivables on fixed assets	1,780	-	1,780	1,893
Prepayments	16,931	-	16,931	14,974
Total	513,139	-16,459	496,680	447,314

Accounts receivable – Trade is analyzed by geographical segment as follows:

	December 31, 2008	December 31, 2007
Europe	275,239	253,898
NAFTA	137,305	122,050
Rest of the world	21,346	14,445
Total	433,890	390,393

Overdue payment of Accounts receivable – Trade is as follows:

	December 31, 2008	December 31, 2007
not yet due	311,790	285,979
overdue: < 30 days	74,501	60,507
overdue: < 60 days	27,195	24,729
overdue: < 90 days	12,630	8,065
overdue: < 120 days	3,999	6,061
overdue: > 120 days	3,775	5,052
Total	433,890	390,393

C6. Share capital

Share capital at December 31, 2008 was € 140,957,117.50, consisting of 56,382,847 shares, per value € 2.50 each, fully paid-up.

	December 31, 2008	December 31, 2007
Number of share issued and fully paid-up	56,382,847	55,383,511
Treasury shares	62,500	22,100
Dividends declared in respect of the year	24,808	24,316
Dividend per share (in €)*	0.44	0.44

** based on the number of shares utstanding at December 31, 2008.*

During 2008, the company made a number of share capital increases:

- issue of 777,812 bonus shares to beneficiaries of bonus share grant plans implemented on August 2, and November 6, 2008 ;
- issue of 321,524 shares from the exercise of share options, resulting in a share capital increase of € 5,6 million.

The company purchased and subsequently cancelled 100,000 own shares in an amount of € 2.2 million.

In 2007 Teleperformance made two capital increases subscribed in cash by issuing 8,177,838 new shares of € 2.50 par value (a total of € 20.4 million nominal) for a total consideration of € 164.6 million:

- € 156 million from the conversion of the OCEANE bonds on February 23, 2007, resulting in the issue of 7,866,365 new shares;

- € 8.6 million from the exercise of options under the two plans dated June 25, 2001 (expiring on June 25, 2007), which led to the issue of 311,473 new shares.

C7. Provisions

	12/31/2006	Changes in consolidation scope	Increases	Reversals utilized	Reversals not utilized	Exchange adjustments	Other	12/31/2007
Non-current								
Provisions for risks	573	-	164	-1	-5	-26	-	705
- personnel-related	*133*		*27*	*-1*		*-12*		*147*
- fiscal	*440*		*137*		*-5*	*-14*	-	558
Provisions for other expenses	276	12	-	-236	-	-9	-	151
Retirement benefits	5,317	-977	884	-37	-543	-14	-	4,630
Total	6,166	-857	1,048	-274	-548	-49	-	5,486
Current								
Provisions for risks	7,220	101	4,770	-2,412	-2,784	-78	17	6,834
- sales-related	*2,396*		*1,386*	-597	*-1,627*	*-97*		1,461
- personnel-related	*4,036*	*101*	*2,656*	-1,796	*-778*	*20*	*16*	4,255
- fiscal	*788*	-	*728*	*-19*	*-379*	*-1*	*1*	*1,118*
Provisions for other expenses	*1,044*	*11*	*371*	-319	*-604*	*-32*	*-16*	455
Total	8,264	112	5,141	-2,731	-3,388	-110	1	7,289
TOTAL	**14,430**	**-745**	**6,189**	**-3,005**	**-3,936**	**-159**	**1**	**12,775**

	12/31/2007	Changes in consolidation scope	Increases	Reversals utilized	Reversals not utilized	Exchange adjustments	Other	12/31/2008
Non-current								
Provisions for risks	816	-	872	-65	-389	10	-112	1,132
- personnel-related	*258*		*872*	*-19*	-	*21*	-112	*1,020*
- fiscal	*558*		-	*-46*	*-389*	*-11*	-	112
Provisions for other expenses	40	-	-	-	-	-	-	40
Retirement benefits	4,630	86	864	-345	-421	-194	-	4,620
Total	5,486	86	1'736	-410	-810	-184	-112	5,792
Current								
Provisions for risks	6,834	540	7,543	-1,958	-2,345	-498	2,149	12,265
- sales-related	*1,461*	*90*	*236*	*-904*	*-255*	*-62*	-91	475
- personnel-related	*4,255*	*450*	*7,835*	*-1,054*	*-1,990*	*-436*	2,240	11,300
- fiscal	*1,118*	-	*-528*	-	*-100*	-	-	*490*
Provisions for other expenses	*455*	*97*	*1,516*	*-392*	*-43*	*-17*	-99	1,517
Total	7,289	637	9,059	-2,350	2,388	-515	2,050	13,782
TOTAL	**12,775**	**723**	**10,795**	**-2,760**	**-3,198**	**-699**	**1,938**	**19,574**

Provisions for sales-related risks comprise provisions on sales, for quality-related risks, penalties and litigation.

Provisions for personnel-related risks basically concern lawsuits related to labor terminations.
Fiscal provisions cover risks arising from tax examinations by fiscal authorities.

- Expected timing of outflows of economic benefits

With respect to retirement benefits, the expected timing corresponds to the average number of years' service remaining. Given the age pyramid within the group, the timing is long-term.

With respect to provisions for operating activities, the expected timing of outflows of economic benefits falls between one to two years as these relate to litigation currently in progress.

Provisions on sales risks as described above are generally short-term and are resolved quickly once a final invoice has been issued.

Other provisions are generally short-term (less than two years) except for judicial proceedings, the duration of which cannot be known or estimated.

- Uncertainties as to the amount or timing of these outflows

The uncertainties as to the amount or timing are low compared to the overall amount of provisions. Provisions cover a multitude of disputes over small amounts, and the uncertainty surrounding each dispute has no impact on the total amount of provisions, or on the timing.

The uncertainties as to timing generally only concern legal proceedings, where it is difficult to know when a conclusion will be reached.

Retirement benefits

Retirement benefits principally concern lump-sum payments made to employees on their retirement under the provisions of national wage agreements and French labor law. The obligation is measured using the projected unit credit method and the following actuarial assumptions:

	2008	*2007*
Discount rate	5.5%	5.4%
Rate of increase of remuneration	2.5% to 3.5%	2.5% to 3.5%
Rate of employer social charges	45.0%	45.0%

Employee turnover rates used are specific to each company.

Change in the actuarial liability during 2008:

	France	*Other countries*	*Total*
At December 31, 2007	**2,826**	**1,804**	**4,630**
2008 expense	-25	123	98
Scope changes	86		86
Exchange adjustments		-194	-194
At December 31, 2008	**2,887**	**1,733**	**4,620**

Other countries relate principally to two group companies, in Greece and in Norway, for amounts of 780 K€ and 660 K€ at December 31, 2008, respectively.

The liability is equal to the defined benefit obligation. At previous year-ends, it amounted to:

- December 31, 2004, € 2.3 million
- December 31, 2005, € 3.6 million
- December 31, 2006, € 5.3 million.

The amount of the liability in respect of company officers was.487 K€ at December 31, 2008.

C8. Net financial indebtedness

Current/non-current

	12/31/08	Current	Non-current (1)	12/31/07	Current	Non-current
Loans from financial institutions	163,144	149,614	13,530	91,857	38,572	53,285
Bank overdrafts	42,407	42,407	-	51,033	51,033	-
Finance lease liabilities	17,767	7,783	9,984	22,154	9,576	12,578
Other borrowings and financial liabilities	11,523	4,315	7,208	15,441	1,838	13,603
Due to minority shareholders	28,074	11,974	16,100	56,441	-	56,441
Total financial liabilities	262,915	216,093	46,822	236,926	101,019	135,907
Short-term investments	135,855	135,855		209,577	209,577	
Cash at bank	144,787	144,787		159,765	159,765	
Total cash and cash equivalents	**280,642**	**280,642**	**-**	**369,342**	**369,342**	**-**
Net indebtedness	-17,727	-64,549	46,822	-132,416	-268,323	135,907

(1) Due after five years: 1,766 K€

Loans from financial institutions:

Analysis by principal currency and type of interest rate (in million of euros)

	Total	€	US$	CAD	BRL	GB£	other
Total December 31, 2008	163.1	128.1	5.9	12.0	-	11.9	5.2
Type of interest rate							
- fixed rate	3.6	0.7	-	0.5	-	-	2.4
- floating rate	159.5	127.4	5.9	11.5	-	11.9	2.8
Total December 31, 2007	91.9	16.1	9.2	19.1	16.8	27.0	3.7
Type of interest rate							
- fixed rate	5.5	1.0	-	1.1	-	-	3.3
- floating rate	86.4	15.1	9.2	18.0	16.8	27.0	0.4

Analysis by loan category

	Drawn down at December 31, 2008	Available	Total credit line	Initial amount in millions of currency	Drawn down at December 31, 2008 in millions of currency	Interest rate	Maturity	Covenant
Credit lines								
Teleperformance SA	110,000	190,000	300,000		€ 110	Euribor	2013.01	(a)
AGI (USA)	-	3,593	3,593		0	4.25	None	(b)
TP Interactive	-	2,156	2,156		0	US prime -1%	2009.06	(c)
TP Italy	5,000	-	5,000		€ 5	Euribor 6 months + 2.47	None	None
MCCI Canada	3,530	-	3,530		CAD 6	Bank's prime rate	< 1 year	(d)
TP USA	-	8,623	8,623		0	US prime -1%	2009.06	(c)
TP Spain	9,728	6,472	16,200		€ 9.7	Euribor	2009.11	None
Total	128,258	210,844	339,102					
Secured bank loans								
MCCI Canada	7,538			CAD 20.5	CAD 12.8	Bank's prime rate	2011.06	(d)
Teleperformance SA	7,960			GPB 17	GPB 7.6	Libor £	2011.06	None
Teleperformance SA	1,437			USD 2	USD 2	Libor $	2011.12	None
MM TP UK	3,925				GBP 3.7	Bank of England rate + 1%	2009.12	None
TGI (USA)	1,616			USD 9	USD 2.3	Libor	2010.12	(e)
Other	4,015							
Total	26,491	-	-					
Unsecured bank loans								
Telephilippines	2,029			PHP 175	PHP 134	Fixed	2009.04	None
TP Nordic (Sweden)	2,129			SEK 37	SEK 23	NSSU	2013.04	None
Other	4,237							
Total	8,395	-	-					
Total	**163,144**	**210,844**	**339,102**					

Covenants

(a) Based on the consolidated financial statements of Teleperformance SA

		At December 31,	
company concerned	*Ratios*	*2008*	*2007*
Teleperformance SA			
Consolidated net debt/EBITDA	< 2.0	(1)	NA
Consolidated net debt/consolidated net equity	<0.7	(1)	NA

(1) not applicable as AGI had no outstanding finance leases at the year-end.

(b) Based on the financial statements of AGI

		At December 31,	
company concerned	*Ratios*	*2008*	*2007*
AGI			
EBT + finance lease interest expense + depreciation and amortization - auto-financed CapEx - Taxes paid/Finance lease payments	> 1.25	(1)	5.89
Outstanding finance lease principal/EBT+Finance lease interest expense+Depreciation and amortization	<1	(1)	0.06

(1) not applicable as AGI had no outstanding finance leases at the year-end.

(c) Based on the financial statements of TP USA

		At December 31,	
companies concerned	*Ratios*	*2008*	*2007*
TP Interactive and TP USA			
Amount drown down/accounts receivable - trade	< 0.60	NA	NA
EBITDA + rents/short-term portion of long-term debt+interest expense+income tax+rental expense	> 1.25	1.59	1.75
Total liabilities (exc. Operating liabilities, accruals, deferred income & non-interest-bearing debt)/EBITDA	< 5.25	4.78	3.39

(d) Based on the financial statements of MCCI

company concerned	*Ratios*	*2008*	*2007*
MCCI			
Shareholders' equity	> 7.1 MCAD	41.4 MCAD	40.3 MCAD
Net debt (excluding the 20.5 MCAD loan)/ shareholders' equity	< 1.90	0.1	0.2

(e) Based on the consolidated financial statements of TGI

		At December 31,	
company concerned	*Ratios*	*2008*	*2007*
TGI			
Cash-flow from operating activities after tax/interest on financial liabilities	>1.25	(1)	1.262
Assets (exc. Intangibles) - Total debt	>40 M.US$	(1)	77 M.US$
Debt/Assets (excl. Intagibles) - Total debt	<2.5	(1)	1.49

(1) These ratios were not respected as of December 31, 2008, but TGI has obtained a waiver of default from the lender, dated March 3, 2009.

Assets secured against financial liabilities

	At December 31,	
	2008	*2007*
Property, plant and equipment	5,277	12,824
Accounts receivable - Trade	6,334	11,100
Total	11,611	23,924

Finance lease liabilities

Analysis by principal currency and type of interest rate (in millions of euros):

	Total	€	US$	PHP	BRL	GB£	Other
Total 2008	**17.8**	**5.0**	**1.9**	4.1	**3.8**	**1.4**	**1.6**
Type of interest rate							
- fixed	13.3	2.6	1.9	4.1	3.8	-	0.9
- floating	4.5	2.4	-		-	1.4	0.7
Total 2007	**22.1**	**7.2**	**2.4**	3.7	**5.2**	**1.0**	**2.6**
Type of interest rate							
Type of interest rate	19.2	5.0	2.4	3.7	5.2	1.0	1.9
Type of interest rate	2.9	2.2	-		-	-	0.7

Sensitivity to interest rate changes

The group's exposure to a change of 1 % in interest rates, based on the amount of current net debt at December 31, 2007 and 2008, is as follows:

Cash and cash equivalents	280,642	369,342
Current financial liabilities	-216,093	-101,019
Position	64,549	268,323
Impact of a 1% change in interest rates	645	2,683

The low sensitivity to changes in interest rates, due to the group's low level of short-term debt, does not require it to use derivative financial instruments and interest rate hedges.

Current financial liabilities include an amount of € 110 million drawn down from the € 300 million revolving credit line facility which expires on January 31, 2013.

C9. Accounts payable – Trade and Other current liabilities

	12/31/2008	*12/31/2007*
Accounts payable - Trade	77,217	75,309
Other payables	84,953	82,096
Taxes payable	55,725	55,906
Accruals	62,764	103,524
Other operating liabilities	16,615	11,704
Total	297,274	328,539

C10. Non-current assets and liabilities classified as held for sale

Non-current assets and liabilities classified as held for sale at December 31, 2007 related to:

- Assets and liabilities of Pédagogie du Management (ISM) et IDCC, sold in the first quarter of 2008,
- A building complex in Puteaux, in the Paris region.

The group held no assets and liabilities classified as held for sale at December 31, 2008.

C11. Financial instruments

Financial assets

	current	*non-current*	*Total 12/31/08*	*Total 12/31/07*
Non-consolidated investments		50	50	68
Loans	2,902	-	2,902	3,525
Financial instruments	5,884	-	5,884	
Deposits	2,067	8308	10,375	14,930
Other	31	5482	5,513	1,565
total financial assets, gross	**10,884**	**13,840**	**24,714**	**20,088**
Impairment losses	-366	-14	-380	-863
Total financial assets, net	10,518	13,826	24,344	19,225

Foreign exchange hedges

Revenues and operating expenses of group companies are denominated principally in the currency of each country concerned. However, the group is exposed to foreign exchange risk in certain subsidiaries where revenues are denominated in a currency other than the functional currency.

Foreign currency instruments were put in place during 2008, to cover the risk of change in the exchange rate between the US dollar and the Mexican peso in respect of forecast fourth quarter revenues.

At the end of 2008, financial instruments covering the risk of changes in exchange rates between the Canadian dollar, the Philippines peso and the US dollar were implemented for forecast revenues in 2009.

The policy of the group is cover its highly probable forecast transactions denominated in foreign currency, usually over a period of 12 months. The group uses forward exchange contracts and plain vanilla foreign exchange options.

These contracts generally qualify for accounting as cash flow hedges.

The group has also implemented a foreign forecasts exchange cover of a loan of US$145 million made to one of its US subsidiaries.

Derivative financial instruments in place at the year-end are as follows:

Derivative financial instruments	*Notional amount in currency*	*Notional amount in € at 12/31/2008*	*Fair value in € at 12/31/2008*	*In equity*	*In 2008 result*
cover of intra-group loan					
Purchase of US$ *	146,403	105,197	4,563		4,563
currency hedge forecast US$/CAD transactions					
Forward sales of US$	12,750	9,161	68	74	-6
Put & call US$ - options	5,000	3,593	98	88	10
Sale of US$ options **	4,000	2,874	17		17
currency hedge forecast PHP/US£ transactions					
Forward purchases of PHP	2,300,000	34,885	512	319	193
Put & call PHP - options	500,000	7,584	215	211	4
Sales of PHP options **	250,000	3,792	3		3

** Expense of € 4.7 million has been recognized on the element covered.*
***not qualified for hedge accounting.*

At December 31, 2008, the fair value of derivative financial instruments was € 5,476 K, of which € 5,884 K is shown as Other financial assets, and € 408 K as Other financial liabilities.

D. Notes to the income statement

D1. Effect of changes in foreign exchange rates

The effect of changes in foreign exchange rates on income statement line items is as follows:

	2008 as reported	*2008 using 2007 exchange rates*	*2007 as reported*	*2007 using 2006 exchange rates*
Revenues	1,784,752	1,856,409	1,593,795	1,645,301
Net operating profit before financing costs	177,853	187,436	158572	166,944
Financial income & expenses	-1,945	-2,242	-277	-935
Net profit	119,484	125,971	101,003	106,447
Net profit, group share	116,358	122,710	97,861	103,191

D2. Other operating revenues

	2008	*2007*
Net profit on disposal of property, plant and equipment	-100	4,254
Net profit on disposal of shareholdings	7,848	7,956
Own work capitalized	1,202	2,145
Government grants	9,563	8,879
Other	11,484	10,639
Total	29,997	33,873

D3. Number of employees & personnel expense

The following disclosures relate to consolidated companies.

	2008		*2007*	
	number of employees	*Personnel expense*	*number of employees*	*Personnel expense*
Europe	36,491	715,352	29,660	585,101
NAFTA	31,215	395,695	27,763	353,407
Rest of the world	23,637	135,043	28,216	176,179
Total	91	1,246,090	639	1,114,687
Average cost per employee		14		13

D4. Share-based payments

Stock options

The group has implemented stock option programs giving company officers and senior management the right to acquire shares in the company. Three plans have been implemented by the group:

- two plans granted before November 7, 2002, not measured under IFRS 2, and which expired in 2007.
- one plan granted on June 24, 2004.

On November 6, 2006, following a share capital increase, the number of share options was increased, by 38,411 options on Plan n° 1, by 15,349 options on Plan n° 2 and by 45,250 options on Plan n° 3. The exercise price was adjusted from € 29.37 to € 27.60 for Plans 1 and 2, and from € 18.46 to € 17.34 for Plan n°3, leaving the total subscription price for the beneficiaries unchanged.

Details of Teleperformance's plans are set out below:

	plan n°1	*plan n°2*	*plan n°3*
Date of Supervisory Board or Board of Directors which made the grant	06.25.01	06.25.01	06.24.04
Date of Shareholders' meeting authorizing the plan	06.25.01	06.25.01	06.24.04
Number of options granted	595,750	239,000	700,000
Number of options granted to company officers	125 000	187 000	170 000
Date of vesting	06.26.05	06.26.05	06.25.08
Expiry date	06.25.07	06.25.07	06.24.09
Exercise price	€ 29.37	€ 29.37	€ 18.46

After the share capital increase in 2006, the plans are now as follows:

	plan n°1	plan n°2	plan n°3
Adjusted exercise price	€27.60	€27.60	€17.34
Number of additional options	38,411	15,349	45,250
Outstanding options at 12/31/08	0	0	201,218
including those for company officers			*21,292*
% company officers/total			11%
including performance-related options	*none*	*none*	*none*

Changes in 2008 in the number of option grants outstanding was as follows:

	plan n°3
At January 1, 2008	745,250
Cancelled	-222,508
Exercised	-321,524
At December 31, 2008	201,218

The fair value of the share options at their date of issue was assessed under the binomial method by an independent appraiser, who used the following assumptions: a 26 % volatility rate and a € 0.20 dividend per share in 2003, with a compound annual growth of 5 %.
The expense recognized in the income statement for these plans amounted to K 245 € in 2008 and K 632 € in 2007.

Bonus share awards

Under the authorization given by the shareholders' General Meeting on June 1, 2006 relating to the issue of bonus shares of a maximum of 2.30 % of the company's share capital at the time of the General Meeting, the Board of Directors granted the principal company offices and senior managers of the group a total of 862,066 bonus share awards, on the following dates:

- Grant of 776,600 bonus share awards on August 2, 2006; following a share capital increase, the number of bonus share awards was adjusted, increasing the number to 826,666.
- Grant of 23,400 bonus share awards on May 3, 2007
- Grant of 12,000 bonus share awards on January 10, 2008 including 8,000 granted to a beneficiary who has lost his rights since that time.

The features of the Teleperformance bonus share awards plan are as follows:

Date of Shareholders' Meeting authorizing the plan	06.01.06
Total number of bonus shares authorized	812,000
Date of Board of Directors marking the awards	08.02.06
Total number of bonus shares awarded by the Baord of Directors	776,600
Total number of bonus shares awarded to corporate officers	247,000
Date of vesting	08.02.08

After the November 2006 share capital increase, the following changes have occurred in the plan:

Additional bonus shares awarded	50,066
Date on which these additional bonus shares vest	11.6,2008
Total number of bonus shares awarded	826,666
including those for company officers	*262,924*
% of total	32%
including performance-related options/share	*none*

Since the Board of Directors' decision to award bonus shares on May 3, 2007, the following changes have occurred in the plan:

Additional bonus shares awards	23,400
Date on which these additional bonus shares vest	05.03.2009
Total number of bonus shares awards	850.066
including those for company officers	*262,924*
% of total	31%
including performance-related share awards	*none*

Since the Board of Directors' decision to award bonus shares on January 10, 2008, the following changes have occurred in the plan:

Additional bonus shares awards	12,000
Date on which these additional bonus shares vest	01.10.2010
Total number of bonus shares awards	862,066
including those for company officers	*262,924*
% of total	30%
including performance-related share awards	*none*

The 2006 bonus share awards gave rise to the following movement in 2008:

Date of forward	*08.02.06*	*11.03.06*
Number of bonus shares awards	776,600	50,066
Number of shares issued	-735,950	-41,862
Number of bonus shares awards cancelled	-40,650	-8,204
Number of outstanding bonus shares at December 31, 2008	0	0

The fair value of bonus share awards at their grant date was assessed according to the Black & Scholes method using the following assumptions: a 25 % volatility rate, a 0.90 % dividend rate, and a 3.67 % risk-free interest rate.

The expense recognized in the income statement, in 2008 and 2007 on this plan was € 6,075 K and 11,506 K€, respectively.

Taking into account the awards that were cancelled in 2008, the number of potential bonus shares at December 31, 2008 amounted to 27,400 - of which 23,400 are effective May 3, 2009 and 4,000 effective January 10, 2010.

D5. Other operating income and expenses

	2008		*2007*	
	Income	*Expenses*	*Income*	*Expenses*
Other revenues and expenses	6,236	2,618	6,603	3,738
Provisions		3,076	425	4,130
Total	6,236	5,695	7,028	7,868

D6. External expenses

	2008	*2007*
Building rents and charges	78,141	71,049
Telecommunication	60,685	56,338
Hive and maintenance of equipment	28,504	23,630
Fees	21,274	15,810
Travel and entertainment	23,096	21,538
Consumables	11,908	12,400
Other	76,312	70,421
Total	299,920	271,186

D7. Net financing costs and other financial income and expenses

	2008	2007
Interest on cash and cash equivalents	12,018	14,516
Interest on OCEANE bonds		-778
Other interest expense	-10,656	-9,350
Interest on finance leases	-2,013	-1,754
Interest commitments for the acquisition of minority interests	-1,550	-2,505
Financing costs, gross	-14,219	-14,387
Exchange rate gains and losses, net	-4,833	-1,436
Change in fair value of derivative financial instruments	4,784	
Other interest income	305	1,030
Total	-1,945	-277

D8. Income tax

Income tax expense was € 56.4 million in 2008, compared to € 57.2 million in 2007; current and deferred tax expense in 2008 was € 34.9 million and € 21.5 million, respectively.

	2008	2007
Consolidated net profit	**119,484**	**101,003**
Income tax expense	56,424	57,281
Profit before taxes	**175,908**	**158,284**
Standard rate of tax in France	34.43%	34.43%
Expected tax expense	**-60,565**	**-54,497**
Impairment loss on goodwill	-504	-764
Tax rates differences in foreign jurisdictions	6,919	8,053
Share-bases payments	-823	-2,520
Other permanent differences	1,030	-1,129
Unrecognized deferred tax assets	-2,481	-6,424
Total	-56,424	-57,281

D9. Earnings per share

Basis earnings per share is calculated by dividing the net profit attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the year, as adjusted for the effect of all potentially dilutive ordinary shares.

	2008	2007
Net profit attributable to equity holders of the parent	**116,358**	**97,861**
Weighted average number of shares issued to calculate basic earnings per share	55,687,676	55,223,232
Dilutive effect of share options	43,118	337,709
Dilutive effect of bonus share awards		623,354
Weighted average number of shares used to calculate diluted earnings per share	55,730,794	56,184,295
Basic earnings per share in €	2.09	1.77
Diluted earnings per share in €	2.09	1.74

Weighted average number of shares used to calculate basis earnings per share:

	2008	2007
Ordinary shares issued at January 1	55,383,511	47,205,673
Treasury shares	-62,500	-22,100
Cancelled shares	-77,630	
OCEANES bonds converted		7,866,365
Options exercised in 2008	131,232	173,294
Bonus shares issued	313,063	
Weighted average number of ordinary shares	55,687,676	55,223,232

The average share price used to calculate the dilutive effect of share options and bonus shares was determined based on the share prices over the period when the options and bonus shares awards were outstanding.

E. Segment reporting

Segment information is reported in respect of the group's geographical segments, as follows:

2008	*Europe*	*NAFTA*	*Rest of the World*	*Total*
Revenues	**977,235**	**706,476**	**101,041**	**1,784,752**
Net operating profit before financing costs	**86,372**	**96,043**	**-4,562**	**177,853**
Capital expenditure (including finance leased assets)	34,313	34,214	11,500	80,027
Depreciation and amortization	30,287	34,812	6,279	71,377
Impairment losses			1,464	1,464
Allocation of assets	**855,772**	**735,785**	**79,311**	**1,670,867**
- non current	*318,199*	*483,492*	*43,710*	*845,400*
- current	*537,573*	*252,294*	*35,601*	*825,467*
Allocation of liabilities	**471,714**	**124,465**	**26,097**	**622,279**
- non current	*41,739*	*24,656*	*3,347*	*67,742*
- current	*424,883*	*99,809*	*22,750*	*547,443*

2007	*Europe*	*NAFTA*	*Rest of the World*	*Total*
Revenues	**833,376**	**602,116**	**158,303**	**1,593,795**
Net operating profit before financing costs	**94,165**	**76,562**	**-12,155**	**158,572**
Capital expenditure (including finance leased assets)	33,147	33,735	18,025	84,907
Depreciation and amortization	26,978	27,390	9,494	63,862
Impairment losses			2,217	2,217
Allocation of assets	**941,244**	**578,092**	**83,270**	**1,602,606**
- non current	*328,293*	*389,404*	*42,535*	*760,232*
- current	*607,571*	*188,688*	*40,735*	*836,994*
Assets classified as held for sale	*5,380*			*5,380*
Allocation of liabilities	**448,168**	**140,816**	**48,369**	**637,353**
- non current	*80,062*	*55,885*	*19,535*	*155,482*
- current	*365,429*	*84,931*	*28,834*	*479,194*
Liabilities classified as held for sale	*2,677*			*2,677*

Business segment revenues (expressed as a percentage of total group revenues) are as follows:

2008	*Europe*	*NAFTA*	*Rest of the World*	*Total*
Outbound	29	20	23	24
Inbound	67	77	77	72
Other	4	3	0	4
Total	100	100	100	100

2007	*Europe*	*NAFTA*	*Rest of the World*	*Total*
Outbound	32	18	26	26
Inbound	63	80	74	71
Other	5	2	0	3
Total	100	100	100	100

The inbound and outbound businesses generally share the same assets, except for call centers specifically dedicated to a single business. However, capital expenditure is similar and the overall capital expenditure is close to that set out above for revenues.

F. Commitments and other contractual obligations

The group has the following commitments:

1. Guarantee given to IBM under the contract with Merkafon de Mexico.
   IBM requested Teleperformance to provide them with a performance guarantee on the contract with Merkafon de Mexico. guarantee Teleperformance provided the guarantee and obtained a 50 % counter-guarantee from its subsidiary TGI. The Company's earns 0.5% of the revenue from this contract.
2. First-demand guarantee and caution granted to SFR Service Clients on contract performance.

Type and maturity of contractual obligations at December 31, 2008

in millions of euros	*Total 12.31.08*	*2009*	*2010 to 2013*	*Due after 2013*
Recognized on the balance sheet				
Loans from financial institutions	163,144	* 149,614	10,314	3,216
Bank overdrafts	42,407	42,407		
Finance lease liabilities	17,767	7,783	9,537	447
Other borrowings and financial liabilities	11,523	4,315	5,889	1,319
Due to minority shareholders	28,074	11,974	16,100	
Not recognized on the balance sheet				
Operating leases	156,431	34,521	77,774	44,136

** including € 110 million drawn down on the revolving credit line of € 300 million, repayable on January 31, 2013.*

G. Foreign exchange risks

G1. Risks related to commitments for the purchase of minority interests

The financial liability at December 31, 2008 and 2007, amounting to € 28,075 K and € 56,441 K, respectively, is denominated in the following principal currencies:

Minority interest purchase commitments	*12.31.08*	*12.31.07*
US dollar	4,255	29,208
Sterling Pound	3,809	1,524
Swedish krona		19,980
Argentinian peso		4,178
Norwegian krone		44,373
Swiss Ffanc		1,143
Euro	18,994	18,782

Changes in exchange rates have led to a reduction of € 1.1 million in the liability between December 31, 2007 and 2008.

G2. Risk from translation of subsidiaries' financial statements on consolidation

The analysis of group revenues by principal currency in 2007 and 2008 is set out in the following schedule:

Revenues	*2008*		*2007*	
	amount	%	amount	%
Euro	756.3	42.4%	641.8	40.3%
US Dollar	501.0	28.1%	431.0	27.0%
Brazilian Real	61.0	3.4%	125.3	7.9%
Mexican Peso	125.1	7.0%	100.0	6.3%
Sterling Pound	103.2	5.8%	88.8	5.6%
Canadian Dollar	74.8	4.2%	67.8	4.3%
Other	163.4	9.2%	139.1	8.7%
Total	1,784.8	100%	1,593.8	100%

Sensitivity of group profit before tax to a change of 1 % in the exchange rate of the euro compared with other currencies:

The group estimates that an increase of 1 % in the exchange rate of the euro compared with other currencies would have reduced 2008 profit before tax by approximately € 695 K (2007: € 724 K), and would have reduced shareholders' equity by approximately € 6.5 million.

At December 31, 2008, the group's exposure to foreign exchange risk is summarized as follows:

in millions of €	***Assets***	***Liabilities***	***Net position before hedging***
Euro	712.0	414.0	298.0
US dollar	554.2	72.7	481.5
Brazilian real	49.0	15.1	33.9
Mexican peso	108.5	17.1	91.4
Sterling Pound	61.9	18.2	43.7
Canadian dollar	44.8	23.1	21.7
Other	140.5	57.0	83.5
Total	1,670.9	617.2	1,053.7

H. Related party disclosures

Transactions with group subsidiaries

Brand royalties and technical assistance fees are paid to the parent company by the subsidiaries. Loans are made to certain subsidiaries and dividends are distributed to the parent by the subsidiaries.

Relationships between the parent company and related parties

During 2008 there was no relationship of any nature between the parent company and company officers (other than remuneration or directors' fees) and associated companies.

Companies controlled by Mr. Jacques Berrebi received remuneration from the parent company and/or its subsidiaries in respect of services rendered. Over the last two years, this remuneration amounted to:

2008: € 1,264 K
2007: € 605 K

At the end of June 2008, the group took control of GN Research, a company in which Mr. Daniel Julien was a minority shareholder (37 %); as of December 31, 2008 he still holds 10 %.

Relationships between the company and its officers

In 2008, remuneration and directors' fees received by company officers amounted to € 8,056 K and € 33 K, respectively.

In 2007, remuneration and directors' fees received by company officers amounted to € 8,186 K and € 34 K respectively.

The expense recognized for share options and bonus shares awarded to group officers amounted to € 1,502 K in 2008, and € 3,778 K in 2007.

Mr. Christophe Allard resigned as Chairman of the Board of Directors on February 4, 2008. The company required him to execute his non-compete agreement, and in return, paid him an indemnity for a gross amount of € 4.9 million on October 31, 2008.

Mr. Michel Peschard is entitled to a termination indemnity in addition to that due under the terms of labor legislation or other agreements, as authorized by the Supervisory Board on March 16, 2006. The amount will be equal to his total remuneration received in the year preceding cessation of his duties and is fully provided for in the company's financial statements under IAS 19.

Messrs. Daniel Julien and Jacques Berrebi have signed non-compete agreements with the group, as authorized by the Supervisory Board on March 16, 2006; terms and conditions are described in Section 3. *Remuneration of the Board of Directors and Supervisory Board* of the Annual Report.

There are no other post-employment benefits, termination payments or share options with the exception of 21,292 options allocated to company officers as part of the existing share option plan.

H1. Scope of consolidation, December 31, 2008

consolidated companies	*% Interest*	*% Control*
Parent company: Teleperformance	**100**	**100**
Contact centers		
Europe :		
Teleperformance France	100	100
Cash Performance	100	100
Infomobile	100	100
Teleperformance Nord	100	100
Teleperformance Rhône-Alpes	100	100
Teleperformance Midi-Aquitaine	100	100
Comunicator	100	100
TechCity solutions	100	100
TPH ST	100	100
Teleperformance EMEA	100	100
Teleperformance Espagne	100	100
CEE Iberphone SL (Espagne)	100	100
Fonomerk	100	100
Teleperformance Portugal	100	100
Teleperformance Italia	100	100
Teleperformance Hellas - TP Greece	70	70
DRS (Greece)	53	75
Mantel (Greece)	67	96
TechCity Hellas (Greece)	80	80
TP Lebanon	36	51
TP Romania - Service 800 Customer Provider SRL	70	100
TP Romania - Customer Management Company SRL	56	80
Teleperformance Albania	100	100
Teleperformance Germany (Munich)	100	100
All by Phone + Net (Germany)	100	100
Teleperformance Austria	97	97
TP Nordic (Sweden)	100	100
Teleperformance Soderham (TechCity Nordic)	100	100
Teleperformance Denmark	100	100
Teleperformance Denmark AS	100	100
Teleperformance Finland	100	100
Teleperformance Norway	100	100
Société Européenne de Telemarketing (TP Belgium)	100	100
Teleperformance Netherland	100	100
PerfectCall BV (The Netherlands)	100	100
PerfectCall Telemarketing (The Netherlands)	100	100
PerfectCall Facilities (The Netherlands)	100	100
SCMG (Switzerland)	100	100
Liberty Call (Switzerland)	100	100
Extratel (Switzerland)	100	100
Lion Teleservices CZ (Czech Republic)	90	90
Lion Teleservices SK (Slovakia)	63	70
Teleperformance Poland (Poland)	100	100
24 Czech	100	100
Direct Star (Russia)	86	100
Teleperformance Hungary	100	100
Teleperformance UK (formely BPS)	100	100
BPS CCS (UK)	69	69
MM Group Holdings Ltd (UK)	100	100
MM Teleperformance UK	100	100
Contact 24 Ltd	100	100
MM Group Ireland Ltd	100	100
TechCity Benelux (Belgium)	95	95
Techmar (Belgium)	100	100
Luxembourg Call Center	100	100
Russia Contact Center	86	86
twenty4help AG (Germany)	100	100
24 Dordmund (Germany)	100	100
24 Zweibrucken (Germany)	100	100
24 Görlitz (Germany)	100	100
Sales+ (Germany)	100	100
24 Spain	100	100
24 UK	100	100
24 Italy	100	100
24 Netherlands	100	100
24 Poland	100	100
24 Sweden	100	100
24 RSA	100	100

Teleperformance Egypt	67	96
Société Méditerranéenne de Télémarketing (Tunisia)	100	100
GN Research SA	67	67
GN Research Italy	67	100
GN Research France	67	100
GN Research Tunisia	67	100
GN Research Germany	66	98
NAFTA (North America Free Trade Agreement)		
Teleperformance Group Inc. (USA)	100	100
Teleperformance USA	100	100
Teleperformance Interactive (USA)	100	100
AGI (USA)	100	100
The Answer Group	100	100
Americall de Mexico	100	100
Teleperformance Nearshore (Mexico)	90	90
Teleperformance Mexico	100	100
Sistemas de Localizacion	100	100
Inverpanamerica	100	100
Impulsora Corporativa Internacional	100	100
IRHSA (Administradora interamericana de Recursos Humanos)	100	100
Propesa (Proveedora de Personal Especializado)	100	100
AGI Dominican Republic	100	100
Marusa Marketing, Inc. (Canada)	100	100
MMCC Solutions, Inc. (Teleperformance Canada)	100	100
MCCI Multi-channel communication Inc. (Canada)	100	100
Merkafon Management (USA)	100	100
Teleperformance International	100	100
Mauricius Contact Center (Mauricius)	84	84
Compania Salvadorena de Telemarketing (El Salvador)	84	100
Teleperformance Delaware	100	100
AllianceOne Limited (Canada)	100	100
Nova Information Technologies Ltd (Canada))	100	100
AllianceOne Inc. (USA)	100	100
AllianceOne Holding Company (USA)	100	100
AllianceOne Receivables Management Inc. (USA)	100	100
Bayside Billing (USA)	100	100
National Medical Coders (USA)	100	100
Trinity Medical Services (USA)	100	100
Outsourcing Management International (Jamaica)	100	100
HTM Hispanic Teleservices Mexico)	100	100
SHT Servicios Hispanic Teleservices	100	100
HTG Hispanic Teleservices Guadalajara	100	100
HTC Hispanic Teleservices Corp.(USA)	100	100
Rest of the World:		
Teleperformance CRM (Brazil)	100	100
Teleperformance Brasil & CKAPT	100	100
FST (TP Argentina)	100	100
Software del Plata (Argentina)	97	100
Citytech. (Argentina)	97	97
Teleperformance Chile	100	100
Teleperformance Singapore	70	70
Teleperformance Indonesia	69	99
Teleperformance Korea	50	50
IMC-TM Inc. (South Korea)	51	100
CRM TP India	100	100
Telephilippines, Inc.	60	60
MM Philippines	100	100
Teleperformance Australia	100	100
TP Hong Kong	83	83
TP China	83	100
Beijing Interactive CRM	83	100
Teleperformance Vietnam	70	100
Other support services (Europe including France)		
Information services : Synerfil (France)	100	100
Software development: Progisoftware conseil (PGS)	82	82
Marketing services		
Parent company: Technical Help (formely SRMS)	**100**	**100**
Other: New Way (France)	100	100
Healthcare communication		
Parent company: Rochefortaise Santé	**100**	**100**
Subsidiaries		
JRT Participations	100	100
FCS	100	100

All the companies are fully consolidated.

H2. Changes in the scope of consolidation

The consolidation scope has changed as follows:

H2/a Acquisitions (A) or start-ups (S)

	Date of entry	*Control %*	
Teleperformance Albania	06.01.2008	+100	S
GN Research SA	07.01.2008	+67	A
GN Research Germany	07.01.2008	+98	A
GN Research France	07.01.2008	+100	A
GN Research Italy	07.01.2008	+100	A
GN Research Tunisia	07.01.2008	+100	A/S
The Answer Group (USA)	12.31.2008	+100	A
Teleperformance EMEA	10.01.2008	+100	S

H2/b Increases in holdings

	% acquired
Teleperformance USA	2.83
BPS CCS	2.00
Cash Performance	8.00
FST Argentina	2.50
Citytech Argentina	2.50
Techcity	4.69
Lion TP (Czech Republic)	10.00
TP Nord	16.12
TP Rhône Alpes	12.08
TP Midi Aquitaine	4.98
Software Argentina	1.50
Sales + Germany	49.00

H2/c Complete disposals

	% sold
IDCC	79.88
ISM	100.00

I. Foreign currencies

Foreign currency	*Country*	*12/31/2008*		*12/31/2007*	
		average rate	*closing rate*	*average rate*	*closing rate*
Europe					
Lek	Albania	120.2646	123.819		122.136
Danish krone	Denmark	7.456	7.4506	7.450788	7.45829
Egyptian Pound	Egypt	7.8882	7.7723	7.755064	8.113919
Sterling Pound	UK	0.7948	0.9525	0.684186	0.73335
Forint	Hungary	251.2563	266.7	251.319427	253.742705
Norwegian krone	Norway	8.2018	9.75	8.015518	7.957982
Zloty	Poland	3.5044	4.1535	3.781133	3.593503
Czech koruna	Czech Republic	24.9389	26.875	27.743099	26.628322
Romanian leu	Roumania	3.6814	4.0225	3.334578	3.607699
Rouble	Russia	36.406	41.283	35.014006	35.985462
Slovak koruna	Slovakia	31.2266	30.126	33.768953	33.582967
Swiss franc	Switzerland	1.5861	1.485	1.642487	1.6547
Swedish krona	Sweden	9.6004	10.87	9.241034	9.441533
Tunisian dinar	Tunisia	1.7878	1.8421	1.744881	1.794929
Turkish Pound	Turkey	1.9001	2.1488	1.785201	1.717001
The Americas					
Argentinian peso	Argentina	4.6345	4.8631	4.230279	4.630015
Brazilian real	Brazil	2.6583	3.2436	2.661436	2.611907
Canadian dollar	Canada	1.5578	1.6998	1.489081	1.444901
Chilian peso	Chile	755.287	900.542	721.500722	732.600733
US Dollar	USA	1.4635	1.3917	1.36868	1.472099
Mexican peso	Mexico	16.2641	19.2333	14.958416	16.047758
Dominican Republic peso	Dominican Republic	49.7413	49.8504	45.500046	48.890193
Rest of the World					
Yuan	China	10.1612	9.4956	10.324179	10.752457
Hong Kong dollar	Hong Kong	11.3937	10.7858	10.678627	11.480002
Yen	Japan	150.5344	126.14	161.160355	164.934851
Rupiah	Indonesia	14,285.7143	15,239.12	12,500	13,888.888
Rupee	India	63.5445	69.36737	56.580287	57.98446
Australian dollar	Australia	1.7322	2.0274	1.621468	1.675699
Korean won	South Korea	1,594.8963	1,839.13	1,272.264631	1,377.410468
Philippine peso	Philippines	64.973	65.93	63.004032	60.723828
Malaysian Ringgit	Malaysia	4.8826	4.8048	4.704687	4.868194
Singapore dollar	Singapore	2.0734	2.004	2.062881	2.116299
Dong	Vietnam	23,809.5238	24,644	22,222.222222	23,543.7
Rand South Africa	South Africa	11.997	13.0667	9.67099	10.0361

6. Statutory auditors' report on the consolidated financial statements, year ended December 31, 2008

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual accounts captions or on information taken outside of the financial statements.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

Following our appointment as statutory auditors by the shareholders in General Meeting, we have audited the accompanying consolidated financial statements of Teleperformance SA for the year ended 31 December 2008.
The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, using sampling techniques or other methods, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at 31 December 2008 and of the results of its operations for the year then ended in accordance with IFRSs as adopted by the EU.

Justification of our assesments

The accounting estimates required in the preparation of the consolidated financial statements for the year ended 31 December 2008 have been made in circumstances which render assessment of the future economic environment difficult.
In accordance with the requirements of article L.823-9 of the French Commercial Law (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Note A15. *Financial liabilities* to the consolidated financial statements discloses the accounting treatment applied in respect of the commitments for the acquisition of shareholdings of minority interests, in the absence of any specific requirement set out in IFRS as adopted in the EU. We are satisfied that the accounting treatment applied is not in contradiction with the general principles of IFRS, and that the disclosures in note A15. *Financial liabilities* are appropriate in respect of the assumptions and options made by the company.
- At each balance sheet date, the company tests the carrying amount of goodwill to determine whether it is impaired, and also reviews other non-current assets to determine whether there is any indication of impairment, as described in notes A14. *Impairment* and C1. *Intangible assets* to the consolidated financial statements. We have examined how the impairment testing is performed, and assessed the cash flow forecasts and assumptions used. We have also verified that the disclosures in notes A 14. *Impairment* and C1. *Intangible assets* are appropriate.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

Specific verification

In accordance with French law, we have also verified the information relative to the group, which is given in the parent company's management report.
We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Mérignac and Maisons-Alfort, 6 April 2009

KPMG Audit	MG Sofintex
Division of KPMG S.A.	*Member of Deloitte Touche Tohmatsu*
Eric Junières	Pierre Marque, Laurent Odobez
Partner	Partners

6. Parent company Financial Statements and Statutory Auditors' Report

1. Balance Sheet at December 31

ASSETS (in €)	Note	*2008*	*2007*	*2006*
Net intangible fixed assets	1	100,289	150,120	31,017
Net tangible fixed assets	1	2,216,758	2,795,707	4,930,820
Net financial fixed assets				
Investments in subsidiaries and affiliates		828,799,500	772,253,474	427,805,864
Due from subsidiaries and affiliates		127,279,382	26,848,094	50,241,480
Other		484,728	459,297	434,819
Total financial fixed assets		956,563,610	799,560,864	478,482,163
Total fixed assets		958,880,657	802,506,691	483,444,000
Current assets				
Advances and payments on account			39,994	
Accounts receivable – Trade		19,926,566	19,415,515	14,935,684
Other receivables		46,759,998	19,803,564	12,771,751
Marketable securities	4	92,861,580	160,548,630	306,558,377
Cash and cash equivalents		1,529,729	2,238,871	7,943,075
Prepaid expenses		606,108	532,637	527,230
Total current assets	5	161,683,981	202,579,211	342,736,117
Deferred charges				778,155
Unrealized exchange losses	17	5,893,583	2,622,408	1,202,283
Total assets		1,126,458,221	1,007,708,311	828,160,555

LIABILITIES & SHAREHOLDERS' EQUITY (in €)	Note	*2008*	*2007*	*2006*
Share capital		140,957,117	138,458,777	118,014,183
Issue, merger & contribution premiums		553,321,016	550,458,920	406,311,168
Legal reserve		13,845,878	11,801,418	8,828,104
Other reserves		144,462,139	36,406,669	26,406,669
Retained earnings		58,396,828	28,352,794	10,141,868
Net income for the period		57,619,190	166,457,238	48,650,339
Interim dividend				
Regulated provisions		175,395	40,096	21,493
Total shareholders' equity	6	968,777,563	931,975,913	618,373,824
Provisions for contingencies and expenses	8	3,534,456	1,560,382	1,361,354
Liabilities				
Financial liabilities		126,333,607	25,358,641	180,415,335
Advances and payments on account				
Accounts payable – Trade		2,795,091	1,417,355	2,329,748
Tax, personnel and social security liabilities		5,426,293	28,891,597	2,593,383
Other liabilities		16,060,142	16,335,219	22,194,668
Deferred income				9,124
Total liabilities *	9	150,615, 133	72,002,812	207,542,258
Unrealized exchange gains	18	3,531,069	2,169,204	883,119
Total liabilities & shareholders' equity		1,126,458,221	1,007,708,311	828,160,555
* Due after one year		23,119,697	23,578,907	506,726

2. Income Statement, year ended December 31

(in €)	Note	*2008*	*2007*	*2006*
Revenues	10	33,104,256	34,752,423	34,600,546
Operating subsidies		0	0	0
Write-back of depreciation, amortization and provisions		137,000	20,000	184,955
Other income		117,701	12,664	128,305
Total operating income		33,358,958	34,785,087	34,913,806
Purchases and external expenses		15,052,332	11,959,753	14,922,965
Taxes other than income taxes		1,136,914	1,021,211	1,026,909
Wages and social charges		15,104,768	7,638,790	5,422,860
Depreciation, amortization and provisions		1,858,298	1,746,450	2,027,783
Other expenses		180,768	210,600	101,216
Total operating expenses		33,333,080	22,576,804	23,501,733
Net income from operations	**10**	**25,878**	**12,208,283**	**11,412,073**
Net income from investments in subsidiaries and affiliates		25,777,947	19,112,988	18,197,926
Interest income from loans		1,998,892	3,777,572	3,980,650
Other interest and related income		10,615,109	12,801,498	5,693,297
Write-back of provisions and transferred expenses		505,465	1,256,353	8,885,850
Total financial income*		38,897,413	36,948,411	36,757,722
Amortization and provisions		18,517,340	4,921,447	367 ,996
Interest and related expenses		5,661,439	9,033,653	8,951,033
Total financial expenses**		24,178,779	13,955,100	9,319,029
Financial result	**11**	**14,718,634**	**22,993,311**	**27,438,693**
Profit on ordinary activities before income taxes		**14,744,512**	**35,201,594**	**38,850,766**
Net amount of :				
- capital gains on disposal of fixed assets		36,775,736	139,811,361	12,884,344
- other non-operating income and expense		-92,926	104,549	196,346
- write-back of depreciation, amortization & provisions		-135,299	869,229	1,747,684
Exceptional result	**12**	**36,547,511**	**140,785,139**	**14,828,374**
Income taxes	13	-6,327,167	9,529,495	5,028,802
Net income		57,619,190	166,457,238	48,650,339
* including income from affiliated companies		28,363,041	24,024,066	23,025,421
** including expenses from affiliated companies		16,095,054	7,544,063	0

3. Cash Flow Statement, year ended December 31

(in thousands of €)	*2008*	*2007*	*2006*
I Cash Flows from operating activities			
Net income	57,619	166,457	48,650
Depreciation and amortization of fixed assets	597	1,779	1,471
Changes in other provisions	19,271	2,765	-9,893
Capital gains/losses on disposals of fixed assets and shareholdings	-36,732	-138,211	-12,342
Internally generated funds from operations	40,755	32,790	27,795
Change in working capital requirements	-48,950	+2,749	-4,519
Net cash flow from operating activities	-8 ,195	+35,539	+23,277
II Cash flows from investing activities			
Acquisitions of fixed assets			
-Intangible and tangible fixed assets	-214	-284	-765
-Investments in subsidiaries and affiliates	-43,511	-217,350	-15,340
-Other financial fixed assets	-122,396	-465	-10,797
Disposals and reduction of fixed assets			
-Intangible and tangible fixed assets	340	4,089	1,825
-Investments in subsidiaries and affiliates	21,304	10,762	6,015
Other financial fixed assets	4,991	16,273	28,404
Net cash flow from investing activities	-139,486	-186,975	9,342
III Cash flows from financing activities			
Increase in share capital	5,575	8,597	257,112
Dividends paid	-24,316	-17,462	-10,594
Unrealized exchange gains/losses			
Repayment of financial liabilities	-14,807	-14,306	-38,119
Increase in financial liabilities	112,322	22,894	4,275
Net cash flow from financing activities	78,774	-277	212,674
Change in cash and cash equivalents	-68,907	-151,713	245,293
Cash and cash equivalents at beginning of period	162,788	314,501	69,208
Cash and cash equivalents at end of period	93,881	162,788	314,501

4. Notes to the parent company's financial statements (K€ : thousands of euros)

A. Highlights of the year

A1. Changes in group shareholdings

A1/a Acquisitions

During the year ended December 31, 2008 Teleperformance made the following principal company creations and acquisitions:

- Creation of TP EMEA, a wholly owned subsidiary, to develop network sales in the EMEA region, consisting of Europe, the Middle East and Africa,
- Acquisition of the remaining 15 % minority shareholding from the manager of the Swedish subsidiary, Teleperformance Nordic, increasing our investment in this subsidiary to 100 %,
- Acquisition of 10 % of the shares in the Czech company, Lion Teleservices, increasing the group holding to 90 %,
- Acquisition of the minority interest held by the managers in the French group companies other than Synerfil, PGS and TPH Services Telecom, prior to the contribution of the shareholdings to Teleperformance Technical Help (see note A1/b *Share contributions*).

A1/b Share contributions

The reorganization of the French regional network was implemented by a contribution of shares by Teleperformance SA to its wholly owned subsidiary, Teleperformance Technical Help (previously named SR Marketing Services). The French subsidiaries contributed were Infomobile, Teleperformance France, Teleperformance Nord, Teleperformance Rhône Alpes, Teleperformance Midi Aquitaine, TPH Services Telecom, Communicator, Teleperformance New Way, PGS and Synerfil.

A1/c Subscriptions to share capital increases

During the year, Teleperformance SA subscribed to share capital increases in the following companies:

- MM Teleperformance, a UK company, in an amount of € 12.1 million by incorporation of the debt owed by the subsidiary.
- SPCC, its Brazilian subsidiary, in an amount of € 30.4 million (€ 27.2 million in cash, and € 3.2 million by incorporation of a debt).
- Teleperformance Technical Help (formerly SR Marketing Services), in an amount of € 104.3 million by contribution of its shareholdings in the French regional network subsidiaries, valued at the carrying amount in the parent company's financial statements (see also note A1/b *Share contribution*).
- Telephilippines, in an amount of € 2.1 million in cash.
- Teleperformance France, in an amount of € 25.8 million, by a contribution in kind of part of the telemarketing business. Teleperformance SA and its subsidiary Teleperformance France signed an agreement on July 9, 2008 in respect of the contribution by the former to its subsidiary of the intangible assets of its business already operated by Teleperformance France under the brand name *Teleperformance* in its French agencies since the signature of a management contract on December 29, 1989, effective January 1, 1990 and subsequently renewed by tacit relocation.

In exchange for this contribution valued at € 25.8 million, Teleperformance received 25,800,000 shares of € 1 nominal value issued by Teleperformance France, fully paid up.

- The finalisation of the contribution resulted in the termination of the management contract on July 31, 2008.

A1/d Disposals

As part of the restructuring of its European network, begun in 2008, Teleperformance SA transferred all its holdings in the German company, All by Phone + Net, and in the Dutch company, TP Netherlands, to its Luxemburg subsidiary, LCC.
Teleperformance has also sold its holding in *Institut du Call Center*, a training business, which completes its policy of withdrawal from the Marketing Services division businesses.

After this operation, Teleperformance completely withdrew from this division.

A2. Increases in share capital

A2/a Grant of bonus shares

At board meetings held on August 4 and November 6, 2008, the Directors drew up the final list of beneficiaries of bonus shares under plans implemented by the Board on August 2, 2006 (the initial grant) and November 6, 2006 (the supplementary grant), following the increase of share capital made on November 3, 2006.

An amount of 777,812 new shares were issued under these plans, represented by 735,950 shares granted to 145 beneficiaries by the Board of Directors on August 4, 2008, as amended on August 5, 2008, and by 41,862 shares granted to 139 beneficiaries by the Board of Directors on November 6, 2008.

The share capital of the company was therefore increased by € 1,944,530 by the issue of 777,812 shares of a par value of € 2.50 each, fully paid up, by transfer from undistribuable reserve.

The new shares carry dividend rights from the start of the financial year in which they are issued, i.e. January 1, 2008, and will therefore participate in the distribution to be made in 2009 concerning the 2008 results.

The beneficiaries cannot dispose of their shares during a period of two years commencing August 2, or November 6, 2008, i.e. until August 2, or November 2010, inclusive. All 777,812 shares will be registered nominatively in the company's share register and on the list of shareholders held at the company's registered office. In the event of a subsequent share exchange, any new shares received will also be blocked until August 2, 2010 or November 6, 2010, inclusive.

The remaining 48,854 bonus shares available but not granted under the August 2 and November 6, 2006 plans have expired.

A2/b Exercise of share options

The Chairman of the company's Board of Directors set out at the Board meetings held on August 4 and November 6, 2008, and on January 5, 2009, the subscriptions and payments relating to options exercised in 2008 concerning the share option plan dated June 24, 2004. A total of 321,524 shares were subscribed, and fully paid up, in a total amount of € 5,575,226.16, represented by € 803,810 of share capital (at par value) and € 4,771,416.16 of share premium.

A2/c Treasury shares

The Board of Directors has purchased a total of 100,000 own shares, per value € 2.50, over the period March 14-21, 2008 for a total consideration of € 2,159,310.50, representing an average purchase price per share of € 21.59.

These transactions were carried out in terms of the authorization given by the Supervisory Board to the Board of Directors at its meeting on March 11, 2008 to implement the share repurchase plan (and the subsequent cancellation of the shares) decided by the shareholders at the Extraordinary General Meeting held on June 1, 2007 (10th resolution).

The shares were then cancelled with effect from August 4, 2008, by way of a capital reduction in terms of the authorization given to the Board of Directors under the 14th resolution of the Annual General Meeting held on June 3, 2008 and the decision of the Supervisory Board on the same day.

At the end of the operations described above in A2/a,/b and/c, the company's share capital had been increased by € 2,748,340 and reduced by € 250,000, represented by the issue of 1,099,366 shares, par value € 2.50, fully paid up, and the cancellation of the 100,000 shares held under the share repurchase plan.

The share capital of the company has therefore increased from € 138,458,777.50 to € 140,957,117.50 as of December 31, 2008.

A3. Sale of a building complex

In May 2008, the sale of a building complex at Puteaux (France) resulted in a gain net of tax of € 134,000.

A4. Group financing arrangements

A4/a Syndicated credit line agreement

As authorized by the Supervisory Board on December 11, 2007, Teleperformance requested Société Générale to put in place a syndicated credit line of € 300 million, intended to replace the two five-year bilateral credit lines obtained on January 2, 2007 which are summarised as follows:

- From Société Générale, € 60 million repayable in fine ;
- From Crédit Agricole Ile de France, € 100 million repayable annually over five years.

The principal terms of the new credit line, which was signed on January 31, 2008 with Société Générale, Crédit Agricole Ile de France, HSBC France and Crédit du Nord are as follows:

- Amount : € 300 million,
- Term : five years, expiring January 31, 2013,
- Repayable in fine,
- Object : to meet general financing requirements including external growth operations,
- Rate : Euribor + 35 points.

A first tranche of € 110 million was drawn down during 2008 (see note A4/b. *Financing of the US subsidiary, Teleperformance Group Inc.*).

A4/b Loan to the US subsidiary Teleperformance Group Inc.

Teleperformance has made a loan of US$ 145 million, at an interest rate of Libor 3 Months + 2 % (i.e. 5.26 %) to its U.S. subsidiary TGI in order to finance its external growth on the American continent.
The loan was financed by drawing on the syndicated credit line in an amount of € 100 million, repayable on March 17, 2009, at an interest rate calculated with reference to Euribor 3 Months as at December 15, 2008 i.e. 3,593 %, including the margin.

A4/c Implementation of a cash-pooling agreement for French group companies

A cash-pooling agreement was signed at the end of 2008 between Teleperformance SA and all of its French subsidiaries as the first step in the group's implementation of the centralised management of its cash requirements throughout its network.

The principal matters covered by the agreement are as follows:
The group's Treasury Department will be in charge of cash management and the financing and banking relationships of French group companies, in order to:

- maximise cash management ;
- reduce weighted average finance costs, thereby reducing interest expense and bank charges ;
- provide a fair remuneration for available cash balances.

A5. Other matters

A5/a Departure of Mr. Christophe Allard

Mr. Christophe Allard resigned as Chairman of the Board of Directors on February 4, 2008.

Following this, he received a two years non-compete indemnity for a gross amount of € 4.9 million.

A5/b Teleperformance Belgium

In view of the financial position of its Belgian subsidiary, Teleperformance Belgium, Teleperformance has provided in full for its shareholding and receivables, in an amount of € 6.3 million.

A5/c Provision on the shareholding of Teleperformance Brazil

Teleperformance has made a provision for impairment amounting to € 11 million in respect of its shareholding in TP Brazil in order to adjust its carrying value to that of its subsidiary at December 31, 2008, i.e. € 51.4 million.

A5/d « Carry back » of tax losses

The tax group formed by Teleperformance and its French subsidiaries made a tax loss of € 21.8 million in 2008, and the parent company has decided to utilize these losses by recovery against payments of prior year income taxes, thereby recording an asset of € 7.3 million. Early repayment of this amount, as permitted under 2008 tax legislation, has been requested of the tax authorities.

A5/e Post balance sheet events

none

B. Accounting principles, rules and methods (K€ : in thousands of €)

The annual financial statements have been prepared on the basis of information available at the time, in particular relating to the current economic and financial crisis and are presented in accordance with the principles and methods of the French chart of accounts and of CRC regulation no. 99-03 in compliance with the principles of matching and prudence, and using the going-concern basis.

Recognition of assets and liabilities, income and expenses, in the financial statements is made on the basis of historical costs.

Investments in subsidiaries and affiliates

Investments in subsidiaries and affiliates are initially recognized at their purchase price and are written down when their net present value is lower than cost. Net present value is determined by using the discounted cash flow method, under the following assumptions:

- For the first three years, forecast cash flows approved by group management are used; for the subsequent seven years, revenue growth of between 2 % and 5 % (the high end of the range concerns essentially Brazil) is assumed. These estimates are determined by group management on the basis of their knowledge of the business sector, future growth possibilities, and the risk profile. The three-year forecasts were finalized at the beginning of 2009 and therefore include the effect of the economic and financial crisis as perceived at that time. Past experience in respect of the accuracy of forecast information is also considered.
- A discount rate specific to each geographical zone :
  - Europe: 8.47 %
  - UK: 9.01 %
  - NAFTA: 12.22 %
  - Brazil: 13.34 %
- Terminal values calculated after ten years without any further growth.

Any synergies arising from the integration of the company acquired into the business of the group, as well as its strategic value to the group, are also taken into account.

Increases and decreases in provisions for impairment losses of investments in subsidiaries and affiliates are included in the financial result, except for any reversals on disposal of shares, which are included in the exceptional result.

Note 1 – Fixed assets (in K€)

	2008			2007
	gross	*Amortization, depreciation and provisions*	*Net*	*Net*
Intangible fixed assets	491	391	100	150
Tangible fixed assets	5,678	3,461	2,217	2,795
** land*	*305*	*-*	*305*	*425*
** buildings*	*2,969*	*1,588*	*1,381*	*1,760*
** other*	*2,404*	*1,873*	*531*	*610*
Financial fixed assets	973,818	17,254	956,564	799,561
* investments in subsidiaries and affiliates	*844,499*	*15,700*	*828,799*	*772,254*
** receivables from subsidiaries and affiliates*	*127,608*	*329*	*127,279*	*26,848*
** other*	*1,711*	*1,225*	*486*	*459*
Total	979,987	21,106	958,881	802,506

Note 2 – Changes in gross fixed assets (in K€)

	01/01/2008	*increase*	*decrease*	*12/31/2008*
Intangible fixed assets	512	-	21	491
Tangible fixed assets	7 329	214	1 865	5,678
** land*	425	-	120	305
** buildings*	4 090	-	1 121	2,969
** other*	2 814	214	624	2,404
Financial fixed assets	803,669	306,665	136,516	973,818
* investments in subsidiaries and affiliates	774,804	185,933	116,238	844,499
** receivables from subsidiaries and affiliates*	27,177	120,705	20,274	127,608
** other*	1,688	27	4	1,711
Total	811,510	306,879	138,402	979,987

Gross financial fixed assets – Investments in subsidiaries and affiliates

Changes in the year are as follows (in K€):

	Total
Gross amount at January 1, 2008	774,804
Acquisitions, price adjustments and subscriptions to share capital increases:	185,933
Telephilippines	2,078
Teleperformance Nordic (Sweden)	4,500
Perfect call (The Netherlands)	210
Lion Teleservices (Czech Republic)	254
Teleperformance Interactive (France)	25
Infomobile (France)	1,500
MM Teleperformance(UK)	12,074
SPCC (Brazil)	30,424
Teleperformance Technical Help (France)	104,339
SCMG (Switzerland)	350
Teleperformance EMEA (France)	250
Teleperformance France	25,800
Teleperformance Rhône Alpes	225
Teleperformance Nord	1,729
Teleperformance Midi Aquitaine	2,171
Other	4
Contribution of shares	
Carrying value of shares in Infomobile, Synerfil, Teleperformance France, Teleperformance Rhône Alpes, Teleperformance Nord, Teleperformance Midi Aquitaine, TPH Services Telecom, Comunicator, Teleperformance New Way et PGS contributed to Teleperformance Technical Help.	-104,339
Disposals	-11,899
Institut du Call Center (France)	32
Teleperformance Interactive (France)	25
MM Teleperformance (UK)	95
Call & Sell (The Netherlands)	7,121
Citytech (Argentina)	2
All by Phone + Net (Germany)	4,325
FST (Argentina)	299
Gross amount at December 31, 2008	844,499

The list of investments in subsidiaries and affiliates is included at the end of the notes to the financial statements.

Receivables from subsidiaries and affiliates

These amount to K€ 127,608 and relate to the following companies (expressed in K€):

	01/01/2008	*increase*	*decrease*	*12/31/2008*	*Due after one year*
Fonomerk (Spain)	329			329	329
Telephippines	1,631	1,437	1,631	1,437	1437
IMC (South Korea)	980			980	-
MM Teleperformance (UK)	23,181	8,393	16,393	15,181	5,249
TGI (USA)	-	108,875		108,875	108,875
Service 800 (Greece)	250		250	-	-
In & out (Italy)	806	2,000	2,000	806	806
Total	27,177	120,705	20,274	127,608	116,696

Note 3 – Changes in depreciation, amortization and provisions (in K€)

	01/01/2008	*increase*	*decrease*	*12/31/2008*
Intangible fixed assets	362	50	21	391
Tangible fixed assets	4,534	412	1,485	3,461
- buildings	2,330	217	959	1,588
- other	2,204	195	526	1,873
Financial fixed assets	4,108	13,150	4	17,254
- investments in subsidiaries and affiliates	2,550	13,150	-	15,700
- receivables from subsidiaries and affiliates	329			329
- Other	1,229		4	1,225
Total	9,004	13,612	1,510	21,106

Tangible and intangible fixed assets

All tangible and intangible fixed assets are amortized or depreciated on a straight-line basis, based on their category and the expected useful life in the business:

Software	3 years straight-line
Buildings *(*)*	15-25 years straight-line
Office and IT equipment	3 years straight-line
Other	5-10 years straight-line

(*) according to the nature and type of building

Software is subject to additional fiscal depreciation over a life of 12 months, shown as regulated provisions on the balance sheet.

Financial fixed assets – Investments in subsidiaries and affiliates

Increases in provisions
Increases in provisions on investments in subsidiaries and affiliates during 2008 amounted to € 13.2 million: on SPCC (Brazil), € 11 million, and Teleperformance Belgium, € 2.2 million.

Decreases in provision
None in 2008.

Note 4 – Current assets : marketable securities

Marketable securities amounted to € 92.9 million.

These comprise € 91.7 million in money market and mutual funds with a market value of the same amount as of December 31, 2008.

Teleperformance also holds € 1.2 million in treasury shares.

In accordance with the requirements of art. L.225-210 ss.3 of French company law Teleperformance maintains reserves of an amount, excluding the legal reserve, at least equal to the carrying amount of these shares.

The number and carrying value of treasury shares as of December 31, 2008 and the changes during the year in these shares, which are held under a liquidity agreement, are set out in the following schedule:

Number of shares held by Teleperformance at December 31, 2007	22,100
Number of shares bought in 2008 under the share buy-back program commencing June 1, 2007	1,410,997
Number of shares sold in 2008 under the share buy-back program commencing June 1, 2007	1,414,097
Number of shares purchased on June 2, 2008	9,313
Number of shares sold on June 2, 2008	817
Number of shares bought in 2008 under the share buy-back program commencing June 3, 2008	1,275,923
Number of shares sold in 2008 under the share buy-back program commencing June 3, 2008	1,240,919
Number of treasury shares held at December 31, 2008	62,500
Carrying value of shares held at December 31, 2008	€ 1,180,878

Note 5 – Maturity of current assets at December 31, 2008 (in K€)

Montant brut	*Total*	*Due after one year*
- Accounts receivable – Trade (1) (2)	22,475	22,346
- Other receivables (3)	52,648	47,817
- Advances and payments on account	-	-
- Marketable securities	92,862	92,862
- Cash and cash equivalents	1,530	1,530
- Prepaid expenses	606	606
Total	170,121	165,161
(1) unbilled amount	602	602
(2) doubtful amount	2,735	451
(3) amount of income receivable	2,296	1,354

Changes in provisions for receivables are as follows:

	01.01.2008	*Increase*	*Decrease*	*12/31/2008*
Accounts receivable - Trade	1,336	1,212		2,548
Other receivables	2,950	* 2,938		5,888
Total	4,286	4,150		8,436

** The increase relates to receivables from Teleperformance Belgium*

Note 6 – Changes in shareholders' equity (in K€)

	Total
At January 1, 2008	931,976
- increase in share capital	+5,576
- reduction in share capital : cancellation of own shares	-2,159
- Dividends paid	-24,369
- net income	+57,619
- change in fiscal amortization and depreciation	+135
At December 31, 2008	968,778

The share capital at December 31, 2008 comprised 56,382,847 shares of € 2.50 nominal value.

Note 7 – Deferred charges

None

Note 8 –Provisions for contingencies and expenses

Changes in this heading are as follows (in K€):

	01/01/08	*Increase*	*Decrease*		*12/31/08*
			A	B	
Unrealized foreign exchange loss	502	2,429	502		2,429
Employee risks and litigation	40				40
Employee retirement benefits	984	184		137	1,030
Risks related to subsidiaries and affiliates	35				35
Total	1,561	2,613	502	137	3,534

A: Utilized B: Non-utilized

Commitments for payments at retirement and post-employments benefits arising from labour agreements and legal requirements are classified as provisions, and have been measured using the projected unit credit method, under the following actuarial assumptions:

Discount rate:	* 5.50 %
Rate of increase in salaries:	2.50 %
Rate of social charges (employer contributions):	45 %

** Average of Bloomberg and Iboxx rates*

Actuarial differences are recorded in the income statement immediately and are set out in the following schedule:

Commitment at the beginning of the year	984
+ Service cost	49
+ Interest cost	27
+ Actuarial gains and losses	-30
including actuarial changes	*4*
including new participants	*278*
including withdrawals in the year	*-312*
= Commitment at the end of the year	1,030

Receivables and liabilities in currencies other than the euro are measured at closing rates. Unrealized exchange gains and losses are shown separately in the balance sheet. Unrealized exchange losses are provided for.

Note 9 – Maturity of liabilities (in K€)

Certain loans are subject to covenants as set out in the « risk factors » section of the Annual Report. At December 31, 2008 the company was in compliance with all covenants.

	Gross amount	*Due within one year*	*Due between one and five years*	*Due after five years*
Loans from financial institutions (1)	120,081	113,084	6,997	
Other financial liabilities *	6,253	5,918	335	
Sub-total	126,334	119,002	7,332	
Operating liabilities (2)	8,221	8,221		
Due on fixed assets **	102	102		
Other liabilities (3)	15,958	170	15,788	
Deferred income	-			
Total	150,615	127,495	23,120	-
(1) amount of bank overdrafts	*513*	*513*		
(2)amount of accruals	*403*	*403*		
(3) amount of accruals	*170*	*170*		
(3) amount of income taxes saved on subsidiaries' tax losses utilized	*15,788*		*15,788*	

** Amounts due in respect of subsidiaries under the cash management scheme : € 5,918 K.*
*** This amount represents the outstanding earn-out due on the acquisition of shareholdings.*

Note 10 – Net income from operations (in K€)

Revenue analysis	*2008*	*2007*
- technical assistance	26,159	22,315
- management contract fees	3,269	6,190
- sales	1,524	2,707
- rents and rental charges	16	982
- other	2,136	2,558
Total	33,104	34,752

Net income from operations in 2008 amounted to € 25 K. The average workforce was 38, including 35 managers/supervisors and 3 other employees.

Note 11 –Financial result (in K€)

	2008	*2007*
Dividends	25,778	19,113
Provisions on investments in subsidiaries and affiliates (net)	-13,150	-1,181
Other provisions for impairment losses (net)	-2,934	-2,351
Provisions for unrealized exchange losses (net)	-1,927	-134
Debt forgiveness		-4,066
Foreign exchange gains (losses), net	680	-566
Net income from sale of marketable securities	1,487	6,222
Net interest income on financial investments	4,785	5,956
Total	14,719	22,993

Note 12 – Exceptional result (en K€)

During 2008, exceptional result is a profit of € 36,548 K.

Detail of exceptional income and expense:

	2008			2007
	Income	*Expenses*	*Net*	*Net*
Capital transactions	154,323	117,635	36,688	139,812
- Intangible fixed assets	*25,800		25,800	
- Tangible fixed assets	514	381	133	4,732
- Financial fixed assets	**126,871	116,028	***10,843	135,080
- Other capital transactions	1,138	1,226	-88	-
Revenue operations	-	5	-5	105
Write-back of depreciation, amortization and provisions	-	135	-135	869
Total	154,323	117,775	36,548	140,785

** This represents the contribution value of the business contributed by Teleperformance to its subsidiary Teleperformance France on July 9, 2008.*
*** This amount includes € 104,339 K representing the shares in all group companies in the French regional network contributed to Teleperformance Technical Help.*
**** This amount includes mainly the gains on the disposal of IDCC (€ 1,567 K), TP Netherlands (€ 4,872 K) and All by Phone + Net (€ 3,334 K)*

Note 13 – Analysis of income taxes and unrecognized deferred tax assets and liabilities (in K€)

	Pre-tax net income	*Income taxes*			*After-tax net income*
		(A) theoretical	*(B) adjustments*	*Tax due*	
Profit on ordinary activities before taxes	14,744	4,988	-11,315	-6,327	21,071
- standard rate (33,83 %)	14,744	4,988	-11,315	-6,327	21,071
- long term (0 %)	-	-	-	-	-
Income from exceptional items	36,548	8,696	-8,696	0	36,548
- standard rate (33,83 %)	25,705	8,696	-8,696	0	25,705
- long-term (0 %)	10,843	-	-	-	10,843
Total	51,292	13,684	-20,011	-6,327*	57,619

** The tax credit realized in 2008 is the result of the tax loss of the tax group companies.*

Tax savings realized in the tax group by utilizing the tax losses of subsidiaries are not included in the parent company's earnings and are shown as a liability in the amount of € 15,788 K.

The income tax that would have been recognized without the existence of the tax group is € 12,119 K, the savings coming from the elimination of the taxation on intra-group dividends and on the capital gain on the intra-group business transfer.

Unrecognized deferred tax assets and liabilities	*Gross amount*	*Income tax*
Liabilities	None	None
Assets		
• Taxed accruals deductible in the future		
- Organic tax	47	16
- Construction-funding payroll tax	46	15
- Retirement benefits	1,030	348
Total	1,123	379

The companies in the tax group in 2008 are the following:

Teleperformance, Teleperformance Technical Help, Teleperformance New Way, Rochefortaise Santé, JRT Participations, Teleperformance Midi Aquitaine, Techcity Solutions France, Teleperformance France and Infomobile.

The tax group agreement in force is that recommended by the taxation authority in its instruction of July 23, 1993, the tax burden of the subsidiaries being equal to what it would have been without the tax group.

Note 14 – Balances and transactions with group companies

The schedule below summarizes the main balance sheet and income statement items that relate to subsidiaries.

Balance sheet	*Net amount*
Assets	
- investments in subsidiaries and affiliates	828,797
- receivables from subsidiaries and affiliates	127,279
- accounts receivable – Trade	19,285
- other receivables	23,990
Liabilities	
- provisions for contingencies and expenses	19
- financial liabilities	6,252
- accounts payable – Trade	1,513
- other liabilities	15,788

Income statement	*Net amount*
Income	
- revenues	31,601
- income from investments in subsidiaries and affiliates	25,773
- other financial income	2,590
- write-back of provisions	0
Expenses	
- purchases and external expenses	5,843
- financial expenses	7
- provisions	16,088

Note 15 – Disclosures relating to company officers

Total remuneration for all services rendered which was paid in 2008 was (i) € 2,680 K to the members of the Board of Directors, compared to € 2,454 K in 2007, and (ii) € 120 K to the members of the Supervisory Board, compared with € 210 K in 2007.

Directors' fees paid to members of the Supervisory Board in 2008 were € 150 K, as compared to € 140 K in 2007.

Note 16 – Company's exposure to interest rate risks (in K€)

The company 's exposure to interest rate risks at December 31, 2008 is summarized as follows:

	Gross amount	*Due within one year*	*Due between one and five*	*Due after five years*
Financial assets				
- Loans and advances within the group	127,608	8,512	119,096	
- fixed rate				
-floating rate (*)	*127,608*	*8,512*	*119,096*	
Financial liabilities				
- Loans from financial institutions :	120,081	110,683	9,398	
- Other borrowings and financial liabilities	6,253	5,918	335	
Total financial liabilities	126,334	116,601	9,733	
- without interest	*3,005*	*3,005*		
- fixed rate				
- floating rate (*)	*123,329*	*113,596*	*9,733*	

(*) Floating rates are based on Euribor and Libor USD or Libor £stg. in respect of liabilities with maturities between three months and one year.

Note 17 – Company's exposure to foreign exchange risks (in K currency)

The company's exposure to foreign exchange risks at December 31, 2008 is summarized as follows:

	Net amounts in thousands of foreign currency at December 31, 2008
Financial assets	
- Loans and advances within the group	
US$	(*) 147,000
£ sterling	(**) 14,459
Financial liabilities	
- Loans from financial institutions	
US$	(*) 2,000
£ sterling	(**) 7,582

(*) A loan of US$ 145 million to the US subsidiary Teleperformance group Inc has been hedged by a swap entered into with Crédit Agricole Ile de France ; a loan of US$ 2 million to the subsidiary Telephippines has been hedged by a foreign currency advance.

(**) Two loans granted in £ sterling to the UK subsidiary MM Teleperformance (7,285 K€ in total) are hedged by a foreign currency advance.
A £stg. denominated loan of € 9.2 million (£ 7,174,000) has not been hedged. The unrealized exchange loss of € 1,668 K at December 31, 2008 has been provided.

Note 18 – Unrealized exchange losses/gains on assets and liabilities denominated in foreign currency (in K€)

Balance sheet heading	*Unrealized exchange losses*			*Unrealized exchange gains*
	Total	*Offset by foreign currency hedges*	*Provision*	*Total*
Operating receivables	356		356	
Receivables from subsidiaries and affiliates	5,309	3,235	2,074	169
Operating liabilities				18
Financial liabilities	229	229		3,343
Total	5,894	3,464	2,430	3,530

Note 19 – Financial commitments (in K€)

Commitments given

- Cautions

Cautions to banks for loans granted to subsidiaries	*Total*	*In favor of subsidiaries*	*Expiry date*
BNP Paribas (Teleperformance Austria)	250	250	-
CBC Banque (Société Européenne de Telemarketing)	372	372	01/31/2009
HSBC (Iberphone)	3,000	3,000	-
Société Générale (In & Out)	3,000	3,000	09/05/2011
Leasing companies (In & Out)	948	948	July 2008 to March 2010
Total	7,570	7,570	

- Guarantees

A first-demand guarantee up to € 3.3 million given by Teleperformance to SFR Service Client. The guarantee took effect on August 1, 2007 and will expire after 20 months on April 1, 2009.

Contract performance guarantee for Merkafon de Mexico in favour of IBM since May 1, 2006 (expiring December 31, 2008) for a maximum amount of US$ 40 million

A net asset warranty given by Teleperformance to the purchaser of ISM and IDCC, with the joint and several commitment of Teleperformance Technical Help. The warranty is in respect of undisclosed fiscal, personnel or customs liabilities originating prior to February 15, 2008, in a maximum initial amount of € 1.7 million, decreasing over the period to its expiry date on December 31, 2010. The company has also entered into a non-compete agreement in respect of the following activities: training in company management, marketing, personal efficiency and telephone-related activities (except when carried out in relation to customers). This agreement applies to activities in France, and is valid until February 15, 2011.

- Share purchase commitments to minority shareholders in subsidiaries

The company has committed to minority shareholders to acquire their interests in certain of its subsidiaries as part of the original acquisition agreement.

These commitments are estimated to amount to € 22,642 K at December 31, 2008, based on the contractual commitments given by the company to these minority shareholders. This amount is adjusted each year according to subsidiaries' results and exchange rate movements.

Commitments received

- Guarantee

Counter-guarantee received from TGI for 50 % of the performance guarantee relating to the contract between Merkafon de Mexico and IBM commencing May 1, 2006 and expiring on December 31, 2008.

- Financial recovery clause

In 2005 the company granted its Belgian subsidiary a debt waiver amounting to € 1,560 K; the waiver is conditional, and includes a recovery clause should the net worth and earnings of the subsidiary reach specified levels. As these conditions have not been met, the clause has not been applied. The subsidiary has now been liquidated, and the effect of the clause has therefore expired.

- Net asset warranties received in the course of share purchases

The company has acquired majority interests in a number of companies in 2008 and in prior years. All share purchase agreements in respect of these acquisitions include a commitment by the sellers to indemnify the company for any undisclosed liability or any irrecoverable asset as of the date of acquisition. The duration of these commitments is of two or three years from the share transfer date, except for matters relating to liabilities arising from fiscal or employment issues, where the commitment continues until the date of prescription. Most of these commitments are guaranteed by escrow accounts, due for release in two to four years on average.

- Non-compete agreement

Following the departure of Mr. Christophe Allard, who resigned on February 4, 2008, the non-compete agreement entered into by Mr. Allard and Teleperformance, authorized by the Supervisory Board on March 16, 2006, has come into effect. The related indemnity was paid to Mr. Allard on October 31, 2008.

The non-compete agreement will remain in effect for a period of two years from November 1, 2008.

Other commitments

- Individual rights to training

At December 31, 2008, the company had received no request from employees for training hours under the law of March 4, 2004. The outstanding commitment at the end of 2008 was for 2,224 hours.

- Financial instruments: hedges

The company has contracted financial instruments represented by foreign exchange contracts for it self or on behalf of subsidiaries.
As of December 31, 2008, these derivative financial instruments are summarized as follows:

	Commitments received December 31, 2008				*Commitments given*
	Notional amount (in thousands of foreign currency)	*Notional amount (in K€)*	*Fair value (in thousands of foreign currency)*	*Fair value (in K€)*	
Hedge of intra-group loan					
Purchase of US$	146,403	105,197		4,563	
Hedge of forecast US$/CAD transactions					Teleperformance has granted an internal foreign exchange hedge to its subsidiary MCCI amounting to US$ 24.5 million at a fixed rate of 1.2250 %. Its fair value is CAD 162 K at December 31, 2008.
Forward sale of US$	12,750	9,161	115	68	
Put and call options – USD	5,000	3,593	167	98	
Sale of US$ options	4,000	2,874	29	17	
Total			311	183	
Hedge of forecast PHP/US$ transactions					Teleperformance has granted an internal foreign exchange hedge to its subsidiary Teleperformance USA amounting to PHP 3.675.000 at a fixed rate of 49.0. Its fair value is US$ 403 K at December 31, 2008.
Forward purchase of PHP	2,300,000	34,885	712	512	
Put & call PHP	500,000	7,584	299	215	
Sale of PHP options	250,000	3,792	4	3	
Total			1,015	730	

In accordance with agreements signed with its subsidiaries, Teleperformance:

- is committed to pay back 50 % of profit margins on the foreign exchange contracts, defined as the difference between the actual result made on the external and internal contracts ; the fair value of these commitments at December 31, 2008 was :
  - For the hedging of forecast US$/CAD transactions: CAD 74 K
  - For the hedging of forecast PAP/UD$ transactions: US$ 403 K
- will support any losses unless caused by errors made by subsidiaries in estimating underlying exposures.

Note 20– Disclosures relating to share option plans and bonus share plans

Disclosures about share option plans and bonus share plans are set out in the Annual Report, section *Personnel, shareholdings, share options*.

C. List of shareholdings and short-term investments, December 31, 2008

(in €)		*N° of shares*	*Carrying amount*
FRANCE			
	Teleperformance Technical Help	225,800	229,276,100
	SR Santé	250,000	6,646,739
	Teleperformance EMEA	2,500	250,000
	Miscellaneous shares with a carrying amount of less than € 15,000		12,835
	Short-term investments	69,147	92,863,349
	Total France		**329,049,023**
EUROPE			
UK	MM Teleperformance holdings	21,947,800	29,976,348
Austria	Teleperformance Austria	485	132,978
Benelux	Luxembourg call centers	1,249	2,695,877
Germany	Teleperformance Germany	4,032	247,372
Spain	Iberphone	240,000	19,280,483
Portugal	Plurimarketing	715,956	3,767,900
Greece	Service 800	140,000	1,972,107
Italy	In and out SPA	160,000	493,516
Sweden	Teleperformance Nordic	2,775	6,586,198
Switzerland	SCMG	202	7,925,978
Czech Republic	Lion Teleservices	2,340	876,384
Poland	Centrum Inwestycyjne	56	3,219,833
AMERICA			
Argentina	Teleperformance Argentina	7,087,101	6,794,697
Brazil	SPCC	156,500,049	51,365,442
USA	Teleperformance group Inc.		
	Ordinary shares	259,000	307,922,194
	Preference shares	68,700	142,050,303
USA	Citytech	105,000	722,428
Mexico	Impulsora	99,999	326,477
Mexico	Sistemas	57,099	217,652
ASIA-OCEANIA			
South Korea	IMC	90,964	423,806
Singapore	Teleperformance Singapore	4,200,000	2,125,678
Philippines	Telephilippines	2,195,987	3,490,178
	Total outside France		**592,613,829**
Total			**921,662,852**

D. List of subsidiaries and affiliates, December 31, 2008

in thousands of local currency	*Share capital*		*Average exchange rate*	*Closing exchange rate*	*Reserves and retained earnings*		*% shareholding*
I – Detailed information							
Subsidiaries where the gross carrying amount of shares exceeds 1 % of the parent company's share capital							
A. Subsidiaries (more than 50% owned by the company)							
SR Santé 6-8, rue Firmin Gillot 75015 Paris, France	3,750	EUR			1,028	EUR	100
Teleperformance Tech Help 6-8, rue Firmin Gillot 75015 Paris, France	225,800	EUR			16,702	EUR	100
Centrum Inwestycyjne Uiannapol 3 03-236 Warsawa, Poland	50	PLN	0.285359	0.240761	7,026	PLN	70
Luxembourg Call Centers 4, bd Joseph II 1840 Luxembourg	500	EUR			80,446	EUR	100
MM Group Holdings 17-54 Hartfield Road SW 19 3SE London, UK	750	GBP	1.258201	1.049869	12,321	GBP	95
SPCC Rua Fl. de Abreu 623 01029 001 Sao Paulo, Brazil	156,500	BRC	0.376179	0.308299	-58,858	BRC	100
Iberphone Avenida de Burgos 8A 28036 Madrid, Spain	7,442	EUR			7,197	EUR	100
Teleperformance Belgique Rue de la Borne 14 - 1080 Bruxelles – Belgium	769	EUR			-3,583	EUR	100
Service 800 Thisseos 330 176 75 Athènes - Greece	600	EUR			4,096	EUR	70
Plurimarketing Rua Al. Braga 25B, 1150 003 Lisbonne, Portugal	841	EUR			4,596	EUR	85
Teleperformance Nordic St Eriksgatan 113 - 11384 Stockholm, Sweden	277	SEK	0.104162	0.091996	57,661	SEK	100
Telephilippines San Miguel Av. 1600 Psig City Metro Manila, Philippines	85,392	PHP	0.015391	0.015168	831,969	PHP	60
Teleperformance Singapour 210 Middle Road Unit 188994 Singapore	6,000	SGD	0.482308	0.499002	914	SGD	70
Teleperformance Australie 205 Pacific Highway - NSW 2065, Australia	3,150	AUD	0.577300	0.493243	-6,243	AUD	100
FST Av. Leandro N Alem 896 2 Piso 1001 Buenos Aires, Argentina	8,100	ARP	0.215772	0.205628	26,742	ARP	87
SCMG Lautengartenstrasse 23 - 4052 Bâle, Switzerland	250	CHF	0.630473	0.673401	1,844	CHF	68
Teleperformance Group Inc. 1601 Washington Av. Suite 400 - Miami Beach FL 33139, USA	328	USD	0.683301	0.718546	584,627	USD	100
B. Investments (10 - 50 % of share capital held by the company)	nile						
II General information							
A. Subsidiaries not set out in section 1	nile						
a) French subsidiaries (in total)							
b) Foreign subsidiaries (in total)							
B – Affiliates not set out in section 1	nile						
a) French subsidiaries (in total)							
b) Foreign subsidiaries (in total)							

List of subsidiaries and affiliates, December 31, 2008

in thousands of local currency	*Carrying amount of shareholding (in K€)* Gross	Net	*Outstanding loans and advances made by the company (in K€)*	*Commitments and warranties given*	*2008 revenue*		*2008 net income*		*Dividends received (en K€)*
I – Detailed information									
Subsidiaries where the gross carrying amount of shares exceeds 1 % of the parent company's share capital									
A. Subsidiaries (more than 50% owned by the company)									
SR Santé	6,647	6,647			0	EUR	135	EUR	1,200
Teleperformance Tech Help	229,276	229,276			1,388	EUR	13,023	EUR	13,875
Centrum Inwestycyjne	3,220	3,220			20,396	PLN	2,127	PLN	309
Luxembourg Call Centers	2,696	2,696			0	EUR	19,689	EUR	
MM Group Holdings	29,976	29,976	15,181		0	GBP	-1,356	GBP	
SPCC	62,365	51,365			0	BRC	-19,313	BRC	
Iberphone	19,280	19,280		3,000	91,579	EUR	2,100	EUR	
Teleperformance Belgium	2,152	2	2,938	372	669	EUR	-2,500	EUR	
Service 800	1,972	1,972			57,107	EUR	1,063	EUR	700
Plurimarketing	3,768	3,768			22,945	EUR	1,771	EUR	
Teleperformance Nordic	6,586	6,586			232,480	SEK	40,938	SEK	912
Telephilippines	3,490	3,490	1,437		3,575,975	PHP	200,055	PHP	
Teleperformance Singapore	2,126	2,126			3,589	SGD	530	SGD	
Teleperformance Australia	1,807	0	1,291		0	AUD	0	AUD	
FST	6,795	6,795			112,106	ARP	11,909	ARP	315
SCMG	7,926	7,926			0	CHF	-103	CHF	
Teleperformance Group Inc.	449,972	449,972			0	USD	14,574	USD	
II General information									
A. Subsidiaries not set out in section 1									
a) French subsidiaries (in total)	340	250							
b) Foreign subsidiaries (in total)	3,575	3,441	2,128	4,198					207
B – Affiliates not set out in section 1									
a) French subsidiaries (in total)	311	3							2
b) Foreign subsidiaries (in total)	219	8	85						

5. Statutory auditors' report on the financial statements, year ended December 31, 2008

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual accounts captions or on information taken outside of the financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

Following our appointment as statutory auditors by the shareholders in General Meeting, we hereby report to you, for the year ended 31 December 2008, on:

- the audit of the accompanying financial statements of Teleperformance S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, using sampling techniques or other methods, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities, as of 31 December 2008, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

Justification of our assessments

The accounting estimates required in the preparation of the financial statements for the year ended 31 December 2008 have been made in circumstances which render assessment of the future economic environment difficult.
In accordance with the requirements of article L. 823-9 of the French Commercial Law (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matter:

- ✓ Note B to the financial statements *Accounting principles, rules and methods*, Part *Investments in subsidiaries and affiliates* discloses the accounting principles relating to the determination of the carrying value of investments in subsidiaries and affiliates.

We have assessed the methodology used and the related disclosures, and verified the consistency of the resulting carrying values.
The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

Specific verifications and information

In accordance with French law, we have also performed certain specific verifications.

We have no matters to report regarding:

- the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

- the fair presentation of the information given in the management report of the Board of Directors in respect of remuneration and benefits granted to the relevant directors and any commitments given to them on or subsequent to their appointment, termination or change in function.

In accordance with French law, we ascertained that the information relating to the acquisition of shares and controlling interests and the identity of shareholders was given in the management report of the Board of Directors.

Mérignac and Maisons-Alfort, 6 April 2009

KPMG Audit *Division of KPMG S.A.*	MG Sofintex *Member of Deloitte Touche Tohmatsu*
Eric Junières Partner	Pierre Marque, Laurent Odobez Partners