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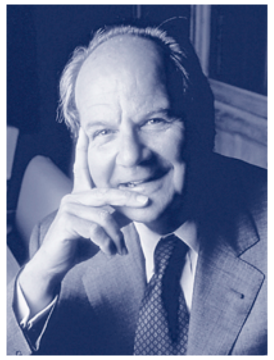
N° 17 November 2006

Fimalac
Shareholders' Newsletter

Chairman's Message



Dear Shareholder,

Following the decision made at the March 16 General Meeting to change our Group's year-end, the 2006 fiscal year covered the nine-month period ended September 30. This fifteenth anniversary of our Group's formation was another excellent year for Fimalac.

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AN EXCELLENT YEAR

1) Divestment of non-strategic manufacturing businesses completed

As previously announced, the sale of the hand tools business, Facom Tools, was completed in early 2006. The net proceeds from the sale amounted to some €344 million and a net capital gain of €81 million has been recorded in the 2006 financial statements.

Fimalac has completed its withdrawal from European countries with low growth rates and from low added-value manufacturing businesses sooner than expected. Now focused exclusively on ratings and enterprise risk management solutions, our Group has become a pure player in this sector, with an overriding objective to build this business.

2) Sale of 20% of Fitch Group

In line with the memorandum of understanding signed on March 15, 2006, Fimalac has sold a 20% minority interest in Fitch Group – which encompasses the ratings firm Fitch Ratings and the enterprise risk management solution provider Algorithmics – to Hearst Corporation, one of the world's largest communications groups.

Hearst's network and numerous contacts in the US market will be an important asset for Fitch. Hearst and Fimalac have agreed to a long-term strategic action plan that will enable Fitch to leverage complementary skill-sets and expertise to support its growth dynamic.

The 20% interest was sold in April 2006 for some $592 million (€493 million), based on an enterprise value for Fitch Group of $4,434 million less debt and the customary discount applied to minority interests.

The after-tax gain on the transaction amounted to €384.1 million, which has been recognized in the 2006 financial statements.

3) Increased financial flexibilit

The proceeds from these sales have significantly boosted parent company Fimalac's cash reserves.

Following shareholder approval at the General Meeting of March 16, part of these reserves has been used to pursue our share buyback program. Buybacks in the period from March 16 to September 30, 2006 amounted to some €265 million, leaving cash reserves of €413 million at September 30, 2006.

4) Faster growth at Fitch Group

Fitch Ratings revenues for the period were up 14.8% in dollars, at $480.5 million versus $418.6 million for the first nine months of 2005. Like-for-like growth came to 15.8%, based on a comparable scope of consolidation and constant exchange rates. This excellent performance across all segments of the rating market and all regions came on the back of very strong growth in 2005. Fitch Ratings' recurring operating profit amounted to $138.1 million for fiscal 2006, versus $121.9 million for the nine months to September 30, 2005, up 13.3% on a reported basis in dollars and 14.0% like-for-like, despite the significant increase in employee numbers during the period.

Algorithmics also enjoyed strong growth in 2006. Revenue for the nine months of fiscal 2006 stood at $84.5 million, compared with $64.5 million for the eight-month period from the company's acquisition at the end of January to September 30, 2005, representing an increase of 31% in dollars. Like-for-like growth came to 26.7%. Algorithmics reported an operating loss of $32.3 million for the period ended September 30, 2006, compared with a €26.2 million loss for the prior-year period. This was in line with the budget and reflected the sharp increase in employee numbers to support business growth.

Fitch Group's total revenue for fiscal 2006 amounted to $565 million, compared with $483.1 million for the nine months ended September 30, 2005, representing a strong 16.9% increase on a reported basis in dollars and a 17.2% increase like-for-like. Recurring operating profit stood at $105.8 million, versus $95.7 million for the prior-year period, representing a healthy gain of 10.5% on a reported basis in dollars and 15.2% like-for-like.

5) Fimalac's attributable profit for the period: a record €491.7 million

Thanks to the excellent operating results achieved by Fitch Group and the gains on the Company's asset disposals, attributable profit for the period reached a record high of €491.7 million.

Consolidated recurring operating profit stood at €80.0 million, versus €65.5 million for the nine months to September 30, 2005, an increase of 22.1% on a reported basis and 24.7% like-for-like.

Profit attributable to equity holders of the parent for the nine months of fiscal 2006 came to €491.7 million versus €18.8 million for the same period of 2005. The total includes the €81.0 million net gain on disposal of the Facom Group and the €384.1 million net gain on the sale of a 20% stake in Fitch Group, less provisions set aside for sellers' warranties given in connection with business disposals carried out in prior periods or during fiscal 2006.

6) Proposed dividend for fiscal 2006: €1.40 per share versus €1.25 in 2005

At the Annual Shareholders' Meeting on February 13, 2007, the Board of Directors will recommend paying a dividend of €1.40 per share, compared with €1.25 per share for 2005. The dividend will be payable as from February 15, 2007.

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SHARE BUYBACK PROGRAM

The Board of Directors decided to pursue the share buyback program, following shareholder approval at the General Meeting of March 16. During the period ended September 30, 2006, around €265 million was withdrawn from cash reserves to finance the program.

The Board also decided to cancel, in three consecutive steps, a total of 3,580,000 Fimalac shares, representing 9.5% of the capital at September 30, 2006.

Following these transactions, 1,273,115 shares were held in treasury at September 30, 2006, out of a reduced total of 34,328,678 shares. The shares held in treasury represent 3.7% of the Company's capital, including the equivalent of 1.4% of the capital earmarked for allocation on exercise of equity warrants and stock options.

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SIGNIFICANT RISE IN THE SHARE PRICE

The Fimalac share price rose from €51.65 on December 31, 2005 to €68.40 on September 30, 2006. The 32.4% gain, which came on the back of a 46.7% increase in 2005, reflects the favorable market response to our strategic refocusing and excellent results.

Over the 21-month period between December 31, 2004 and September 30, 2006, the share price almost doubled, rising from €35.20 to €68.40. At September 30, 2006, market capitalization stood at around €2,350 million.

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The Group is now a pure player in ratings and enterprise risk management – two buoyant businesses that enjoy a favorable environment. It also benefits from significant financial flexibility, which allows it to explore and pursue any opportunities that may arise.

I am confident in our Group's future.

Marc Ladreit de Lacharrière

1 KEY FIGURES

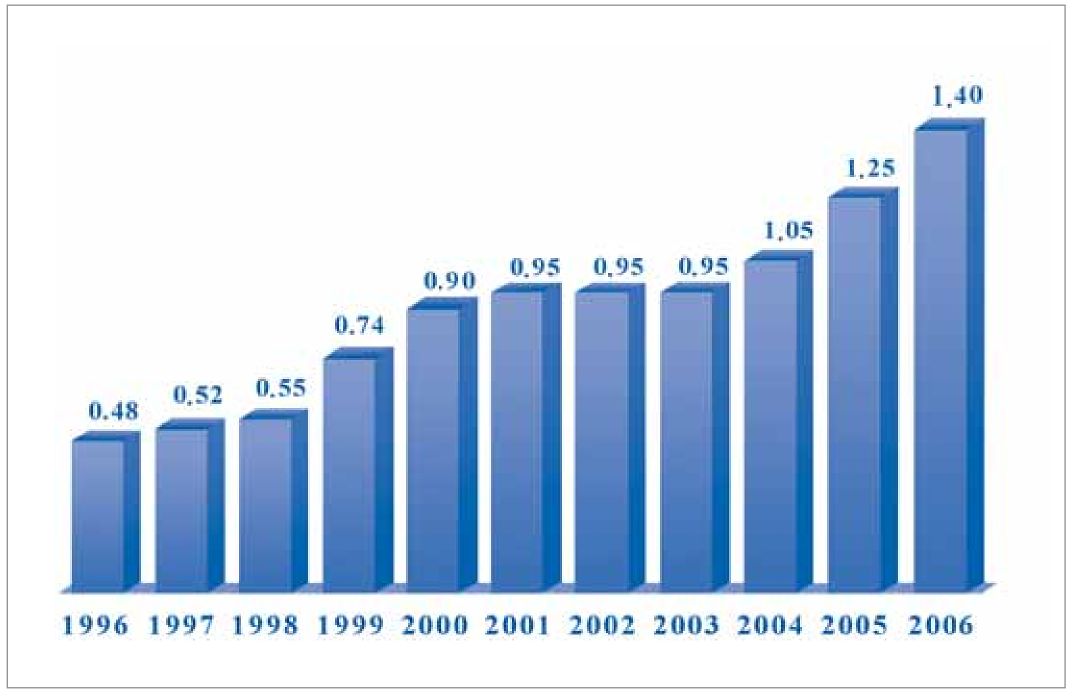
	For the 9 months to Sept. 30, 2006	Reported change	Like-for-like change*
Revenue	€457,4 million	+ 19,5 %	+ 17,2 %
Recurring operating profit	€80,0 million	+ 22,1 %	+ 24,7 %
Profit attributable to equity holders of the parent	€491,7 million	**NC**	**NC**

(*) Based on a comparable scope of consolidation and constant exchange rates.

2 DIVIDEND FOR FISCAL 2006 (9 MONTHS): €1.40 PER SHARE

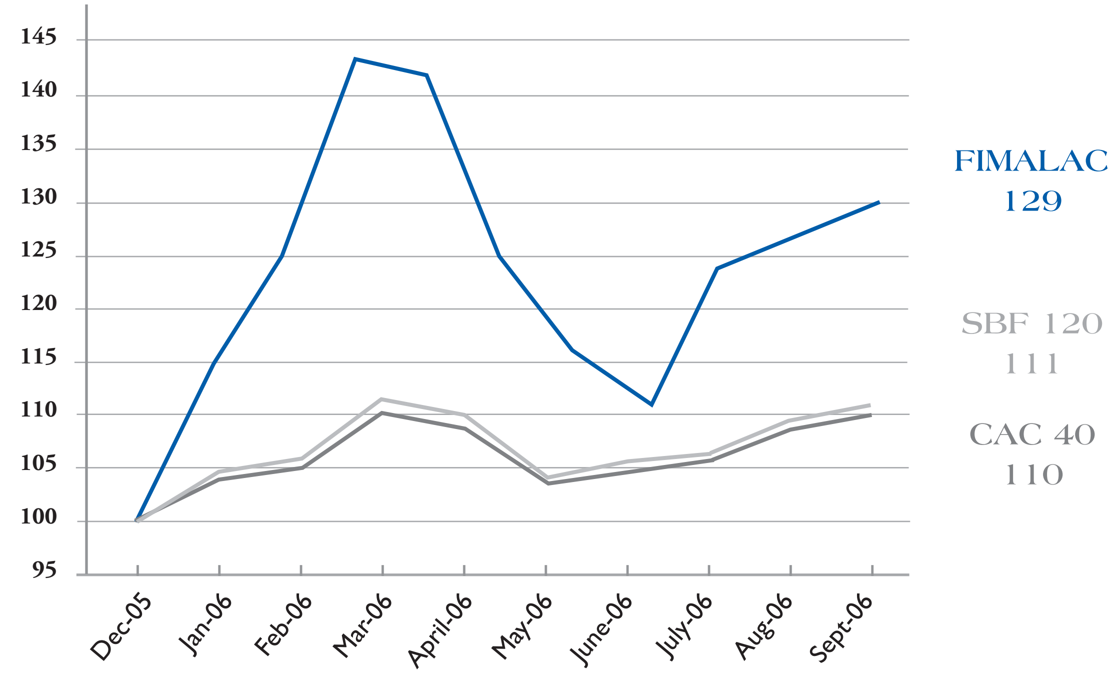
At the Annual Shareholders' Meeting on February 13, 2007, the Board of Directors will recommend paying a dividend of €1.40 per share, compared with €1.25 per share for 2005.

Ordinary dividend per share (in euros)

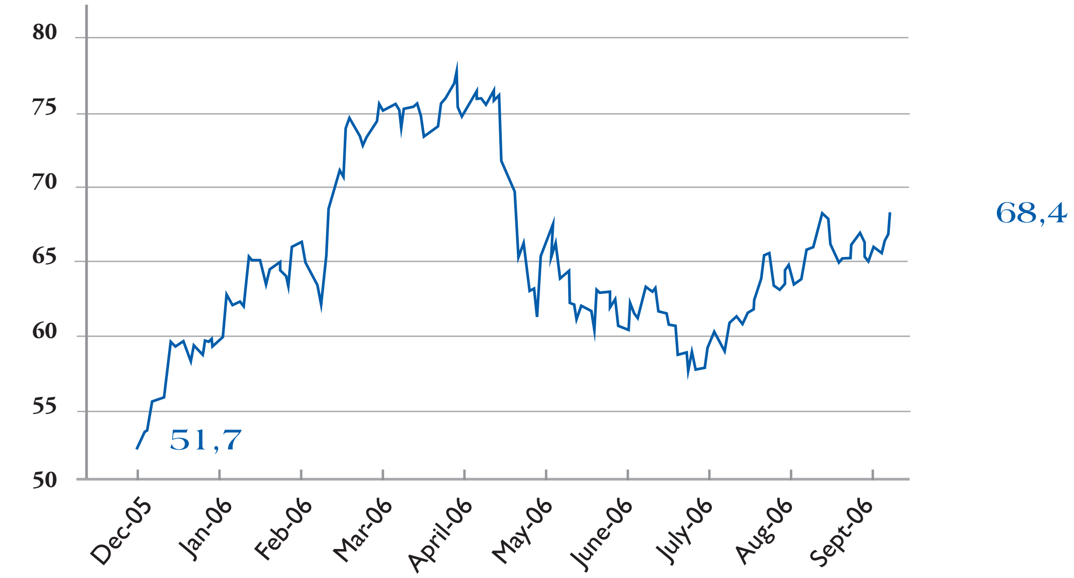


3 SHARE PERFORMANCE

Fimalac share performance compared with the CAC 40 and the SBF 120 from January 1 to September 30, 2006
Base = 100 at January 1, 2006



Fimalac share performance from January 1 to September 30, 2006 in euros



4 4 FINANCIAL CALENDAR

- February 13, 2007: Annual General Meeting
- February 15, 2007: Payment of dividend