UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F
ANNUAL REPORT PURSUANT TO SECTION 13 OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Twelve Month Period ended **September 30, 1999**

Commission file number: 0-29438
COGNICASE INC.
(Exact name of Registrant as specified in its charter)

Canada
(Jurisdiction of incorporation or organization)

1080 Beaver Hall Hill, Suite 2000, Montreal, Quebec H2Z 1S8
(Address of principal executive offices)

Securities registered to pursuant Section 12(g) of the Act:

Title of each class:

NONE

Securities registered or to be registered pursuant to Section 12(g) of the Act:	Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
NONE	NONE

The number of all the classes of stock outstanding as of September 30, 1999 was:

- 15,489,797 -	Common Shares

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ____X_____ No _____________

Indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ____X_____ Item 18 _____________

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

General

Incorporated in 1991 under the *Canada Business Corporations Act*, COGNICASE Inc. ("COGNICASE" or the "Company") focuses its activities on: (i) consulting services and systems integration, including IT planning, strategy, architecture, systems analysis, design, development, maintenance, systems integration and business process improvement, (ii) the delivery of business solutions through specialty practices, including Internet/e-business applications, re-engineering of existing applications for e-business, technology configuration management, software conversion and platform migration solutions and Enterprise Resources Planning ("ERP") solutions, and (iii) IT outsourcing and networking services.

The Company's strategy is to strengthen and develop its core competencies through the addition of complementary products and services, expansion into new markets and strategic acquisitions. In addition, COGNICASE maximizes cross selling opportunities arising between its business units and between its teams of IT specialists located in different geographic locations.

Acquisitions and mergers

During fiscal 1999, COGNICASE has completed the acquisition of seven providers of IT consulting services and solutions and one IT resources broker which have allowed it to significantly expand its product range and geographic scope.

On November 14, 1998, the Company acquired all issued and outstanding shares of Korum Technologies Inc. ("Korum"), which provides systems integration and consulting services, in exchange for a cash consideration of CAN$665,826 (US$429,844). On October 19, 1999, Korum changed its name to COGNICASE Alberta Inc.

On February 2, 1999, the Company acquired all issued and outstanding shares of IOTA Information Management Ltd. ("IOTA"), which provides systems integration and information technology consulting services, in exchange for a cash consideration of CAN$2,114,531 (US$1,399,418). IOTA merged on October 1st, 1999 with its parent company, 165845 Canada Inc., and COGNICASE Ottawa Inc. COGNICASE Ottawa Inc. is the surviving corporation.

On February 5, 1999, the Company acquired all issued and outstanding shares of Prosilog Ingénierie S.A. ("Prosilog"), which provides computer engineering, systems integration and information technology consulting services, in exchange for a cash consideration of FF27,514,704 (US$4,723,393) and the issuance of 102,452 common shares of the Corporation (the "Common Shares") valued at CAN$3,070,800 (US$2,059,872). Prosilog recently changed its name to COGNICASE Ingénierie SA.

On April 1, 1999, the Company acquired all issued and outstanding shares of Groupe de Consultation en Management et Systèmes Informatiques MSI Inc. ("MSI"), which provides computer engineering and information technology consulting services, in exchange for a cash consideration of CAN$9,274,901 (US$6,179,972) and the issuance of 53,658 Common Shares valued at CAN$1,395,108 (US$929,576). On October 1st, 1999, MSI merged with Informatique Dica Inc. (one of its subsidiaries), Gestion SCTI Inc. (a subsidiary of Roy, Bourassa & Associés Inc.), and Gestion MSI Inc. (the parent company of MSI). Gestion MSI Inc. is the surviving corporation.

On June 1, 1999, the Company acquired all issued and outstanding shares of Roy, Bourrassa & Associés Inc. ("RBA"), which provides services related to Web/e-commerce architecture, mainframe and client/server operations and support, as well as network implementation and management, in exchange for a cash consideration of CAN$16,600,000 (US$11,189,754) and the issuance of 211,538 Common Shares valued at CAN$4,865,374 (US$3,279,659). On October 1st, 1999, RBA merged with COGNICASE Consulting Services Inc. and 2763508 Canada Inc. (two affiliated companies) and COGNICASE. The surviving corporation is COGNICASE. COGNICASE Consulting Services Inc. had previously merged on the same date with COGNICASE Consulting Services (Quebec) Inc. (its wholly-owned subsidiary) and 170247 Canada Inc. (an affiliated company).

On June 7, 1999, the Company acquired all issued and outstanding shares of Groupe Logispace S.A. ("Logispace"), which provides project and information management control and software package editing services, in exchange for a cash consideration of FF56,936,235 (US$8,936,142) and the issuance of 58,267 Common Shares valued at CAN$1,340,141 (US$909,754).

On August 18, 1999, the Company acquired all issued and outstanding shares of each of Prism Consulting Services, Inc., a U.S. company, and Prism Consulting Services Inc. ("PRISM Canada"), a Canadian company, (collectively, "Prism"), which provide enterprise resource planning solutions, systems architecture, network management and maintenance and project management services, in exchange for a total cash consideration of US$24,095,750. On October 1st, 1999, PRISM Canada merged with COGNICASE Toronto Inc. (an affiliated company). COGNICASE Toronto Inc. is the surviving corporation.

On September 1, 1999, the Company acquired all issued and outstanding shares of Le Groupe P.C.A. Inc., which specializes in the recruitment of information technology specialists, for a cash consideration of CAN$5,455,940 (US$3,672,302) and the issuance of 167,079 Common Shares valued at CAN$3,007,422 (US$2,024,246).

As a result of these acquisitions and internal growth, COGNICASE had approximately 2,600 employees and independent consultants as at September 30, 1999.

The Company's principal executive offices are located in Montreal, Quebec, Canada.

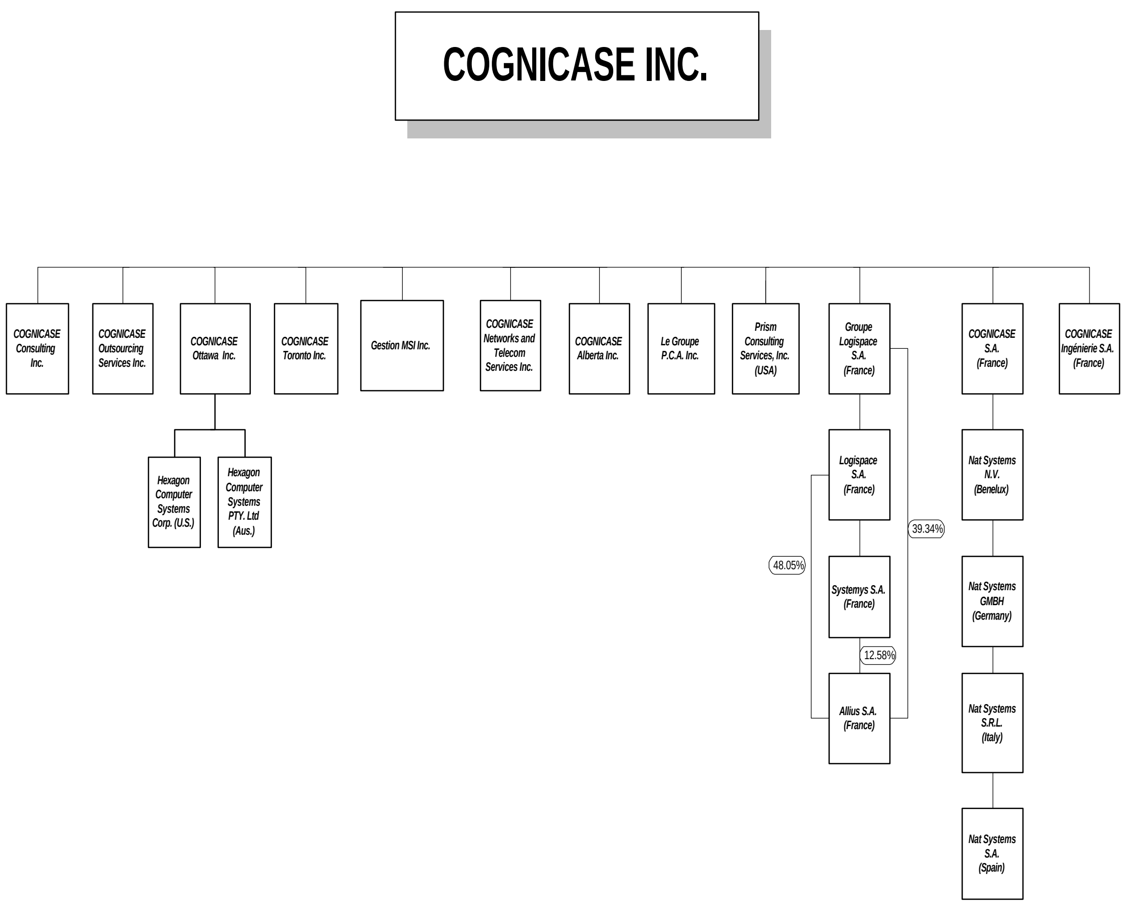
Recent Developments

On February 1, 2000, COGNICASE entered into an agreement in principle with National Bank of

Canada providing for the acquisition by the Company of 100% of the shares of SIBN Inc., the information services/information technology subsidiary of National Bank of Canada. In consideration for the acquisition of SIBN Inc. and a cash payment by National Bank of Canada to COGNICASE of CAN$20 million, COGNICASE may be issuing to National Bank approximately 9.3 million common shares representing approximately 35% of the outstanding shares of COGNICASE following such issue. In addition, COGNICASE will become the preferred IT supplier to National Bank of Canada and its affiliates for ten years. Completion of the transaction is expected by May 2000 and is subject to approvals by the Boards of Directors of COGNICASE and of the National Bank of Canada; delivery by the financial advisor to COGNICASE of a fairness opinion confirming the transaction is fair from a financial point of view to the shareholders of COGNICASE; the approval of COGNICASE shareholders at a special meeting to be called for this purpose; satisfactory due diligence by both parties; and the receipt of all required shareholder and regulatory approvals, including that of the Office of the Superintendent of Financial Institutions (Canada).

Subsidiaries

The following chart depicts all of the Company's operating subsidiaries 100% of the issued and outstanding shares of which are owned, directly or indirectly, by COGNICASE, unless otherwise indicated.



Products and Services

During the last fiscal year, approximately 70% of the Company's revenues were derived from its offices located in North America with the remainder being derived mostly from its European offices. During such period, COGNICASE operated in one segment with several products and services as more fully described hereinafter.

(i) Consulting and Systems Integration

COGNICASE offers a broad range of consulting and systems integration services to a customer base which includes Fortune 1000 corporations, government organizations and medium-sized companies in a wide range of industries such as financial services, telecommunications, manufacturing, distribution, health and public sector organizations.

COGNICASE assists customers in the assessment, definition, development and implementation of their information systems in the context of a rapidly evolving technological environment. The Company endeavors to add value by understanding the business and organizational issues facing its customers and by applying its knowledge of existing and emerging technologies.

Consulting services include feasibility studies, planning, managing and evaluation of information systems projects, software and hardware selection and costs analysis.

As a systems integrator, COGNICASE assumes overall responsibility for large-scale projects that vary in length and involve procurement, subcontractor management, systems architecture, the development and integration of both off-the-shelf and custom software, hardware and telecommunication systems installation and training activities.

(ii) Specialty Practices

COGNICASE offers business solutions in several specialty areas that combine specialist expertise, methodologies and experience and know-how with usage and implementation of proprietary and third party software. Business solutions developed by COGNICASE include Internet/e-business, application development, platform migration and software conversion, ERP implementation and software solutions.

Internet/e-business applications

Using its proprietary application development software, COGNICASE offers the design and deployment of total e-business solutions from the conception and design of portals or Internet sites to the interconnection with existing software systems such as inventory control or accounting systems.

Application Development Products

The Company owns application development products designed for Web-based and client/server environments. Applications developed with these products provide users with information technology tools that can be easily modified as business requirements or the technical infrastructure evolve, and can provide a high level of reliability, performance and manageability. Application development products are offered to customers on a licensing basis or as part of integrated business solutions.

NatStar™ is a leading client/server application development tool across Europe. It is an adaptable, multi-tier application development environment, designed to support an evolutionary approach. NatStar™ integrates with leading tools for application design, testing, tuning and distribution.

NatWeb**™** consolidates COGNICASE tools for the creation of Internet, information and transaction sites. It allows for the rapid development of robust, high-performance Internet sites using leading edge technologies such as XML, JAVA 2 and SGBDR. NatWeb**™** employs Object Orientation (OO) on technology platforms that support NT, Unix and Linux (which is expected to be available in May 2000), among others.
IceWeb is a development environment and a set of applications designed to accelerate the creation of virtual storefronts to enable enterprises to reach a worldwide customer base for business-to-business transactions or consumer purchases through the Internet.

CogniAnalyzer is a management tool for companies that operate active e-commerce sites. It collects static and dynamic information on site utilization by virtual customers. Data is analyzed for the production of reports and graphics on the behavior of Web surfers as well as the performance and robustness of e-commerce sites.

The Company also offers a comprehensive configuration tool that is specifically designed to manage large development environments. NSA-Config™ facilitates project management and resource management throughout the application life cycle from project beginning to production, ensuring successful team application development.

Platform Migration and Software Conversion

Since its inception, the Company has used its core technology to develop software conversion and hardware platform migration solutions. The Company’s product offerings include tools that can be used to migrate applications software from one computer hardware platform to another (e.g., mainframe to client/server), and to convert applications software from one computer language to another (e.g., IBM OS/2 Presentation Manager to C/C++ Microsoft Windows NT) and from one database system to another (e.g., IMS or IDMS to IBM DB2 or Oracle).

During the fiscal year ended September 30, 1999, 6% of revenues were related to Year 2000 remediation, while only 1% of fourth quarter 1999 revenues were related to this business solution.

ERP Implementation

The Company offers its customers solutions permitting them to improve their business practices and gain a competitive advantage with the implementation of ERP solutions. Typical ERP systems permit an organization to optimize functions such as accounting, payroll, human resources, inventory and procurement management through the use of an integrated software package. The Company’s partnership with SAP Canada Inc., a subsidiary of a recognized world leader in ERP software, allows the Company to provide customers with solutions based on a proven technological framework.

(iii) IT Outsourcing and Networking

COGNICASE offers complete IT outsourcing solutions, whereby COGNICASE can assume complete responsibility for a customer's IT functions. The Company offers traditional management services including data processing, computer equipment management, maintenance of telecommunications software and systems, management of technological transitions, management of information systems, management of telecommunications applications and systems and management of local and wide area networks.

COGNICASE offers complete networking solutions, from the design of telecommunications architectures to the implementation and deployment of local and wide area networks to meet business connectivity needs. This product offering also includes network management and maintenance services by trained specialists.

Evolution of Business

COGNICASE Internet Technologies

COGNICASE INTERNET TECHNOLOGIES ("CIT") is a new business unit whose purpose is to accelerate the creation, development and marketing of leading-edge software solutions using the latest technologies such as Internet Protocol, PCS and other communications media. CIT brings together all of COGNICASE's software assets related to the Internet and Artificial Intelligence.

NatStar™, NatWeb™, IceWeb, CogniAnalyzer are among the software products being developed and offered by CIT.

COGNICASE Internet Innovations

The Company has recently created a new business unit, COGNICASE INTERNET INNOVATIONS ("CII"), whose purpose is to accelerate the creation, start-up and development of on-line companies offering state-of-the-art solutions.

CII will take advantage of opportunities offered by the new electronic economy, by creating or accelerating the start-up of business initiatives by vertical markets.

CII brings together a number of initiatives in which COGNICASE has an interest, including:

- SHIPAHEAD.COM, a joint venture between COGNICASE and ShipAhead Inc. (of which COGNICASE owns 15% of the issued and outstanding Common Shares), the first e-business-enabled Internet portal that brings together cargo carriers, shippers, seaports and all other related businesses in the shipping industry.

- E-FRONTCASE (of which COGNICASE owns 6.5% of the issued and outstanding Common

Shares) provides companies with a virtual office that integrates advanced functionality, document management and sales force follow-up. It also offers integrated customer relationship management tools. Specifically designed to facilitate work from a distance, E-FRONTCASE securely and effectively delivers corporate organizational and information resources via the Internet to all employees, regardless of geographical location.

- CAREERCASE.COM (owned entirely by the Company) is a new virtual meeting place, developed by COGNICASE and recruiting experts, that allows employers and job seekers to exchange high-quality information efficiently. Combining leading edge IT and Internet technologies, this value-added service provides the full range of expertise and services of a professional, global-recruiting firm.

CII seeks to explore all growth opportunities that meet the needs of COGNICASE's diverse customer base. The Company intends to invest in new, dynamic and creative companies that are developing or offering advanced solutions for e-business, and to work with influential investors to speed up the growth of new business initiatives on the Internet. This approach will also include "à la carte" functionality and leading edge e-applications to be billed on a per-use basis.

Research and development

The Company had research and development costs, net of tax credits, of US$3.3 million, US$1.2 million and US$979,000 for the 1999, 1998 and 1997 fiscal years respectively. COGNICASE intends to focus its development efforts on the above-mentioned products and solutions. A significant portion of the Company's future R&D funding will be allocated to the development of the Company's key products in accordance with changing market demands. In this respect, the Company increased R&D spending in the first quarter of fiscal 2000 by 163% compared to the last quarter of fiscal 1999.

Intellectual property

The Company relies on a combination of copyright and trade secret laws and contractual provisions to establish and protect its rights in its software and proprietary technology. The Company generally enters into non-disclosure agreements with employees and customers, and historically has restricted access to its software products' source codes. The Company regards its source codes as proprietary information, and attempts to protect the source code versions of its products as trade secrets and unpublished copyrighted works. In a few cases, the Company has provided copies of source codes for certain products to customers and strategic partners, solely for the purpose of special customization for identified projects. In these cases, the Company relies on non-disclosure and other contractual provisions to protect its proprietary rights. Despite the Company's precautions, it may be possible for unauthorized parties to copy or otherwise reverse engineer portions of the Company's products or otherwise obtain and use information that the Company regards as proprietary.

On February 5th, 1999, pursuant to the acquisition of Prosilog, the Company acquired the rights to the trademark "Prosilog Ingénierie".

On April 1st, 1999, pursuant to the acquisition of MSI, the Company acquired the rights to the following trademarks: “Explorateur”, “Stratège”, “SDC” (design), “Plus” (design), “Solution” (design), “MCD” (design), “DFD” (design) and “DPO” (design).

On June 1st, 1999, pursuant to the acquisition of RBA, the Company acquired the rights to the trademarks “Solutions for the new economy”, “Des solutions pour la nouvelle économie” and “GIR”.

On August 18, 1999, pursuant to the acquisition of Prism, the Company acquired the rights to the trademarks “Prism” and “Prism” (design).

Furthermore, the Company has filed an application to register the trademarks “CGSS” and “Cognicase Global Staffing Services” in Canada. As of the date hereof, this application was still pending.

Copyright registrations have been made in the principal jurisdictions where such trademarks are used or are expected to be used in the near future. COGNICASE also relies on proprietary trade secrets to conduct its business.

Existing copyright and trade secret laws offer only limited protection, and the laws of certain countries in which the Company’s products are used do not protect the Company’s products and intellectual property rights to the same extent as the laws of Canada and the United States. Certain provisions of the license and strategic alliance agreements entered into by the Company, including provisions protecting against unauthorized use, transfer and disclosure, may be unenforceable under the laws of certain jurisdictions, and the Company is required to negotiate limits on these provisions from time to time.

The Company’s competitive position may be affected by its ability to protect its proprietary information. However, because the software industry is characterized by rapid technological change, the Company believes that patent, trademark, copyright and other legal protections are less significant to the Company’s success than other factors such as the knowledge, ability and experience of the Company’s personnel, new product and service development, frequent product enhancements, customer service and ongoing product support.

There can be no assurance that the steps taken by the Company to protect its proprietary rights will be adequate to deter misappropriation of its technology or independent development by others of technologies that are substantially equivalent or superior to the Company’s technology. Any misappropriation of the Company’s technology or development of competitive technologies could have a material adverse effect on the Company’s business, operating results and financial condition. The Company could incur substantial costs in protecting and enforcing its intellectual property rights. Moreover, from time to time, third parties may assert patent, trademark, copyright and other intellectual property rights to technologies that are important to the Company. There can be no assurance that the assertion of such claims will not result in litigation or that the Company would prevail in such litigation or be able to obtain a license for the use of any infringed intellectual property from a third party or, if such a license is required, that it would be available on terms acceptable to the Company. Furthermore, litigation, regardless of its outcome, could result in substantial cost to the Company and divert management’s attention and resources from the Company’s operations. Any infringement claim or litigation against the

Company could, therefore, materially adversely affect the Company's business, operating results and financial condition.

Sales, marketing and distribution

The Company focuses its marketing efforts on large businesses, primarily Fortune 1000 companies, as well as government agencies and departments with significant IT budgets and recurring software development and maintenance needs. The Company markets its software and its services and solutions through its direct sales force and through strategic partnerships with IT systems integrators or solutions providers.

The Company's recent acquisitions have added new sales channels and have provided for increased cross-selling opportunities.

All marketing and sales employees are assigned to specific accounts to understand their business requirements and needs in order to propose leading edge and pragmatic business solutions. Emphasis is put on to establishing long term relationship with clients and partners.

Competition

The IT services industry is highly competitive and served by numerous international, national, regional and local firms, all of which are either existing or potential competitors of the Company.

Primary competitors of COGNICASE include the "Big Five" accounting firms, software consulting and implementation firms, applications software firms, service sectors of computer equipment companies, management consulting firms, programming companies and temporary staffing firms as well as clients' internal IT staff.

The Company believes that the principal competitive factors in the IT services industry include the range of services offered, cost, technical expertise, responsiveness to client needs, speed in delivering IT solutions, quality of service and perceived value. Based on the Company's experience in competitive situations, the Company believes that it competes favorably with respect to these factors.

Human Resources

COGNICASE currently has approximately 2,600 employees and independent consultants. In order to encourage the high degree of commitment necessary to ensure the quality and continuity of customer service, COGNICASE has implemented in April 1997 a Senior Officers, Directors and Employees Stock Options Plan (the "Stock Options Plan") and in April 1998 an Employee Share Purchase Plan ("ESPP") under which employees may purchase shares of the Company at favorable conditions. 2,300,000 Common Shares are currently reserved for issuance under the Stock Options Plan and 150,000 under the ESPP.

None of the Company's employees is represented by a collective bargaining agreement. The Company believes that its relationship with its employees is good.

ITEM 2. DESCRIPTION OF PROPERTY

The major properties leased by the Company are listed in the table below.

Location	*Area (approx.)*	*Title*
North America		
Montreal, Quebec	89,652 sq. feet	See Note A below
Quebec City, Quebec	18,025 sq. feet	See Note B below
Ottawa, Ontario	16,106 sq. feet	See Note C below
Toronto, Ontario	8,109 sq. feet	Property leased to March 2004
United States	10,171 sq. feet	See Note D below
Europe		
Paris, France	38,060 sq. feet	See note E

Note A

Montreal offices are described as below:

Location	*Area (approx.)*	*Title*
1080 Beaver Hall Hill	27,014 sq. feet	Property leased to June 2001
1080 Beaver Hall Hill	3,677 sq. feet	Monthly
425 Viger Street	6,050 sq. feet	Property leased to December 2000
1000 de la Gauchetière W.	11,056 sq. feet	Property leased to June 2005
1000 de la Gauchetière W.	3,651 sq. feet	Property leased to December 2000
6500 Henri-Bourassa E.	8,033 sq. feet	Property leased to June 2000
555 René-Lévesque W.	3,185 sq. feet	Property leased to February 2001
500 Place d'Armes	4,272 sq. feet	Property leased to July 2006
6850 Sherbrooke E.	11,852 sq. feet	Property leased to October 2004
2054 Bourgogne Avenue	4,260 sq. feet	Property leased to December 2002
460 Ste-Catherine W.	6,602 sq. feet	Property leased to August 2003

COGNICASE has signed a lease for 105,000 square feet in the "Cité du Multimédia" in Montreal. This lease is for a term of ten years, ending in December 2010.

The “Cité du Multimédia” has been created by the government of the Province of Quebec to encourage the development of IT enterprises in Montreal. As part of this program, COGNICASE is receiving a tax credit of 60% on qualifying employees’ salaries with a maximum tax credit of CAN$25,000 per employee for the first year. Starting in the second year and until December 2008, the tax credit will be of 40% on qualifying employees’ salaries with a maximum tax credit of CAN$15,000 per employee.

Note B

Quebec City offices are described as below:

Location	***Area (approx.)***	***Title***
140 Grande-Allée	5,088 sq. feet	Property leased to March 2002
2360 Chemin Ste-Foy	4,070 sq. feet	Property leased to May 2003
7050 Boul. Hamel	2,173 sq. feet	Property leased to August 2000
5600 Boul. des Galeries	6,694 sq. feet	Property leased to November 2003

COGNICASE has signed a lease for 20,000 square feet in the “Centre de Développement des Technologies de l’Information” in Quebec City. This lease is signed for a term of ten years, ending in October 2010.

The “Centre de Développement des Technologies de l’Information” has been created by the government of the Province of Quebec to encourage the development of IT enterprises in Quebec City. As part of this program, COGNICASE will receive a tax credit of 40% on salaries with a maximum of CAN$15,000 by employee until December 2008.

Note C

Ottawa offices are described as below:

Location	***Area (approx.)***	***Title***
220 Laurier	1,292 sq. feet	Property leased to December 2000
220 Laurier	5,575 sq. feet	Property leased to June 2001
220 Laurier	3,075 sq. feet	Property leased to August 2004
150 Metcalfe	6,164 sq. feet	Property leased to June 2005

Note D

United States offices are described as below:

Location	***Area (approx.)***	***Title***
Warren, New Jersey	4,896 sq. feet	Property leased to July 2000
Atlanta, Georgia	1,268 sq. feet	Property leased to October 2001
Greensboro, North Carolina	1,331 sq. feet	Property leased to August 2002
Raleigh, North Carolina	1,290 sq. feet	Property leased to October 2000
King of Prussia, Pennsylvania	1,386 sq. feet	Property leased to March 2002

Note E

Paris offices are described as below:

Location	***Area (approx.)***	***Title***
4, rue de Rome	1,311 sq. feet	Property leased to August 2005
117/119 Quai de Valmy	11,184 sq. feet	Property leased to July 2007
La Défense 7	17,276 sq. feet	Property leased to August 2005
4, Place des Saisons	6,997 sq. feet	Property leased to May 2007
9, rue du Château d'Eau	1,292 sq. feet	Property leased to February 2006

ITEM 3. LEGAL PROCEEDINGS

The Company is not a party to, nor is the Company's property the subject of, any material pending legal proceedings.

ITEM 4. CONTROL OF REGISTRANT

Reference is made to "Ownership of Common Shares" on page 2 of Registrant's Management Proxy Circular, which is incorporated herein by reference and which is included as Exhibit 1 to this Annual Report on Form 20-F.

Reference is made to the heading "Recent Developments" in Item 1.

ITEM 5. NATURE OF TRADING MARKET

The Common Shares are currently traded on the Nasdaq National Market and on The Toronto Stock Exchange, and were traded on the Montreal Exchange until December 3, 1999. The Common Shares are not traded on any other exchanges. Prior to the October 3, 1997 initial public offering of the Common Shares, there was no public market for such shares. As of close of business on September 30, 1999, 4,629,523 of the Common Shares were held in the United States by six record holders in the United States, representing approximately 29.86% of all holders of Common Shares.

The following table sets forth high and low sales price information for the trading of Common Shares on the Nasdaq National Market for the last two fiscal years.

Period	High (US$)	Low (US$)
1st Quarter 1998	14.50	7.50
2nd Quarter 1998	22.88	10.75
3rd Quarter 1998	19.56	11.88
4th Quarter 1998	15.75	7.50
1st Quarter 1999	22.88	11.13
2nd Quarter 1999	27.38	16.50
3rd Quarter 1999	19.38	14.00
4th Quarter 1999	17.00	11.88

The following table sets forth high and low sales price information for trading of the Common Shares on The Toronto Stock Exchange for the last two fiscal years.

Period	High (CAN$)	Low (CAN$)
1st Quarter 1998	20.00	10.50
2nd Quarter 1998	32.50	15.75
3rd Quarter 1998	28.00	17.25
4th Quarter 1998	23.45	11.50
1st Quarter 1999	35.50	17.00
2nd Quarter 1999	42.00	25.00
3rd Quarter 1999	28.55	20.65
4th Quarter 1999	24.40	18.00

ITEM 6. EXCHANGE CONTROLS AND OTHER LIMITATIONS AFFECTING SECURITY HOLDERS

Canada has no system of exchange controls. There are no exchange restrictions on borrowing from citizens or residents of foreign countries nor on the remittance of dividends, interest, royalties or similar payments, management fees, loan repayments, settlement of trade debts, or the repatriation of capital. There are no limitations on the rights of non-Canadian residents or non-Canadian shareholders to hold or vote the Common Shares imposed by Canadian law or by the Company's Articles of Incorporation or By-laws.

ITEM 7. TAXATION

Certain Canadian Federal Income Tax Considerations Applicable to U.S. Residents

This summary of certain Canadian Federal Income Tax considerations takes into account the current provisions of the Income Tax Act of Canada (the "Federal Act") and the Regulations thereunder, all specific proposals to amend the Federal Act publicly announced prior to the date thereof (the "Proposals"), the Canada-United States Income Tax Convention (1980), as amended (the "Treaty") and the current published administrative practices of the Canada Customs and

Revenue Agency. No assurances can be given that the Proposals will be enacted as announced, or at all. This summary does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision of legislative action, nor does it take into account provincial or foreign tax legislation or considerations. It is applicable only to holders of Common Shares who are neither residents nor deemed to be residents of Canada for the purposes of the Federal Act, who are residents of the United States for the purposes of the Treaty, who deal at arm's length with the Company, who hold their Common Shares as capital property, who do not use or hold and are not deemed to use or hold their Common Shares in carrying on a business in Canada and whose Common Shares do not otherwise constitute "taxable Canadian property" ("US Holders"). Common Shares held by a U.S. Holder will not generally be "taxable Canadian property" unless at any time during the five-year period immediately preceding the disposition of his Common Shares, not less than 25% of the issued shares of any class or series of a class of the capital stock of the Company belonged to the U.S. Holder, to persons with whom he did not deal at arm's length or to any combination thereof. This summary is not applicable to U.S. holders who are insurers carrying on business in Canada. All U.S. holders should consult their own tax advisers.

This summary is of a general nature only and is not intended to be nor should it be construed to be, legal or tax advice generally or to any particular U.S. Holder. U.S. Holders should consult their own tax advisors with respect to their particular tax positions.

Subject to the foregoing, no Canadian income tax will be payable on any capital gain realized by a U.S. Holder who disposes of his Common Shares. Dividends paid by the Company to a U.S. Holder will generally be subject to Canadian withholding tax at the reduced rate of 15%, pursuant to the terms of the Treaty.

At present, Canada does not impose either estate or gift tax.

ITEM 8. SELECTED FINANCIAL DATA

Set forth are selected and consolidated financial data for each of the years ended October 31st, 1995, 1996, for the eleven months ended September 30, 1997 and for the years ended September 30, 1998 and 1999, which have been derived from consolidated financial statements that have been audited by PricewaterhouseCoopers L.L.P. for the years ended 1998 and 1999, and by Raymond, Chabot, Grant, Thornton, General Partnership, independent accountants for the previous years.

	Year Ended October 31		11 Months Ended September 30	Year Ended September 30	
	1995	**1996**	**1997**	**1998**	**1999**
	(In thousands of U.S. dollars, except per share data)				
Consolidated Statement of Earnings Data					
Revenues	$ 2,874	$ 4,525	$ 6,563	$ 59,116	$ 144,917
Operating expenses:					
Cost of revenues	1,229	2,184	3,249	34,738	87,429
General and administrative	268	451	896	6,820	13,078
Sales and marketing	120	241	343	3,634	12,047
Research and development, net of investment tax credits	171	752	979	1,161	3,320
Amortization of Capital Assets	86	134	179	980	2,507
Earnings from operations	1,000	763	917	11,783	26,536
Other income (expense)	26	15	171	3,961	(221)
Earnings before income taxes and Amortization of Goodwill	1,026	778	1,088	15,744	26,315
Income taxes	340	278	344	6,108	9,593
Earnings before amortization of goodwill	686	500	744	9,636	16,722
Amortization of goodwill	-	-	47	1,165	3,423
Net earnings	686	500	697	8,471	13,299
Earnings per share (in U.S. dollars)					
Earnings before amortization of goodwill – Canadian GAAP					
Basic	$ 0.13	$ 0.09	$ 0.12	$ 0.80	$ 1.16
Fully diluted	$ 0.13	$ 0.09	$ 0.12	$ 0.74	$ 1.09
Net earnings - Canadian GAAP:					
Basic	$ 0.13	$ 0.09	$ 0.11	$ 0.71	$ 0.93
Fully diluted	$ 0.13	$ 0.09	$ 0.11	$ 0.66	$ 0.87
Net earnings – US GAAP					
Fully diluted	$ 0.13	$ 0.09	$ 0.10	$ 0.68	$ 0.90

	October 31		September 30 (11 months)	September 30	
	1995	**1996**	**1997**	**1998**	**1999**
	(In thousands of U.S. dollars, except per share data)				
Consolidated Balance Sheet Data					
Cash and cash equivalent	$ 900	$ 337	$ 2,440	$18,974	$8,290
Working capital	986	1,467	9,215	17,281	28,718
Total assets	2,329	3,466	13,304	103,626	175,172
Long-term debt	57	122	29	1,688	597
Total shareholders' equity	1,257	1,768	11,682	66,971	141,635

The following table sets forth certain exchange rates, expressed in United States dollars per Canadian dollar, determined by the noon buying rates in New York City for cable transfers in Canadian dollars as certified for customs purposes by the Federal Reserve Bank of New York. On September 30, 1999, the noon buying rate was CDN. $1.00 = U.S.$0.6805

	Year Ended October 31		11 Months Ended September 30	Year Ended September 30	
	1995	**1996**	**1997**	**1998**	**1999**
	(All amounts in U.S. dollars)				
Exchange rate at the end of period	$ .7462	$ .7458	$ .7209	$ .6552	$ .6805
Average exchange rate during period	$ .7286	$ .7332	$ .7289	$ .6902	$ .6665
Highest exchange rate during period	$ .7527	$ .7458	$ .7473	$ .7292	$ .6891
Lowest exchange rate during period	$ .7023	$ .7235	$ .7192	$ .6341	$ .6423

Reference is made to the heading "Acquisitions and Mergers" in Item 1.

ITEM 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Reference is made to "Management's Discussion and Analysis of Financial Condition and Results of Operations" on Pages 17 through 19 of Registrant's 1999 Annual Report to Shareholders, which is incorporated herein by reference and which is included as Exhibit 2 to this Annual Report on Form 20-F.

ITEM 9A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 10. DIRECTORS AND OFFICERS OF REGISTRANT

Reference is made to "Nominees for Election as Directors" on Pages 3 and 4 of Registrant's Management Proxy Circular, which is incorporated herein by reference and which is included as Exhibit 1 to this Annual Report on Form 20-F. Mr. Richard Austin, whose name appears under the heading "Nominees for Election as Directors" in the Management Proxy Circular indicated to COGNICASE prior to the holding of the Company's Annual Shareholders Meeting that he no longer wished to be appointed a director of the Company. Consequently, Mr. Austin has not been elected to the Board of Directors of the Company.

ITEM 11. COMPENSATION OF DIRECTORS AND OFFICERS

Reference is made to "Executive Compensation" on Pages 4 through 6 of Registrant's Management Proxy Circular, which is incorporated herein by reference and which is included as Exhibit 1 to this Annual Report on Form 20-F.

ITEM 12. OPTIONS TO PURCHASE SECURITIES FROM REGISTRANT OR SUBSIDIARIES

Reference is made to "Executive Compensation" on Pages 4 through 6 of Registrant's Management Proxy Circular, which is incorporated herein by reference and which is included as Exhibit 1 to this Annual Report on Form 20-F.

ITEM 13. INTEREST OF MANAGEMENT IN CERTAIN TRANSACTIONS

Not applicable.

PART II

ITEM 14. DESCRIPTION OF SECURITIES TO BE REGISTERED.

Not applicable.

PART III

ITEM 15. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 16. CHANGES IN SECURITIES, CHANGES IN SECURITY FOR REGISTERED SECURITIES AND USE OF PROCEEDS

None.

PART IV

ITEM 17. FINANCIAL STATEMENTS

Reference is made to the financial statements on Pages 21 through 41 of Registrant's 1999 Annual Report to Shareholders, which is incorporated herein by reference and which is included as Exhibit 2 to this Annual Report on Form 20-F.

ITEM 18. FINANCIAL STATEMENTS

The Company has elected to comply with the requirements of Item 17.

ITEM 19. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements.

Pages 21 through 41 of Registrant's 1999 Annual Report to Shareholders, which is incorporated herein by reference and which is included as Exhibit 2 to this Annual Report on Form 20-F.

(b) Exhibits.

1. Management Proxy Circular
2. 1999 Annual Report to Shareholders
3. Auditors' Report on Financials
4. Independent Accountants' Consent Letter

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant certifies that it meets all of the requirements for filing on Form 20-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

COGNICASE Inc.

Dated: February 17, 2000

By: ___/s/ R. Brisebois___________________
Name: Ronald Brisebois
Title: President and Chief Executive Officer

EXHIBIT 1

MANAGEMENT PROXY CIRCULAR

Cognicase Inc.'s Management Proxy Circular in respect of the Annual Shareholders' Meeting held on February 10, 2000 has been filed through Sedar and is accessible under Sedar Project number 231847.

EXHIBIT 2

1999 ANNUAL REPORT TO SHAREHOLDERS

Cognicase Inc.'s 1999 Annual Report to Shareholders has been filed through Sedar and is accessible under Sedar project number 232098.

EXHIBIT 3

Auditors' Report

To the Shareholders of COGNICASE Inc.

We have audited the consolidated balance sheets of COGNICASE Inc. as at September 30, 1999 and 1998 and the consolidated statements of earnings, retained earnings and cash flows for each of the years in the two-year period ended September 30, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 1999 and 1998 and the results of its operations and its cash flows for each of the years in the two-year period ended September 30, 1999 in accordance with Canadian generally accepted accounting principles.

The statements of earnings, retained earnings and cash flows for the eleven-month period ended September 30, 1997 have been audited by other auditors who expressed an opinion without reservation on those statements in their report dated November 14, 1997.

(s) PricewaterhouseCoopers LLP

Chartered Accountants

Montreal, Quebec, Canada
November 11, 1999

EXHIBIT 4

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation of our report dated November 11, 1999, on our audits of the consolidated financial statements of Cognicase Inc. as of September 30, 1999 and 1998 and for each of the years in the two-year period ended September 30, 1999, which report is included in this Annual Report on Form 20-F.

(s) PricewaterhouseCoopers LLP

Montreal, Quebec, Canada
February 17, 2000