Sopra Group
Combined General Meeting
of 15 May 2008

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Introduction

Pierre Pasquier
Chairman and Chief Executive Officer, Sopra Group

Ladies and gentlemen, I would like to welcome you to this Combined General Meeting of Sopra Group, which we will be able to commence on time, since it is now 2.30 p.m. At the outset, I would like to make two announcements for the benefit of the shareholders. As per our usual custom, we have invited journalists and financial analysts to attend this Meeting. I am happy to inform you that the quorum has been reached, satisfying the requirements for the Annual General Meeting as well as the Extraordinary and Combined General Meetings, since Sopra GMT and Société Générale are both represented, the latter by Geninfo. We will carry out the count later on and will let you know the precise totals for shareholders in attendance or represented by proxy.

I would like now to nominate the officers of the Meeting. I would like to propose as vote-tellers Mr François Odin, who will represent Sopra GMT, and Ms Marion Jonchères, who will represent Geninfo. I would also like to recommend that you appoint Mr Hervé Dechelette as this Meeting's general secretary, a position in which he has served on many occasions in the past. These individuals are to be the officers of the Meeting.

I remind you that 20% of the votes must be represented in order for the Ordinary General Meeting to be valid, thus exactly 2,334,307 votes. For the Extraordinary General Meeting to be valid, 2,917,883 shares, corresponding to 25% of total shares, must be represented. As I have indicated, we have established that these two meetings are authorised to conduct official business. Finally, I would like to inform you that the documents required for the Meeting have been filed with its officers. These documents include, in particular:

- the latest version of the Company's articles of association;
- the attendance sheet for the Meeting;
- proxy forms for shareholders represented by proxy as well as all mail-in ballots received;
- copies of the convening letters;
- a copy of the legal gazette containing the convening notice;
- a copy of the *Bulletin des Annonces Légales et Obligatoires* containing the convening notice;

- the Sopra Group SA individual financial statements and Sopra Group's consolidated financial statements;
- the management report of the Board of Directors submitted to the General Meeting;
- the Statutory Auditors' reports;
- the proposed resolutions.

I hereby inform the Meeting that the Company has not received any request to add a proposed resolution to the items of business from any of its shareholders.

Now that I have completed these announcements, I recommend that this Combined General Meeting be declared as officially open. I now hand the floor over to Mr Dechelette, who will be presenting the agendas for these two Meetings.

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Hervé Dechelette

The agenda for this General Meeting is as follows:

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- **Resolutions to be considered by the Ordinary General Meeting**

- Approval of the Sopra Group SA individual financial statements for the financial year ended 31 December 2007 and the granting of final discharge to members of the Board of Directors;
- Approval of Sopra Group's consolidated financial statements for the financial year ended 31 December 2007;
- Appropriation of net profit;
- Approval of agreements governed by Article L. 225-38 of the Commercial Code;
- Appointment of a new director;
- Setting of directors' fees;
- Authorisation granted to Sopra Group to trade in its own shares pursuant to Article L. 225-209 of the Commercial Code.

- **Resolutions to be considered by the Extraordinary General Meeting**
- Amendments to the articles of association;
- Delegation of authority granted to the Board of Directors to increase the company's share capital, through the issue of ordinary shares or any other securities giving access to the company's share capital, maintaining the pre-emptive right of existing shareholders to subscribe to new shares;
- Delegation of authority granted to the Board of Directors to increase the company's share capital, through the issue of ordinary shares or any other securities giving access to the company's share capital, excluding the pre-emptive right of existing shareholders to subscribe to new shares;

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- Possibility to increase the amount of issues in the event of oversubscription by no more than 15% of the value of the original issue and at the same price;

- Delegation of authority granted to the Board of Directors to increase the company’s share capital, through the issue of ordinary shares or any other securities giving access to the company’s share capital, excluding the pre-emptive right of existing shareholders to subscribe to new shares, subject to a limit of 10% of the share capital, with the authorisation granted to the Board of Directors to determine the issue price;

- Delegation of authority granted to the Board of Directors to increase the company’s share capital, excluding the pre-emptive right of existing shareholders to subscribe to new shares, in order to remunerate securities contributed to the company as part of a public exchange offer or contribution in kind relating to the company’s shares, through the issue of shares or securities giving access to the company’s share capital, subject to a limit of 10% of the share capital;

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- Delegation of authority granted to the Board of Directors to carry out capital increases reserved for employees of the company or of any of its affiliated undertakings who are members of company savings plans;

- Authorisation granted to the Board of Directors to award options to subscribe to or to purchase shares to employees and officers of the company or of any of its affiliated undertakings;

- Authorisation granted to the Board of Directors to issue warrants to subscribe to and/or acquire redeemable shares (BSAAR), excluding the pre-emptive right of existing shareholders to subscribe to these warrants or to the shares issued via the exercise of BSAAR.

- **Resolutions to be considered by the Combined General Meeting**

- Powers to carry out legal requirements.

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Report of the Board of Directors

Pierre Pasquier
Chairman and Chief Executive Officer, Sopra Group

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I. Introduction

If no one has any objection, I suggest that we don't spend time reading aloud the entire management report, which is included in the annual report. It is rather lengthy and complicated and you have certainly already read it. I would like instead to comment upon the financial presentation resulting from the management report, which was given to the financial analysts at the meeting held in February, as we do each year. By way of this presentation, I will endeavour to help you understand the operations of Sopra Group in 2007. I will also review our five-year strategic plan for 2003–2007, provide the outlook for Sopra Group in 2008, and will discuss our Project 2010 as well. I myself will offer most of these comments and Dominique Illien, who has joined us as Managing Director, will take the floor to present the key priorities for 2008. We will also be requesting your approval of Mr Illien's appointment as a member of Sopra Group's Board of Directors.

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In 2007, Sopra recorded revenue of 1.0014 billion euros, representing total growth of 11.6% and organic growth of 9.4%, with the last quarter posting slightly stronger earnings growth than the previous ones. For Management Consulting, organic growth was 7.1%. System & Solutions Integration France, which accounts for most of our French operations, posted 10.4% growth. System & Solutions Integration Europe improved by 4.4%, with a strong performance in Spain and a very slight decline in the United Kingdom during the first half of the year, although this region returned to growth later in the year. In 2007, Axway recorded growth of 12%.

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Revenue in 2007 was 1.0014 billion euros. Staff costs for employees and contractors were 647.9 million euros and 80.7 million euros, respectively. This represents a total increase in payroll expenses, for both employees and external contractors, of 11.5%. Operating expenses grew by 7.1%, to reach 167 million euros. Depreciation and amortisation amounted to 14 million euros (an increase of 14.1%). Current operating profit totalled 90.8 million euros, with operating profit of 90 million euros. Net financial charges amounted to 9 million euros. Tax expenses rose in 2007 (as they take into account the benefit of a tax exemption recognised for 2006) to 25.2 million euros, resulting in net profit of 55.1 million euros.

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Profitability (up 9.1% overall) is comparable across the various business segments: 10.3% for Consulting, 8.8% for SSI France, 9.1% for SSI Europe and 10% for Axway.

A major portion of revenue was generated by SSI France (537 million euros), accompanied by improvements in profitability, up 8.8% compared to 2006. Profitability also improved for Consulting and SSI Europe. Axway's profitability is virtually unchanged compared to last year (10% versus 10.1% in 2006). Overall, profitability increased from 8.4% to 9.1%.

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The balance sheet lists goodwill and other fixed assets under assets, then other assets and liabilities, and on the other side, liabilities including shareholders' equity. Net debt at the end of the period was 130 million euros.

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The development of our financial position between 31 December 2006 and 31 March 2007 was as follows: We began with 216.2 million euros at end-2006, from which we need to subtract 15.5 million euros in dividends. Profit for the year amounted to 55.1 million euros. Options exercised during the year correspond to an increase in capital. Added to this are share-based payments, actuarial gains and losses and translation adjustments. The closing financial position at 31 December 2007 was 248.8 million euros.

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The change in net debt may be appreciated by first considering its level in 2006 (100.8 million euros). Taxes paid were considerable (38.2 million euros). For the previous year, we benefited from a tax credit resulting from the acquisition of Valoris and we did not make any provisional payments. But the year's taxes caught up with us and we had to pay 30 million euros. The change in working capital requirements is pretty much as expected. Investing activity accounted for 13 million euros of this change. Interest paid was 7 million euros. It is worth noting that we had available cash flow of 30 million euros. To this must be added the impact of changes in the scope of consolidation (in other words, acquisitions), dividends paid in June and the capital increase. The total net change for the period is therefore a negative impact of 32 million euros and net debt thus rose from 100 million euros to 130 million euros.

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Our ratios evolved as follows: the gearing ratio (net debt to equity) rose from 45% to 52%. This type of change is entirely within reason. Basic earnings per share climbed from 3.86 to 4.80 euros.

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Consulting accounts for about 11% of our business. Systems integration, fixed-price projects, local and industry-specific expertise and application outsourcing together represent 62%. Our own industry application solutions come in at 12% and those of Axway at 15%. In terms of industry sectors, financial services (banking and insurance) is our largest vertical market. In the manufacturing vertical, we focus on the clients we have selected. In telecoms, Sopra's positioning (13%) is stronger than the national presence of this sector (8%). Public sector clients (currently accounting for 16% of our business), are expected to continue to show regular growth. Lastly, the retail vertical accounts for 6% of our revenue.

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We see that when considered on a quarter-by-quarter basis, organic growth accelerated over the course of 2007, with 6% in the first quarter, 9% in the second quarter, 10% in the third quarter and 13% in the fourth quarter.

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The geographic breakdown of revenue shows that 67% was generated in France, 30% in Europe and 3% in the United States. With respect to the major portion of our business (Consulting, Systems & Solutions Integration France and Europe), 75% was generated in France, as against 10% in the United Kingdom, 10% in Spain, 5% in Italy, with the Benelux countries and Switzerland accounting for the remainder of revenue. For Axway, France accounted for 42% of revenue, ahead of Europe (36%), the United States (20%) and Asia (2%).

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Axway is the software developer subsidiary of Sopra Group. Over the last three years, we have achieved licence growth of 17%, 44% (thanks to the acquisition of Cyclone Commerce in the United States) and 11%, respectively. The breakdown of Axway's revenue is roughly what one would expect of a software developer, with 34% for licences, 30% for maintenance and 36% for services. Compared to traditional software developers, we are a little more present in services than is usually the case. This works out well for us.

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At 31 December 2007, Sopra had a total workforce of 11,320, with 3,740 staff based outside France, compared to 9,900 the previous year.

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2007 was characterised by an excellent performance in France, both in the Paris region and the provinces, as well as in Spain and Italy. The second half of the year saw a rebound for the United Kingdom, following a difficult first half, reflected by a decline in revenue. Growth returned to adequate levels and we made strides in economic performance. The year was also a good one for Orga Consultants, which recovered its momentum, after being somewhat shaken by a sizable number of departures in mid-2006. Many new clients have adopted our industry application solutions, and Axway's offerings were also successful. We carried out several acquisitions in local markets designed to reinforce our current positions.

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We also made investments in 2007 in order to lay the groundwork for future development. We invested in the outfitting of nearshore and offshore platforms, premises, tools and other equipment, for a total expenditure of 17 million euros, which represents a considerable outflow. To this we add our non-material investments, reinforcing the teams that will prepare our future, in other words our Human Resources team, the Offering department and the Industrialisation department. We amply anticipated our recruitment needs, especially for Consulting, which has allowed us to serve our clients better and meet stringent deadlines.

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Now I would like to review our five-year strategic plan for 2003–2007. This project was the fruit of a difficult period, in 2003, at a time when companies in our sector were confronted with a declining market.

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We had announced a revenue forecast of 1 billion euros for 2007 and we have achieved this target. We had also announced a strategy to attain an operating margin greater than 8% and had already exceeded this goal as early as 2006, only to continue to improve our showing in 2007. We benefit from strong positions in our business lines in France, since we are among either the top 3 or the top 4. We enjoy a highly respected leadership status in our domestic market. We have carried out targeted acquisitions in Europe, including in particular Newell & Budge in the United Kingdom and PROFit in Spain. Lastly, Axway has expanded through organic growth and acquisitions.

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Over the period of the plan, organic growth amounted to 13% in 2003, 10% in 2004, 9% in 2005 and 9% in 2006. This represents a steady progression, with near double-digit growth rates each year. In all cases, our growth outpaced the market.

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Our margin increased from 6.1% in 2003 to 6.5% in 2004, 7.4% in 2005, 8.4% in 2006 and 9.1% in 2007. As you are aware, our exceptional items have always been maintained at low levels. There is only a slight difference between current operating profit and operating profit for Sopra (3 million euros over 4 years).

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This slide lists the companies acquired by the Group during the period. The list is quite a long one, which I will let you read by yourselves. We don’t regret any of these acquisitions which we have always managed to integrate in such a way that they are now an integral part of Sopra Group.

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Axway is a Group subsidiary and a successful software developer using a Synchrony platform to coordinate corporate exchanges both internally and externally and in particular on a B2B basis, i.e. between different businesses. The activity employs technologies and acronyms that are not always easily understandable (EAI, EDI, B2B, etc.), but fundamentally it’s a matter of regulating data exchanges between businesses. We can propose vertical solutions to various sectors: financial services, pharmaceuticals, automotive, e-trade and supply chain.

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Axway achieved organic growth of 14% between 2004 and 2005, 16% between 2005 and 2006 and 12% between 2006 and 2007. Over the past four years Axway has thus experienced sustained development and confirmed its capacity to combine that development with high margins.

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So that's all, for 2007. Moving on to 2008, what is our context?

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I think our market is still a growth market and that our expected growth rate of 6 to 7% is a realistic one which reflects different growth rates for our divisions. The engines for growth are no longer simply technological since outsourcing and business combinations are also factors. That is why personally I'm no longer a great believer in the historical concept of essentially cyclical growth; growth is now a much more regular phenomenon. A large proportion of the projects we are entrusted with are related to business combinations or outsourcing. Finally, each IT services company has made its own strategic choices in terms of business offerings, economic sectors and geographical positioning. Fundamentally their business models are no longer comparable and there is a significant difference between the large and mid-sized players.

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Within Sopra, we have four main activities:

- **Systems integration, including application outsourcing**
  We consider this combination as a single business and as our core business which provides us with margins in excess of 8%. It's also a business which requires a significant degree of industrialisation, with its offshore component, which is nevertheless not necessarily on a major scale.

- **Consulting**
  Consulting is a business of the future in which we have a strong conviction. All the products developed by Sopra in the past lead us to Axway's offering and to the application solutions built around our offers. Our potential margins for consulting can approach 15% and this is our goal both for Axway and for our application solutions. Our core business margin is in excess of 8%.

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We will accelerate our growth in the public sector, utilities and industrial groups, sectors where we want to be among the leading suppliers because otherwise there would not be much point. We remain the main supplier for EADS. It's a choice. We had to make great efforts to get there but we are there. We have a primary geographical positioning in France, and a secondary European positioning, which we need to develop. Our domestic positioning is important to us and we intend to maintain and perhaps reinforce it. Fundamentally, I prefer one very strong position to an average position in several areas. Our positioning in France is already very significant but perhaps we can still do better. In the United Kingdom and in Spain, where we have average-ranking positions, we need to intelligently carry out a significant acquisition in order to build up a meaningful European presence.

I've talked about France. Our European presence could be reinforced by targeted acquisitions. Finally, partnerships are also an essential factor in our commercial strategy. Axway has a leading-edge service offering backed up by an adequate system of distribution and a strategy of acquisitions. This is our situation.

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The year began for us with six major projects intended to provide us with a successful year and ensure our future. I shall let Dominique Illien present them to you.

The transformation of Sopra Group

Dominique Illien
Managing Director

Hello everyone. I joined Sopra Group a year ago (at the time of the last AGM) with operating responsibility for Sopra's general management. Some of the six major projects mentioned by Pierre Pasquier are the continuation of existing processes, while others are designed to reinforce the Group. Whatever the case, these six projects will remain our priority in 2008 in addition to our day to day activities.

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Industrialisation is a means by which we aim to do our job better than our competitors. It involves a human factor and in particular, the emphasis we place on technical competence as opposed to giving precedence to purely managerial skills. We thus seek to foster within Sopra the emergence of project leaders and directors capable of managing more and more complex projects in line with the evolution of our business. Effort is also needed to simplify our methods, tools and processes. Our methodology is currently undergoing a complete overhaul and we shall be providing virtually all the Group's 12,000 employees with training in the new technologies that we are adopting. We have also developed production platforms, or "service centres" (eight in France and four outside France), which are designed to enable us to deliver highly efficiently and on an industrial scale (with productivity rates at least equal to that of our competitors), producing optimal responses to our customers who are increasingly international in nature. Finally, an important dimension of this process is our monitoring of progress on each contract and the ongoing emphasis we place, in terms of our client relationships, on honouring our contractual commitments.

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The second task is to reinforce our commercial function and our approach to the market, with a more structured client offering. An example would be the recent launch in 2008, via a specialised business unit, of a structured testing offer: clients are more and more inclined to separate application development and testing. We have thus developed a specialised offer integrating the know-how we possessed within our United Kingdom business. We are also supported in this area by our partnerships with major software developers such as Oracle, SAP or Microsoft. An ever greater number of our contracts include contributions from these partners with whom it is important for us to cultivate ongoing and effective international relationships. The third and final element of this dimension is our strategic policy of concentrating on major client accounts, bolstering our growth by means of their major projects rather than dispersing our energy over too broad a range of smaller clients.

This strategy has borne fruit in the form of a certain number of contracts signed in 2007 and early in 2008. I will simply quote two examples: the complete sales offer and invoicing system for SFR and Arcelor Mittal's application outsourcing for the whole of Europe.

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It must be stressed as well that Sopra has specific characteristics, setting us apart from our competitors, in the form of our product offering and in particular, our offer of banking solutions. At the end of 2007 we decided to reinforce these. Our acquisitions such as BAI and CIBF have reinforced both their intrinsic interest and our capacity to provide an international service. Our present challenge is thus to deliver these products at the European level by making use of our financial sector market position, which has become an essential factor of growth for Sopra.

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Our ambition for Axway is to pursue and intensify our current strategy. Our goal for Axway in 2008 is to accelerate our effort in the area of research and development, a topic about which Jacques Buisson could talk in more detail than me, in order to achieve sustained development both in Europe and the US and rapidly attain annual revenue of 250 million euros as compared to 150 million euros in 2007.

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Consulting is a business which requires a great deal of attention on our part. Industrialisation is the means by which we can deliver our "classic" service offering more efficiently than our competitors, but consulting is the means by which we can deliver "extra" added value, stand out from the crowd and obtain a better understanding of our customers' businesses and of the way in which their decisions in the area of IS organisation or investment interrelate. Orga Consultants is one of our motors in this area, providing us with a presence vis-à-vis major French companies in the areas of strategy and management consulting. Our Business Consulting entity was created two years ago and has already grown to almost 300 employees. It ensures the transition of the consulting business to information systems. In this area too, we have preferred to concentrate our investment on ERP systems such as SAP and Oracle, new technologies and new application uses such as business intelligence.

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Finally, a major facet of our strategy involves reinforcing our European subsidiaries. Since the second half of 2007 our organic growth in each of the major countries in which we are present – the United Kingdom, Spain and Italy – has been both positive and strong. We are also aiming to reinforce our position within these countries via our specific major client accounts programme designed to mesh our activities in these countries with the services we provide to our major French accounts such as France Télécom, EADS-Airbus, etc.

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Pierre PASQUIER

There are two slides left for me to comment on, covering our 2010 project and the situation in 2008.

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We wish to double our revenue over the three coming years. We believe that we have made the right choices, in terms of our businesses, for a company such as ours. We believe that these choices respond to a genuine client demand and that the related businesses add value and can therefore generate good margins. So we want both to double our revenue and rapidly achieve an operating margin of at least 10%. For that, our business positioning is key. Everyone knows that a successful software developer can achieve margins of 15% or even, when all goes well, 20%. Consulting can provide the same levels of margin. In our core business of systems integration and application management, we must also make the right choices and above all be sure we have the right talents and platforms at our disposal. We intend to remain an essentially onshore group but to employ the appropriate dose of offshore too. In any event I don’t think it makes sense for Sopra to try to compete directly with companies such as Wipro, Infosys or Tata which are too powerful or too large. But the fact that we have been chosen to work for Arcelor Mittal, in conjunction with an Indian player, proves that in India and in France we already have enough people with adequate knowledge of this group and that is why we won the tender. We would not have won it if we had had significant resources in India but no real presence in France. We have won other contracts, such as EADS, and others are under negotiation.

We also wish to make local acquisitions whenever they can complement our current product and service offerings and make sense overall. We believe that we shall need to make a strategic acquisition to achieve revenue of 2 billion euros and we shall find one; but we aren’t obsessed about it. We shall take our time and remain attentive to avoiding any dilutive effect of a cash-acquisition transaction. We can afford to take our time but we nevertheless have our eyes open and we shall do what is required to achieve our goal.

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Let me now talk about the outlook for 2008 by focusing on the 1st quarter of the current year. During this 1st quarter, we have achieved total growth of 12.3% and organic growth of 10.6%, including 9.3% for consulting and 11.9% in France as a whole. Our growth elsewhere in Europe, penalised by the United Kingdom and Spain, was limited to 6% but this should improve during the second half of the year. Axway achieved 12%, a fairly customary level for this business. As we have already mentioned in a press release, I think that our organic growth for the 2nd quarter will show an increase over the 1st quarter.

In terms of results, we have confirmed our objective of improving our overall economic performance. In common with other companies, we are fairly prudent in terms of communication because the year will not necessarily be an ordinary one, but we don’t really see why the 3rd and 4th quarters might be less positive than to date although such fears are widely expressed for the economy as a whole. We remain sensitive to these fears but we have not distinguished any real signs of a slowdown in the economy affecting us.

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Our share price is a little disappointing. August and September were a satisfactory period, but then came a series of shockwaves with the sub-prime crisis, the loss of confidence in the economy and the loss of confidence in the service sector. We gradually seem to be seeing the beginnings of a more favourable trend but a lot will depend on the economy as a whole. In any event, many observers expected this year’s growth in the service sector to be limited to 2% and they have proved to be completely wrong. It is even possible that our organic growth for the first half of the year may exceed everything we've experienced since 1998 or 1999. Those are the facts. Let us stay with the facts, without trying to draw too many conclusions. Such is our outlook as already described in our annual report.

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Before opening the meeting to questions from the floor, we are going to continue this presentation I would like to hand over to our statutory auditors who will present their own reports. Then Mr Hervé Dechelette will provide you with additional information on the resolutions to be submitted to your vote after discussion.

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Statutory auditors' reports

Philippe Ronin

Auditeurs & Conseils Associés

Ladies and gentlemen, on behalf of the statutory auditors, I am going to present to you our conclusions on financial year 2007. As is customary on such occasions, I propose providing a summary of our various reports. You will find our report on the consolidated financial statements on page 105 of the reference document. The objective of our work, in accordance with professional standards, was to obtain reasonable assurance that the consolidated and individual company financial statements are free from material misstatement. Our two firms and our international networks carried out work on all of the significant entities included in the Group's scope of consolidation. The main account headings covered specifically by our assessments are:

For the consolidated financial statements:

- goodwill;
- intangible assets;
- deferred tax assets;
- provisions for contingencies and impairment, particularly those relating to employees' retirement commitments;

• **For the individual company financial statements:**

- equity investments;
- provisions for contingencies and impairment.

Our work covered the data and assumptions underlying the valuations of these accounts, particularly cash flow forecasts and bases for the constitution of provisions, in addition to information disclosed in the notes to the financial statements. The organisation, planning and conclusions of our work were presented to your Group's Board of Directors and Accounts Committee.

Both of our reports contain unqualified audit opinions on the consolidated and individual company financial statements of your Group. We also issued other reports:

- the special report on regulated agreements (pages 127 and 128 of the reference document);
- the report on information presented by the Chairman of the Board of Directors on the internal control procedures relating to the preparation and processing of accounting and financial information (page 38 of the reference document) ;
- various reports relating to the operations proposed under resolutions 9 to 16 of the Combined General Meeting.

We have no observations on any of these reports. Thank you for your attention.

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Information on the proposed resolutions

Hervé Dechelette
Corporate Secretary

We shall now present a few details on the proposed resolutions, in order to provide some points for discussion and to speed up the voting process after the discussion.

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The first and second resolutions are both standard: they entail the approval of the individual company financial statements and the consolidated financial statements for the financial year ended 31 December 2007 and grant full discharge to directors.

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Resolution 3 concerns the appropriation of earnings. Within the consolidated net profit of 55 million euros that we have presented, Sopra Group SA’s profit available for distribution was 27,013,347.31 euros. We propose that 19,258,026.15 euros be allocated to dividends, which would allow the distribution of a dividend of 1.65 euros, with the payment being made on 30 May 2008. For information, the dividend for 2006 was 1.35 euros and the dividend for 2005 was 1.10 euros.

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Resolution 4 relates to the approval of intra-Group agreements which are summarised in the statutory auditors’ special report. These agreements relate to the exchange of services between Group companies, notably logistics services, technical infrastructure or premises and the centralised management of the Group’s treasury.

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Resolution 5 relates to the appointment of Dominique Illien, Sopra's Managing Director, as a new director, for the statutory term of six years.

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Resolution 6 relates to the determination of directors' fees for 2008. It is proposed that you set this amount at 135,000 euros for all of the 11 directors who will constitute the Board of Directors. 110,000 euros would be divided, as specified under the operating rules of the Board, on a linear basis among the directors and 25,000 euros would be allocated to the members of the Audit Committee, who are called upon to perform significantly more work.

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Resolution 7 relates to the renewal of Sopra Group's authorisation to trade in its own shares, in compliance with AMF regulations. You are invited to renew this authorisation for a period expiring on 14 November 2009 (the maximum legal period), for a theoretical volume of 10% of the shares constituting the share capital, i.e. 1,167,153 shares, with a maximum purchase price, which is itself theoretical, of 120 euros. This is the price that was specified in the previous authorisation. You are also invited under this resolution to extend the scope of this authorisation, in compliance with AMF regulations, to hold the shares bought back and present them as consideration notably for share acquisition or exchange transactions.

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We now come to the resolutions which fall within the scope of the Extraordinary General Meeting, which require a special majority. Resolution 8 relates to somewhat formal changes to the articles of association, resulting from changes in legislation, notably relating to the notice periods for General Meetings, which have been increased from 30 to 35 days. This also relates to the requirement to own shares in order to participate in General Meetings three days before the Meeting and the remote voting procedure and the voting procedure by correspondence, under the terms of which votes must be received by the Company at least three days before the Meeting. There are also some other very minor modifications. This is all very formal.

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The following resolutions relate to the renewal of delegations of authority granted to the Board to increase the company's share capital in certain situations, with fewer formal requirements than those required to call a General Meeting. Resolutions 9, 10 and 11 relate to the authorisation to carry out a capital increase:

- with the pre-emptive right of existing shareholders to subscribe to new shares being maintained for Resolution 9;
- excluding the pre-emptive right of existing shareholders to subscribe to new shares for Resolution 10.

In both cases, the authorisation would be granted for a period of 26 months, subject to the limits of 20 million euros in nominal value or 300 million euros if convertible instruments are used. Resolution 11 provides the possibility, during a capital increase, to increase the amount of issues in the event of oversubscription by no more than 15%. This is all very standardised and highly regulated. You are invited to grant your Board the possibility of using the faculties provided by law.

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In connection with the previous resolutions, resolutions 12 and 13 provide the authorisation to increase the company’s share capital, subject to the limit of 10% of the share capital, excluding the pre-emptive right of shareholders to subscribe to new shares, setting the issue price (Resolution 12) and to use the resulting shares to remunerate contributions in kind consisting of securities – under Resolution 13.

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The purpose of Resolution 14 is to authorise your Board, where applicable, to carry out capital increases reserved for employees who are members of company savings plans.

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Resolutions 15 and 16 relate to the authorisation to be granted to the Board to carry out, on aggregate, for both of these resolutions, subject to the limit of 3% of the resulting share capital, the award of options to subscribe to or to purchase shares, to issue warrants to subscribe to shares or acquire redeemable shares, subject to regulations, to managers or employees of the Company.

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Resolution 17 falls within the scope of the Combined General Meeting and is designed to provide the authorisation to carry out the formalities of these operations.

I’d now like to open the floor to questions.

Discussion

From the floor

My question is one of detail but not without importance. You have specified the date of payment of the dividend but not the date on which the share price becomes ex-dividend. Both of these dates are now important.

Hervé Dechelette

The share price becomes ex-dividend three days before the date of payment, so on 27 May.

From the floor

You mentioned a significant increase in Axway's R&D. Could you specify the improvement in margin for Axway that you expect this year as a result? Do you have any significant new orders pending or under discussion?

Pierre Pasquier

Our situation is a normal one with major contracts as per usual. The pipeline is open and new orders arrive week by week. I cannot prejudge our order book at the end of the year. We met our budget for the 1st quarter. The present situation is a normal one. There are big contracts in the pipeline and others have already been signed. The situation is particularly favourable in the USA which is where we purchased Axway. Their main sector was pharmaceuticals, where there is a principle of precaution which encourages stability throughout the life of drugs placed on the market. Axway is well positioned in this respect and it is not literally without competition, it does have a premium position. Each American state is in the process of tightening its legislation in this area and that is very favourable for us too.

We have also signed major contracts within the American banking sector, for example a fairly big contract with JP Morgan in March or April. Our sales have not sky-rocketed but there is a solid trend and such is the case in France as well, as usual. Within Europe, the acquisition in February 2007 of Atos Origin's B2B subsidiary has put us in a reasonable position. Right now, I don't perceive any particular sign on the horizon. I can't be more specific as to the impact of our R&D investment. We certainly expect Axway to improve its results this year and achieve a margin of 15%.

From the floor

Mr Chairman, I would like to ask you a question about a source of concern which doesn't only implicate your company but which is particularly significant for IT services companies in general: the trend in the share price.

It is very striking to note, without going further back any more than the last three or four years, a strong progression in the Group's results that has not fed through to the share price. You have described the outlook for this year and a very favourable outlook for 2010. Yet the share price has not responded. I would like to have your assessment of what seems to be an enormous compression in price-earnings ratios. During 2003 and 2004 (and even more so in 2002) it was common to see multiples of 18 or 20, whereas the current multiple is at the level of 11, i.e. the share price represents 11 times EPS for 2007. This compression (and one wonders who is behind it) can be a source of concern. The financial analysts always consider that the current PERs are "normal": they were normal in 2000, they were normal in 2003 and they are still normal today. Perhaps they are indeed still normal but the shareholder may nevertheless be entitled to worry: even if the Group's results improve during the coming years, what is to stop the PER continuing to fall to 9, 8 or even 7? People sometimes distinguish between the "real" economy and the "virtual" economy of the stock market. The gap between the trend in results and the trend in the share price, in terms of the PER ratio, is a source of preoccupation for shareholders in general and more particularly within the IT services sector.

Pierre Pasquier

I could have asked the same question myself and it is difficult to give a reply. During 1998, 1999 and 2000 our professions were extraordinarily overpriced. I've looked at all the charts from November 1999 to March 2000: every company saw its share price rocket by two or three times. Then prices started slowly falling. Fundamentally, everyone was cresting on the wave of new technology, prepared to promise the moon, but the moon stayed where it was and the fall in expectations was no doubt a very great disappointment for fund managers in particular. Then came renewed growth in 2003 and 2004 and with it, a renewal of optimism on the part of the financial analysts. But ours is still perceived as a cyclical activity. Growth rates increased in 2004 and 2005 but the perception of the cyclical nature of the activity meant that a subsequent drop was to be expected. Our profession has still not modified this perception which can only be noted without being demonstrated as pertinent. Service companies have also behaved very differently during this period. I mentioned earlier that we can no longer be compared with each other and I remain convinced that there is a prevalent trend which reduces our own visibility despite our professional standing within the sector. One can also understand that outside observers have difficulty in analysing the current trends which are marked by globalisation, the arrival on the market of Indian players and other low cost competitors etc. Some observers believe that these changes are going to have a lasting and negative impact on the sector. That is not at all my view, but it will take time before common sense returns. After having no doubt excessively overpriced the sector there is now a tendency to under-price it just as excessively. One may also note that all the actors in the market, even those whose performance has not been extraordinary, have progressively improved their performance over the last three or four years. So I don't see why a sector that is capable of forecasting annual growth of 6% and profitability approaching 10% finds itself stuck with PERs of 9 or 10. I too find that difficult to understand.

From the floor

Do you still have any difficulty in recruiting, as was the case a few years ago?

Pierre Pasquier

We manage to recruit. This year, we intend to recruit about 1,600 people. Nevertheless, there is now a comparative lack of interest in our profession by the engineering schools and universities. In 2000, 2001 and 2002 information technology was everyone's Eldorado but the situation has now reversed. In addition, our businesses have now been semi-industrialised so some of them have become less interesting, more repetitive. Some are still, or have become, appropriate for engineers, e.g. systems integration, but others, such as business process outsourcing, are not at all adapted to the profile of an engineer. This relative loss in image has reduced the number of candidacies in the same way as have the uncertainties which are now associated with the sector. We manage to recruit but greater effort is required, greater conviction and the process is not as spontaneous as before. I forgot another comment, just now, on the share prices for software developers. Observers are sometimes severe with service-providers but software developers are often valued on the basis of two years' revenue. IBM announced yesterday that it was going to pursue its policy of acquisitions to reinforce its software development offering. Business Objects has been bought by SAP on the basis of four years' turnover. So we see a contrast between excessive depletion of the share prices for service-providers while software developers, when they're for sale, fetch very high prices.

From the floor

You recently communicated the Group's results to financial analysts and the press. Would it not be a mark of consideration towards your shareholders to hold those meetings at the same time as, or after, the AGM?

Pierre Pasquier

I think that would be difficult. We are required to communicate our revenue before May 15. We did so earlier, no doubt by precaution, by that I mean in order to show that the 1st quarter had been a positive one. Otherwise I can agree with you. Based on observers' comments on Sopra in January, March or April, growth of 1 or 2% was often forecast and our actual growth is rather better. But even so I can understand your remark.

If there are no more questions I propose that we vote on this year's resolutions.

Vote on resolutions

Hervé Dechelette

I would be grateful if the shareholders that are leaving at the moment would declare themselves to the hostesses and give them their voting forms. Please also avoid leaving whilst voting is in progress. We are going to vote by show of hands but I would request those of you who may wish to vote against a resolution, or to abstain from voting, to use the voting form supplied to you and to be sure to identify yourselves.

Let me remind you that resolutions falling within the scope of the Ordinary General Meeting require a majority of at least half the shareholders present in person or represented, while those falling within the scope of the Extraordinary General Meeting require a majority of at least two thirds of the shareholders present in person or represented.

Let me now provide you with information about the attendance at our Meeting. 153 shareholders are present or represented or have already voted by correspondence. They represent 13,257,845 votes, i.e. greatly in excess of our required quorum whether for ordinary or extraordinary resolutions.

1st resolution - Approval of the individual financial statements

The resolution is adopted.

2nd resolution – Approval of the consolidated financial statements

The resolution is adopted.

3rd resolution - Appropriation of net profit

The resolution is adopted.

4th resolution - Approval of agreements governed by Article L. 225-38 of the Code of Commerce

The resolution is adopted.

5th resolution – Appointment of a new director

As from this date, the General Meeting appoints as director Mr Dominique Illien for a term of six years, which shall thus expire at the conclusion of the Ordinary General Meeting convened in 2014 to approve the financial statements for the year ended 31 December 2013.

The resolution is adopted (with one abstention).

6th resolution – Setting of Directors' fees

The resolution is adopted.

7th resolution – Authorisation granted to Sopra Group to trade its own shares

The resolution is adopted.

8th resolution – Amendments to the articles of association

The resolution is adopted.

9th resolution – Delegation of authority granted to the Board of Directors to increase the company's share capital, subject to the limit of €20 million at par value, through the issue of ordinary shares or any other securities giving access to the company's share capital, maintaining the pre-emptive right of existing shareholders to subscribe to new shares

The resolution is adopted.

10th resolution – Delegation of authority granted to the Board of Directors to increase the company's share capital, subject to the limit of €20 million at par value, through the issue of ordinary shares or any other securities giving access to the company's share capital, excluding the pre-emptive right of existing shareholders to subscribe to new shares

The resolution is adopted.

11th resolution – Possibility to increase the amount of issues in the event of oversubscription by no more than 15% of the value of the original issue and at the same price

The resolution is adopted.

12th resolution – Delegation of authority granted to the Board of Directors, as part of the delegation for the purposes of increasing the company's share capital, excluding the pre-emptive right of shareholders to subscribe to new shares, to determine the issue price of shares or securities giving access to the company's share capital, subject to an annual limit of 10% of the share capital

The resolution is adopted.

13th resolution – Delegation of authority granted to the Board of Directors, as part of the delegation for the purposes of increasing the company's share capital, maintaining the pre-emptive right of existing shareholders to subscribe to new shares, to remunerate securities contributed to the company as part of a public exchange offer or contribution in kind relating to the company's shares

The resolution is adopted.

14th resolution – Delegation of authority granted to the Board of Directors to carry out capital increases reserved for employees who are members of company savings plans

The resolution is adopted.

15th resolution – Authorisation granted to the Board of Directors to award options to subscribe to or to purchase shares to employees and officers of the company or of any of its affiliated undertakings

The resolution is adopted.

16th resolution – Authorisation granted to the Board of Directors to issue warrants to subscribe to and/or acquire redeemable shares (BSAAR), excluding the pre-emptive right of existing shareholders to subscribe to these warrants or to the shares issued via the exercise of BSAAR

The resolution is adopted.

17th resolution – Powers to perform formalities

The resolution is adopted.