



Sopra
group



Half-Year 2008 Results Presentation

2 September 2008

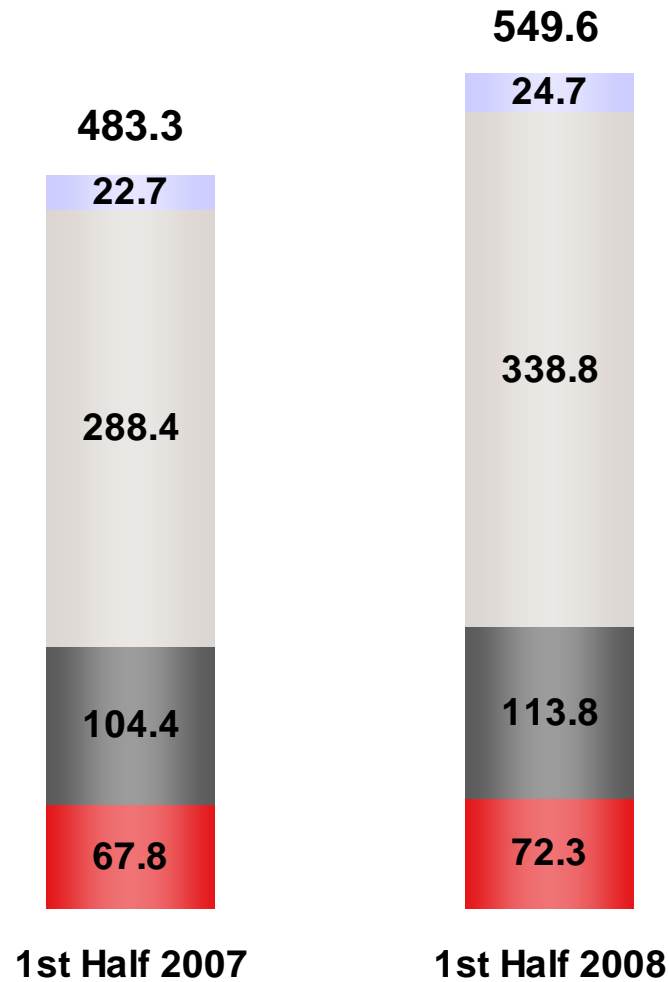
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Half-Year Results Presentation – 2 September 2008



Group Revenue (€m)



Growth :	H1	Q2
Total	+13.7%	+15.1%
Organic	+12.3%	+14.0%

Organic Growth:	H1	Q2
Management Consulting	+8.8%	+8.4%
SSI* France	+15.6%	+19.3%
SSI* Europe	+6.6%	+7.1%
Axway	+8.2%	+4.9%

*SSI: Systems & Solutions Integration



Income Statement

€m	First Half 2008		First Half 2007	
Revenue	549.6		483.3	
Staff costs - Employees	- 360.8		- 324.7	
Staff costs - Contractors	- 47.5		- 37.5	
Operating expenses	- 92.9		- 79.8	
Depreciation and provisions	- 8.0		- 6.8	
Profit from recurring operations	40.4	7.4%	34.5	7.1%
Other operating income and expenses	-		- 0.7	
Operating profit	40.4	7.4%	33.8	7.0%
Cost of net financial debt	- 4.1		- 3.5	
Other financial income and expenses	0.2		3.0	
Income tax expense	- 11.8		- 12.2	
Net profit	24.7	4.5%	21.1	4.4%



Profit by business line

€m	First Half 2008		First Half 2007		Full Year 2007	
	Revenue	PRO** % margin	Revenue	PRO % margin	Revenue	PRO % margin
Group	549.6	40.4 <i>7.4%</i>	483.3	34.5 <i>7.1%</i>	1,001.4	90.8 <i>9.1%</i>
Consulting	24.7	2.5 <i>10.1%</i>	22.7	2.2 <i>9.7%</i>	43.9	4.5 <i>10.3%</i>
SSI* France	338.8	27.6 <i>8.1%</i>	288.4	23.0 <i>8.0%</i>	597.5	52.3 <i>8.8%</i>
SSI Europe	113.8	8.0 <i>7.0%</i>	104.4	7.0 <i>6.7%</i>	214.9	19.5 <i>9.1%</i>
Axway	72.3	2.3 <i>3.2%</i>	67.8	2.3 <i>3.4%</i>	145.1	14.5 <i>10.0%</i>

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**PRO: Profit from Recurring Operations (comparable to EBITA)



Balance Sheet

€m	30/06 2008	30/06 2007	31/12 2007
Goodwill	299.7	297.2	300.6
Other assets	43.8	37.0	38.2
Other assets and liabilities	59.1	36.3	40.3
Assets	402.6	370.5	379.1
Shareholders' Equity	246.0	221.6	248.8
Net debt	156.6	148.9	130.3
Capital invested	402.6	370.5	379.1



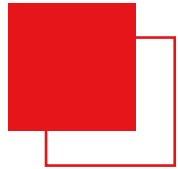
Shareholder Equity

	€m
Position at 31 December 2006	248.8
Dividends	- 19.3
Net profit - Group share	24.7
Capital increase through exercise of share options	0.4
Share-based payments	0.2
Actuarial differences	0.4
Translation adjustments	- 9.2
Position at 30 June 2007	246.0

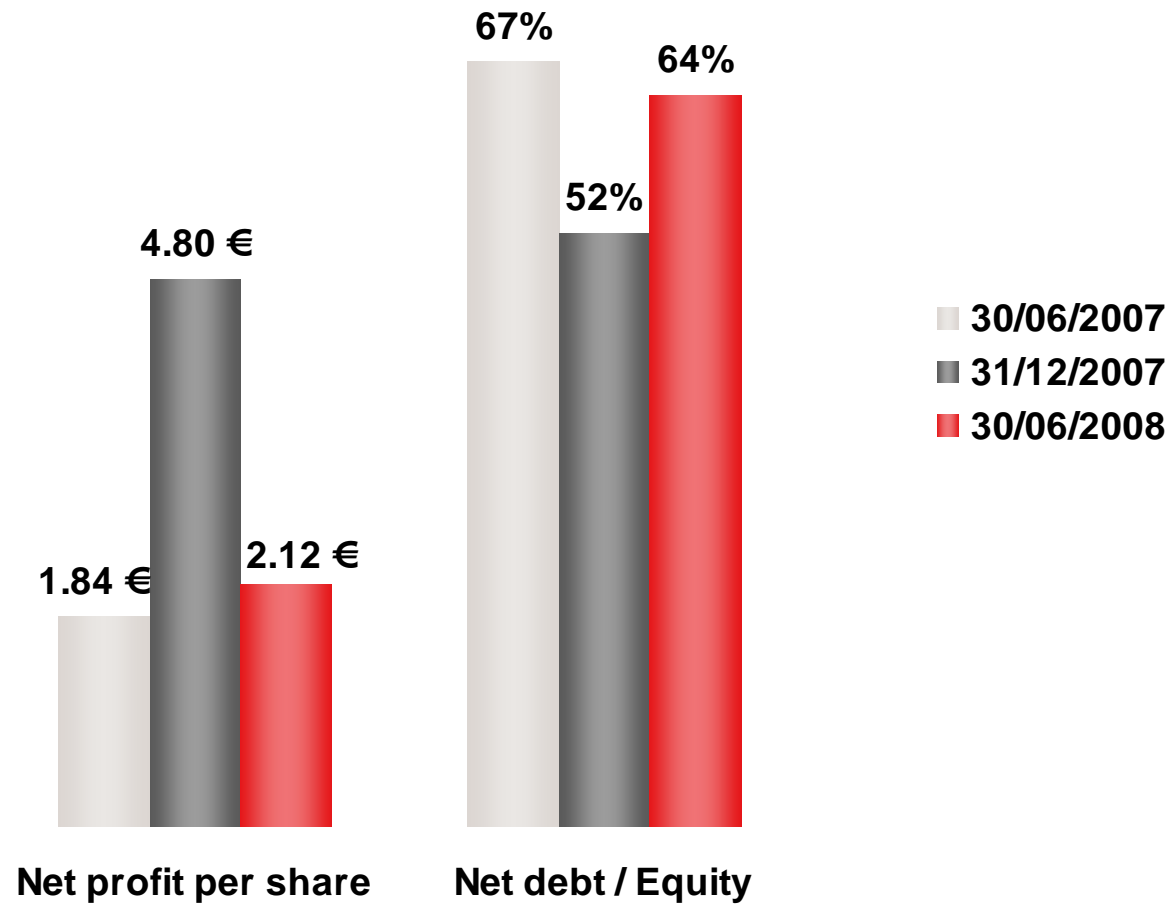


Variation of net debt

€m	30/06 2008	30/06 2007	31/12 2007
Net debt at opening	130.3	97.7	97.7
Gross cash flow from operations before net financial debt and tax	42.0	40.3	104.6
Tax paid	- 10.1	- 22.8	- 38.2
Changes in working capital requirements	- 12.8	- 7.9	- 14.7
Net cash flow from operations	19.1	9.6	51.7
Capital expenditures	- 6.2	- 4.6	- 13.8
Net financial interest paid	- 4.2	- 3.5	- 7.9
Free cash flow	8.7	1.5	30.0
Changes in scope	- 15.4	- 34.7	- 49.2
Dividends paid	- 19.3	- 15.5	- 15.5
Capital increases in cash	0.4	0.3	4.8
Other changes	- 0.2	- 2.7	- 2.5
Net cash flow	- 25.8	- 51.1	- 32.4
Changes in interest rates	- 0.5	- 0.1	- 0.2
Net debt at closing	156.6	148.9	130.3



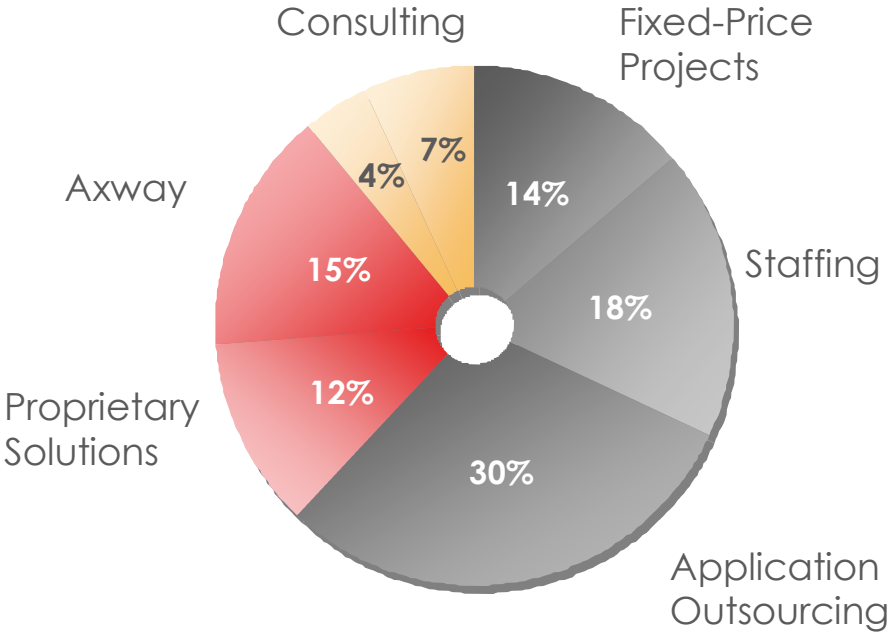
Financial Ratios





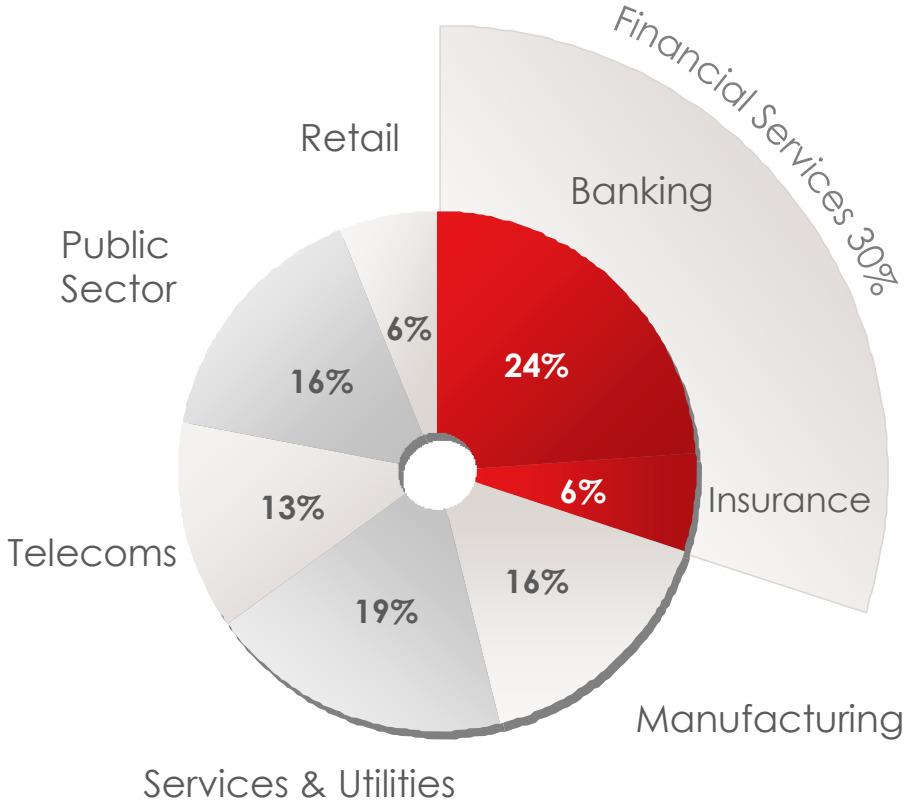
Offerings and Vertical Markets

Information presented at year-end 2007



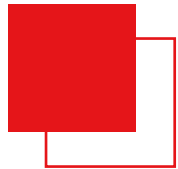
Offerings

in %



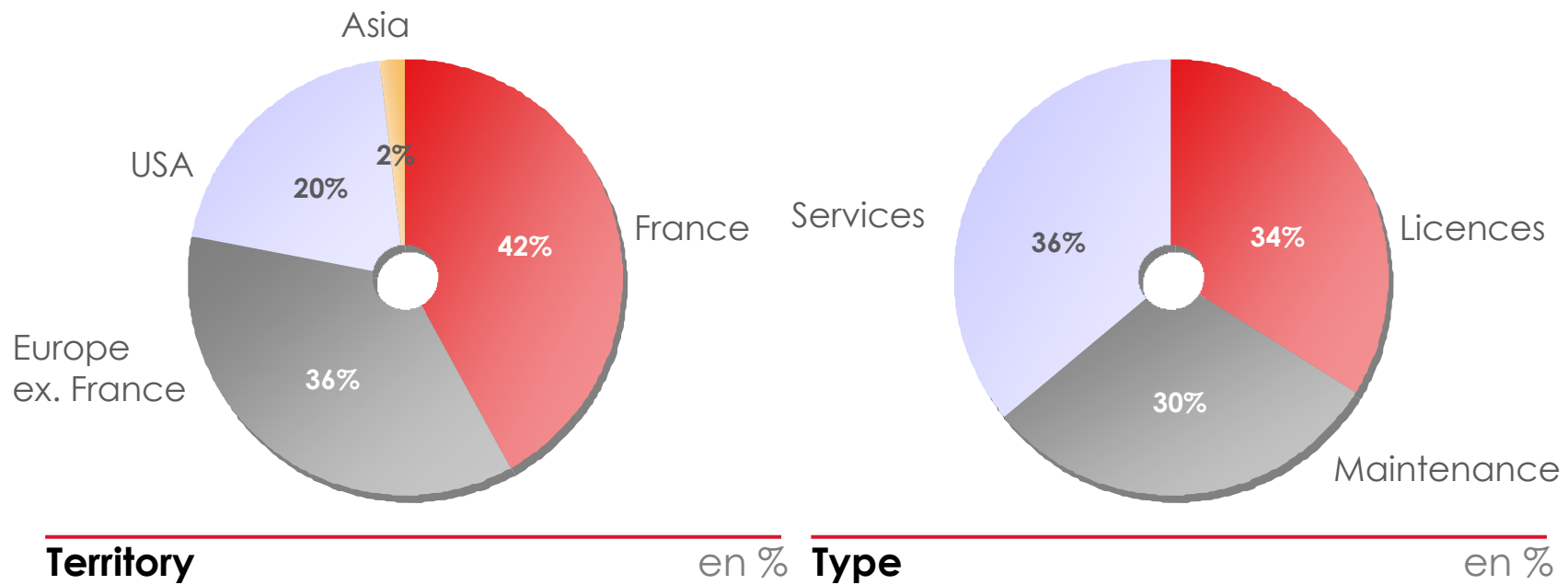
Vertical Markets

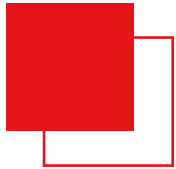
in %



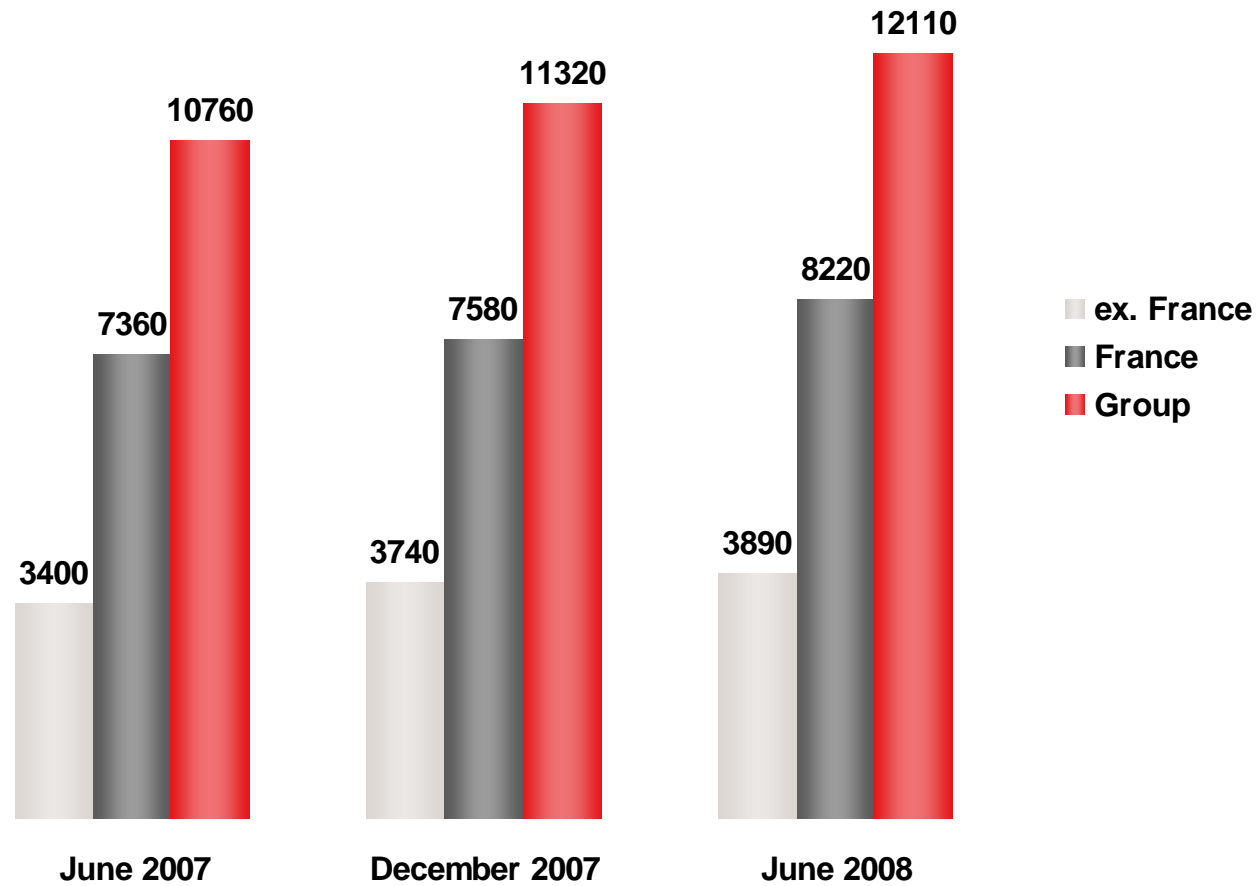
Axway Revenue Breakdown

Information presented at year-end 2007





Group employees (ex. contractors)





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Comments & Outlook

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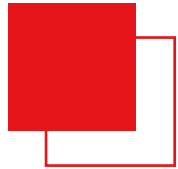
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State of the market in 2008

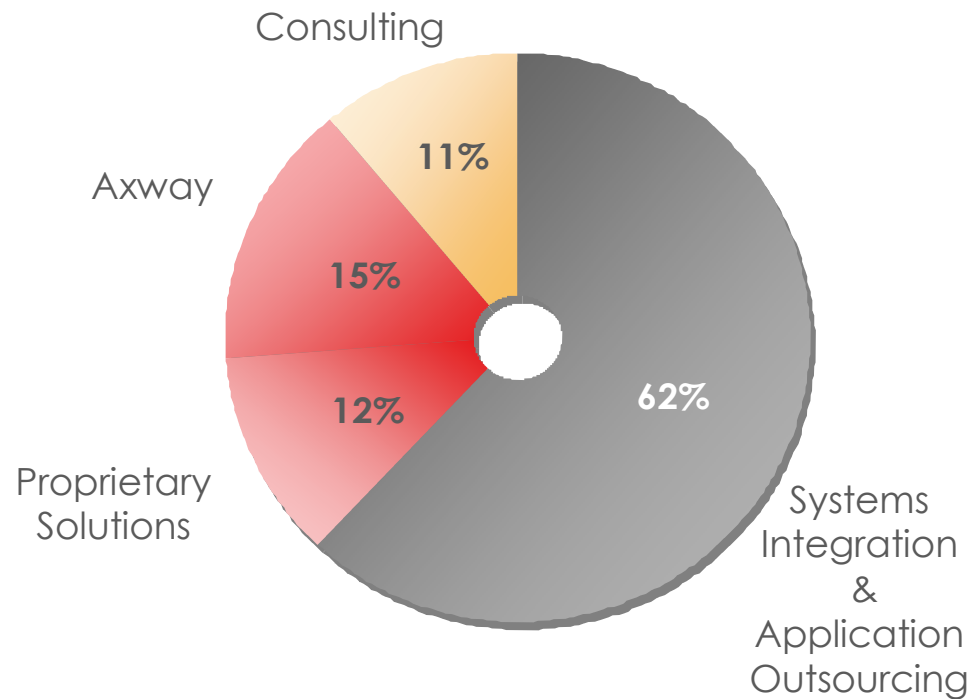
- **Market still growing (6-7%)**
- **Growth more or less strong depending on the business**
- **Growth drivers**
 - Technology cycles
 - Outsourcing
 - Business combinations
- **Every IT services company has made its own strategic choices**
 - Service lines - Offerings
 - Economic sectors
 - Geographic positions
- **Business models are no longer comparable**
- **The big and mid-sized IT services companies are no longer directly comparable**

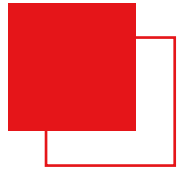


Sopra Group's Business Model

Information presented at year-end 2007

- 4 well-identified business lines, **with high potential for margin improvement**, capitalizing on extensive Group “savoir-faire”



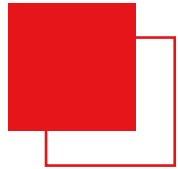


Confirmation of strategic choices

- **Vertical sectors**
 - Acceleration in Public Sector, Utilities and selected blue-chip accounts

- **Geographic positioning**
 - Be among the Top 3 in France
 - Reinforce our presence in the European countries in which we already have significant operations
 - Targeted and/or strategic acquisitions
 - Active partnership approach

- **Axway**
 - State of the art offering
 - Aligned distribution system
 - Acquisitions: Tumbleweed (USA) in progress



Pursuit of major transformation programs

- **Industrialisation**
- **Offerings, partnerships, major client accounts**
- **Banking solutions: a European ambition**
- **Axway: a global project**
- **Consulting: reinforce our positions**
- **European subsidiaries: amplify the successes**

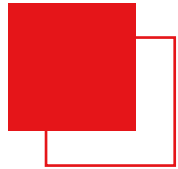


Industrial Strategy and Commercial Success

(1/4)

- **A strategy adapted to our Business Model and our markets**
 - A “15-85” ratio targeted at year-end 2009
 - 15% of HR offshore
 - 85% of HR onshore
 - A “20-80” ratio targeted long term
 - 20% of HR offshore
 - 80% of HR onshore

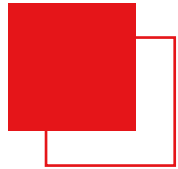
- **Activities eligible for offshore production**
 - Systems integration, including testing, staffing and customized developments
 - Application management
 - R&D



Industrial Strategy and Commercial Success

(2/4)

- Industrial strategy developed and operational for several years
- Big investments in
 - Infrastructures
 - Methods, tools, processes
 - Support teams
- Big investments in training
 - Learning to share cultures and languages
 - Learning to share project management
 - Learning to share the same professional “basics”



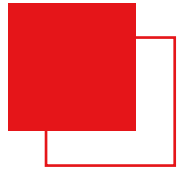
Industrial Strategy and Commercial Success

(3/4)

- **Platforms deployed securely and progressively**

- **Onshore**
 - France: 8 platforms (3000 staff)
 - UK: 1 platform
 - Spain: 2 platforms

- **Offshore**
 - In India, for the French and English markets
 - In Spain and Morocco for the French market
 - In Romania for Axway's R&D
(In Bulgaria for Tumbleweed)



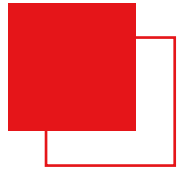
Industrial Strategy and Commercial Success

(4/4)

- Onshore and offshore positioning adapted to demand
- Long term goal, 15% to 20% of staff offshore, a ratio which corresponds to our Business Model

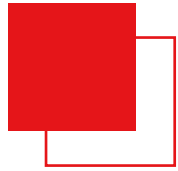
	End 2008	End 2009
Offshore staff	1,200	1,900
% of staff offshore	10%	15%

- Teams reinforced when necessary by partnerships with Indian IT services companies (recent examples: Mindtree and Wipro)



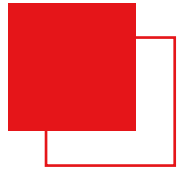
Why do clients choose Sopra Group?

- Proximity and knowledge of their project needs
- Robustness of the industrial strategy put in place
- Credibility of our offshore services and procedures
- Level of quality and client services maintained despite the distance involved in project management



A pertinent strategy delivers commercial success

- Among the multiple contracts won in the first half of the year:
 - ArcelorMittal
 - Capita
 - EADS (Airbus / Eurocopter)
 - France Telecom (Billing Orange UK)
 - SFR



An ambitious project for 2010

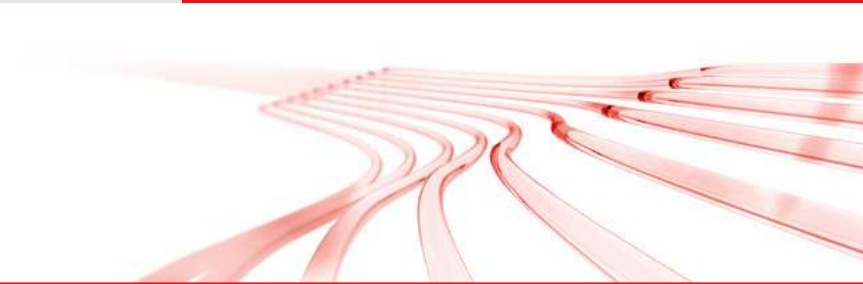
Information presented at year-end 2007

- **Big ambitions for 2010**
 - Double revenue in three years: 1.5 to 2 billion euros
 - Rapidly reach an operating margin of 10%
 - Roll out Axway's business plan
 - Make geographically-focused acquisitions to reinforce the current positioning
 - Identify a major strategic acquisition

- **Outlook for 2008**
 - Organic growth higher than the market average
 - Improve the operating margin



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