2012 results presentation

Paris, 20 February 2013
Contents

2012 Highlights

Financial Results

Market, Strategy & Objectives
Change in Group governance

- Significant **transition** for governance since August 2012
  - Pierre Pasquier is Chairman
  - Pascal Leroy is Chief Executive Officer

- Ongoing **coordination** between the Chairman and the CEO ensuring the successful transition of this strategy

- Operational **transmission** well initiated, intended to be progressive and part of a long term collaboration process
Two distinct complementary roles

Pierre Pasquier
Chairman

- Oversees the strategy, including mergers-acquisitions
- Leads corporate and financial communication operations
- Assists the CEO via certain operational missions, including the set up of Sopra Banking Software

Pascal Leroy
Chief Executive Officer

- Helps formulate strategy alongside the Chairman
- Supervises the implementation of decisions adopted
- Ensures operational leadership of all of the Group’s business activities
2012, a key year for Sopra Group

- **Solid performance** and sustained growth over the year
  - Positive Q4 for all of the Group’s entities
  - Substantial improvement in the operating profit on business activity (+20 basis points)

- **Active role in market consolidation**
  - Sopra Banking Software created, with the progressive combination of 4 offerings and the launch of Sopra Banking Suite which already serves over 500 clients in 70 countries
  - Integration well under way of Business & Decision in the United Kingdom

- **Sopra 2015** corporate project ongoing
Solid performance in a tough context...

<table>
<thead>
<tr>
<th></th>
<th>H1</th>
<th>H2</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total growth</td>
<td>+11.3%</td>
<td>+20.5%</td>
<td>+15.8%</td>
</tr>
<tr>
<td>Organic growth</td>
<td>+1.0%</td>
<td>+3.8%</td>
<td>+2.4%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>8.1%</td>
<td>9.9%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

Revenue (€m) | 590 | 627 | 1,217 |

Operating profit on business activity (€m) | 48 | 62 | 110 |
...in line with announced objectives

- **Revenue**: Slight increase
- **Operating profit on business activity**: Slight improvement
- **Market**: Participate in market consolidation in Europe
- **Products**: Enrich our portfolio of solutions
...thanks to several major client deals

Along with many other projects in Europe!
...several acquisitions

- **Callataï & Wouters**
  - Financial solutions
  - 2012 pro forma revenue: €79m
  - 600 employees

- **Tieto Solutions**
  - Financial solutions
  - 2012 pro forma revenue: €27m
  - 250 employees

- **Business & Decision**
  - Financial services
  - 2012 pro forma revenue: €35m
  - 250 employees
...and a strategic shift

- **Creation of a subsidiary** dedicated to banking solutions
  - European positioning in a high growth-potential market
  - Capitalising on integrator expertise and 40 years’ experience in software development

![Diagram showing Evolan, Delta, Tieto Solutions, and Callataï & Wouters integrated with Sopra group branding]
...which has already born fruit

<table>
<thead>
<tr>
<th></th>
<th>Q1 2012</th>
<th>Q2 2012</th>
<th>Q3 2012</th>
<th>Q4 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (€m)</td>
<td>28</td>
<td>47</td>
<td>43</td>
<td>54</td>
<td>171</td>
</tr>
<tr>
<td>Organic growth (%)</td>
<td>4.9%</td>
<td>-11.0%</td>
<td>-12.3%</td>
<td>6.9%</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Total growth (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+92.0%</td>
</tr>
<tr>
<td>Margin (% revenue)</td>
<td>14.0%</td>
<td>52</td>
<td>54</td>
<td>50</td>
<td>60</td>
</tr>
</tbody>
</table>

2012 pro forma revenue (€m) (Tieto + C&W consolidated)

- **Recognised** by market analysts
  - Gartner Magic Quadrant for International Retail Core Banking 2012
    - Evaluated for its “ability to execute” and “completeness of vision”
  - Forrester Wave: Global Banking Platforms, Q4 2012
    - Evaluated with “a strong current offering and a strong strategy”

Gartner does not endorse any vendor, product or service depicted in its research publications. and does not advise technology users to select only those vendors with the highest ratings. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.
Revenue by business line

Business line

- Software: 21%
- Consulting & IT Services: 79%

o/w Software

- Real Estate: 14%
- Human Resources: 11%
- Sopra Banking Software: 75%

o/w Consulting & Services

- Consulting: 7%
- Fixed-price projects: 19%
- Technical assistance: 35%
- Application outsourcing: 39%
Revenue by vertical market

Verticals

- Services, Transport & Utilities: 33%
- Retail: 5%
- Telecom & Media: 10%
- Public Sector: 16%
- Manufacturing: 16%
- Financial Services: 20%

Public Sector

- Services, Transport & Utilities: +11% vs 2011
- Public Sector: +4% vs 2011
Revenue by region

Regions

- France: 68%
- Rest of World: 32%

o/w Sopra Banking Software

- France: 42%
- Europe: 38%
- Rest of World: 20%

o/w Consulting & Services

- France: 77%
- United Kingdom: 10%
- Spain: 7%
- Other: 6%
Trends in our markets in 2012

France

Sopra Banking Software

-3.9% vs 2011

Q4: +6.9%

Europe (excl. France)

Top 30 Clients (51% of sales)

+2.9% vs 2011

+6.8% vs 2011

+3.7% vs 2011
Performance by subsidiary

**UNITED KINGDOM** *
Revenue: €104m  
Margin: 9.9%  
Growth: -2.9%

**BENELUX**
Revenue: €11m  
Margin: 2.7%  
Growth: +37.5%

**FRANCE**
Revenue: €805m  
Margin: 8.4%  
Growth: +3.7%

**SPAIN**
Revenue: €75m  
Margin: 6.1%  
Growth: +6.4%

**SOPRA BANKING SOFTWARE** *
Revenue: €171m  
Margin: 14.0%  
Growth: -3.9%

**SWITZERLAND**
Revenue: €11m  
Margin: 12.4%  
Growth: -6.7%

**ITALY**
Revenue: €39m  
Margin: 2.8%  
Growth: +9.2%

**INDIA**
Growth: +10%

* In 2012 Tieto’s business was consolidated in the United Kingdom, in 2013 Tieto joined Sopra Banking Software
Constant increase in headcount

- World (excl. France)
- France
- Group

- 2004: World (excl. France) - 915, France - 5,935, Group - 6,850
- 2008: World (excl. France) - 3,130, France - 7,665, Group - 10,795
- 2012: World (excl. France) - 4,930, France - 9,380, Group - 14,310

vs 2004:
- World (excl. France): +439%
- France: +58%
- Group: +109%
## Key figures for the financial year

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Organic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1217m</td>
<td>+2.4%</td>
</tr>
<tr>
<td>+€166m vs 2011</td>
<td>Total growth +15.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Op. profit on business act.</th>
<th>Net profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>€110m</td>
<td>€56m</td>
</tr>
<tr>
<td>9.0% of revenue</td>
<td>4.6% of revenue</td>
</tr>
</tbody>
</table>
Contents

- 2012 Highlights
- Financial Results
- Market, Strategy & Objectives
Solid results for the financial year

<table>
<thead>
<tr>
<th></th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
<th>2012 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1050.3</td>
<td>1216.7</td>
<td></td>
</tr>
<tr>
<td>Operating profit on business activity</td>
<td>92.5</td>
<td>109.6</td>
<td>9.0%</td>
</tr>
<tr>
<td>Profit from recurring operations</td>
<td>91.7</td>
<td>103.2</td>
<td>8.5%</td>
</tr>
<tr>
<td>Operating profit (EBIT)</td>
<td>97.9</td>
<td>91.3</td>
<td>7.5%</td>
</tr>
<tr>
<td>Net profit - Group share</td>
<td>62.9</td>
<td>55.6</td>
<td>4.6%</td>
</tr>
<tr>
<td>EPS (€)</td>
<td>€5.29</td>
<td>€4.67</td>
<td></td>
</tr>
</tbody>
</table>
Operating profit on business activity

<table>
<thead>
<tr>
<th></th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
<th>2012/2011 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1050.3</td>
<td>1216.7</td>
<td>15.8%</td>
</tr>
<tr>
<td>Staff costs - employees</td>
<td>-701.4</td>
<td>-811.8</td>
<td>15.7%</td>
</tr>
<tr>
<td>Staff costs - contractors</td>
<td>-95.8</td>
<td>-100.1</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>Staff costs - Total</strong></td>
<td><strong>-797.2</strong></td>
<td><strong>-911.9</strong></td>
<td><strong>14.4%</strong></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-147.0</td>
<td>-178.2</td>
<td>21.2%</td>
</tr>
<tr>
<td>Depreciation, amortization and provisions</td>
<td>-13.6</td>
<td>-17.0</td>
<td>25.0%</td>
</tr>
<tr>
<td><strong>Operating profit on business activity</strong></td>
<td><strong>92.5</strong></td>
<td><strong>109.6</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Operating profit

<table>
<thead>
<tr>
<th></th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
<th>2012 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit on business activity</td>
<td>92.5</td>
<td>109.6</td>
<td>9.0%</td>
</tr>
<tr>
<td>Expenses related to stock options and bonus share awards</td>
<td>-0.5</td>
<td>-2.2</td>
<td></td>
</tr>
<tr>
<td>Amortisation of allocated intangible assets</td>
<td>-0.3</td>
<td>-4.2</td>
<td></td>
</tr>
<tr>
<td>Profit from recurring operations</td>
<td>91.7</td>
<td>103.2</td>
<td>8.5%</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>6.2</td>
<td>-11.9</td>
<td></td>
</tr>
<tr>
<td>Operating profit (EBIT)</td>
<td>97.9</td>
<td>91.3</td>
<td>7.5%</td>
</tr>
</tbody>
</table>
## Net profit

<table>
<thead>
<tr>
<th></th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
<th>2012 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>97.9</td>
<td>91.3</td>
<td>7.5%</td>
</tr>
<tr>
<td>Cost of net financial debt</td>
<td>-4.1</td>
<td>-7.2</td>
<td></td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>0.6</td>
<td>-1.0</td>
<td></td>
</tr>
<tr>
<td>Tax expense</td>
<td>-36.1</td>
<td>-33.6</td>
<td></td>
</tr>
<tr>
<td>Share of net profit from equity-accounted companies</td>
<td>6.0</td>
<td>6.1</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit before profit from discontinued operations</strong></td>
<td><strong>64.3</strong></td>
<td><strong>55.6</strong></td>
<td><strong>4.6%</strong></td>
</tr>
<tr>
<td>Profit net of tax from discontinued operations</td>
<td>-1.4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td><strong>62.9</strong></td>
<td><strong>55.6</strong></td>
<td><strong>4.6%</strong></td>
</tr>
</tbody>
</table>
## Balance sheet

<table>
<thead>
<tr>
<th></th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill</td>
<td>190.9</td>
<td>314.6</td>
</tr>
<tr>
<td>Allocated intangible assets</td>
<td>1.3</td>
<td>56.5</td>
</tr>
<tr>
<td>Other fixed assets</td>
<td>44.1</td>
<td>45.8</td>
</tr>
<tr>
<td>Equity-accounted investments</td>
<td>109.4</td>
<td>113.8</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>345.7</td>
<td>530.6</td>
</tr>
<tr>
<td>Trade accounts receivable (net)</td>
<td>345.0</td>
<td>384.3</td>
</tr>
<tr>
<td>Other assets and liabilities</td>
<td>-370.4</td>
<td>-405.6</td>
</tr>
<tr>
<td>Operating assets and liabilities</td>
<td>-25.4</td>
<td>-21.3</td>
</tr>
<tr>
<td><strong>ASSETS + WCR</strong></td>
<td><strong>320.3</strong></td>
<td><strong>509.3</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td><strong>273.9</strong></td>
<td><strong>305.3</strong></td>
</tr>
<tr>
<td><strong>Net financial debt</strong></td>
<td><strong>46.4</strong></td>
<td><strong>204.0</strong></td>
</tr>
<tr>
<td><strong>Capital invested</strong></td>
<td><strong>320.3</strong></td>
<td><strong>509.3</strong></td>
</tr>
</tbody>
</table>
## Change in net debt

<table>
<thead>
<tr>
<th>Description</th>
<th>2011 (€m)</th>
<th>2012 (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt at beginning of period (A)</td>
<td>57.2</td>
<td>46.4</td>
</tr>
<tr>
<td>Gross cash flow from operations before net financial</td>
<td>100.5</td>
<td>112.2</td>
</tr>
<tr>
<td>Tax paid</td>
<td>-38.7</td>
<td>-41.8</td>
</tr>
<tr>
<td>Changes in working capital requirements</td>
<td>-1.3</td>
<td>-8.6</td>
</tr>
<tr>
<td>Net cash flow from operations</td>
<td>60.5</td>
<td>61.8</td>
</tr>
<tr>
<td>Change relating to operating investments</td>
<td>-13.8</td>
<td>-7.7</td>
</tr>
<tr>
<td>Net financial interest paid</td>
<td>-3.5</td>
<td>-6.8</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>43.2</td>
<td>47.3</td>
</tr>
<tr>
<td>Changes in scope</td>
<td>-29.8</td>
<td>-182.4</td>
</tr>
<tr>
<td>Financial investments</td>
<td>-16.2</td>
<td>-0.1</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>-56.1</td>
<td>-22.6</td>
</tr>
<tr>
<td>Dividends received from equity-accounted companies</td>
<td>-</td>
<td>1.3</td>
</tr>
<tr>
<td>Capital increases in cash</td>
<td>1.2</td>
<td>-</td>
</tr>
<tr>
<td>Change in loans and advances granted (reimbursement of Axway current)</td>
<td>68.4</td>
<td>-</td>
</tr>
<tr>
<td>Other changes</td>
<td>-1.0</td>
<td>0.2</td>
</tr>
<tr>
<td>Net cash flow relating to discontinued operations</td>
<td>12.6</td>
<td>-</td>
</tr>
<tr>
<td>Net cash flow (B)</td>
<td>22.3</td>
<td>-156.3</td>
</tr>
<tr>
<td>Changes in exchange rates (C )</td>
<td>-0.4</td>
<td>-1.3</td>
</tr>
<tr>
<td>Net debt relating to discontinued operations (D)</td>
<td>-11.1</td>
<td>-</td>
</tr>
<tr>
<td>Net debt at period-end (A-B-C-D)</td>
<td>46.4</td>
<td>204.0</td>
</tr>
</tbody>
</table>
Bank covenants

**PRO / Cost of net debt**
- 2010: 25.13
- 2011: 39.07
- 2012: 17.27

**Net debt / Equity**
- Must be > 5
- 2010: 9%
- 2011: 7%
- 2012: 56%

**Net debt / EBITDA (€118M)**
- 2010: 0.27
- 2011: 0.20
- 2012: 1.46

**Must be < 3**

Net financial debt is adjusted for employee profit sharing (€32m) for the calculation of bank covenants.
Contents

- 2012 Highlights
- Financial Results

*Market, Strategy & Objectives*
A rapidly changing IT market

- **2 major challenges** for our clients
  - Maintenance quality and cost control of existing systems
  - Develop & innovate to support growth and competitiveness

- Market increasingly receptive to **differentiating business models** which combine consulting, services and software solutions
Since 2004 our business model has evolved

- Industrialisation
- Improved delivery quality
- Strong organic growth
- Strong margin increase

Major transformations:

- Successful spin-off of Axway
- Margin protection
- France as sanctuary
- Expansion in Europe

Period of successive global crises, but:

- Successful spin-off of Axway
- Margin protection
- France as sanctuary
- Expansion in Europe

Revenue (€m)
Operating profit on business activity (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
<td>556</td>
<td>672</td>
<td>781</td>
<td>856</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
<td>958</td>
<td>912</td>
<td>964</td>
<td>1,050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sopra 2015</td>
<td>1,216</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sopra 2015, an ambitious corporate project…

- **Ambition**
  - A coherent, independent European consulting, technology services and software development firm
  - A market reference in terms of financial performance

- **Positioning**
  - A benchmark partner for major companies and organisations – throughout all vertical markets – who are looking for
    - Optimised use of digital technology to ensure their development and competitive edge
    - Impeccable industrial-scale quality and performance of services delivered
    - Real innovative added value in solutions offered to their businesses

- **Performance**
  - Revenue in the €1.5 to €2bn range (including 35 to 40% outside France)
  - Operating margin on business activity of around 10%
...based on 4 major strategic initiatives

- **Upscaling value**: Provide support for our clients’ business challenges and competitive edge.
- **Europe**: Accelerate European development based on a reinforced Group culture.
- **Software**: Reinforce our position as software developer.
- **Innovation & Offerings**: Offer our clients the best usage of technology.
...with the banking sector as a lever

- Sopra Group positioned as leader in this segment thanks to
  - Our subsidiary Sopra Banking Software
  - Our legacy positioning as an integrator
  - Our international dimension

Major ambitions in financial services

Consulting  Services  Software
...and a new acquisition to be integrated

- **Proposed acquisition** of HR Access
  - 900 people, mainly in France, Spain and Tunisia
  - Highly-reputed product, at the leading edge of technology, installed in 54 countries
  - 625 high-quality clients, including 50% of CAC 40

- **Strong strategic interest** with numerous synergies
  - Develop a leadership position in the HR management market
  - 2012 revenue for all of our HR solutions: around €100m
  - Impressive growth prospects

- **Finalisation** of the operation end-March
Sopra GMT, a committed reference shareholder

- **In partnership with Sopra GMT**, investment of the management team as shareholder
  - Motivation and long-term commitment of key people
  - Commitment for the Sopra 2015 Project, and beyond...

Shareholders pact controls 49.18% of Sopra Group capital and voting rights
Objectives for 2013

- **Organic growth** for the financial year of between 2% and 5%

- **Challenging first quarter**
  - -2 billable days compared with the previous year
  - High comparison basis (organic growth Q1 2011: +4%)

- Given the proposed acquisition of HR Access
  - Margin target: to be indicated in the H1 2013 press release
  - Estimated year-end net debt between €150M and €170M
Forward-looking information

- This presentation contains forecasts in respect of which there are risks and uncertainties concerning the Group’s future growth and profitability. The Group highlights the fact that the signature of licence contracts, which often represent investments for clients, are more significant in the second half of the year, and as a result, may lead to more or less favourable impacts on the end-of-year performance.

- The actual sequence of events or results may differ from that described in this document, in light of a certain number of risks and uncertainties, as described in the 2011 Reference Document which was filed with the Autorité des Marchés Financiers (AMF) on 27 April 2012 (notably on pages 48 et seq.).

- The distribution of this document in certain countries may be subject to the laws and regulations in force. Natural persons present in these countries and in which this press release is disseminated, published or distributed, should obtain information about such restrictions and comply with them.
Contacts

- Investor relations team
  - Kathleen Clark Bracco  +33 (0) 1 40 67 29 61
  - Lima Abdellaoui  +33 (0) 1 40 67 86 88
  - Arthur Carli  +33 (0) 1 40 67 29 75

Sopra Group
Financial communication
9 bis, rue de Presbourg
75116 Paris

www.finance.sopragroup.com
investors@sopragroup.com