Management report of the Board of Directors

1. Sopra's business and key events in 2013

This report includes the summary of the management report as well as the Group's financial statements.

1.1. Business in 2013 – Background

Over the last few years, Sopra has developed a specific business model based on Consulting, Systems Integration, Application Outsourcing and Software Solutions Development (banking, human resources and real estate sectors).

The Group has positioned itself and adopted a successful model based not only on increasingly rapid technological and digital development but also on outsourcing and business combinations. This novel business model makes it difficult to make a comparison with other companies within the sector which have positioned themselves differently.

The sector saw slightly negative growth in 2013, after reporting very weak growth in 2012. Revenue of companies in the Software and Services sector decreased by about 0.2% in France, compared to an increase of 0.8% in 2012 (Source: Syntec).

Sopra posted revenue of €1,349.0 million in 2013, representing total growth of 10.9% and organic growth of 4.3%.

At 31 December 2013, the Group employed a workforce of 16,284 people, an increase of nearly 2,000 staff compared to 2012, including 1,080 net recruits and around 900 integrated employees resulting from acquisitions.

1.2. Key events of the year

1.2.1. ACQUISITION OF HR ACCESS

Sopra's acquisition of HR Access is in line with its strategy, which aims not only to consolidate our positioning in the Human Resources (HR) management market, but to attain the ambitious objective of earning 30% of our revenue in software publishing as well. The transaction guarantees that HR Access can continue its activities and the possibility of contributing to the Group's global strategy. Sopra is able to offer a complete HR solution, perfectly suited to the human resources market and companies of all sizes.

HR Access solutions meet the needs of public- and private-sector companies in all industries. It has a stable client base comprised mainly of a number of CAC 40 companies. The transaction supplements Sopra's solutions offerings marketed under the Pléiades brand, widely used in the public and private sectors in France. The solutions offered by HR Access and Sopra include functionalities to manage personnel, skills, time, activities and payroll. Each is available in the form of a traditional license or outsourced service. HR Access and Sopra have a number of strengths in common: high-quality products, proven Research and Development capacity and in-depth knowledge of the human resources sector.

Sopra is overseeing the continuity of product development. Clients, whether they have chosen HR Access or Pléiades solutions, will not see their investments compromised in any way.

HR Access has been consolidated since 1 April 2013. Over a full year, Sopra's HR solutions generated revenue of approximately €100 million.

2. Consolidated financial statements

2.1. Consolidated income statement

(in millions of euros)	2013 Amount	2013 %	2012 Amount	2012 %
Revenue	**1,349.0**		**1,216.7**	
Staff costs – Employees	-911.9		-811.8	
Staff costs – Contractors	-105.6		-100.1	
Operating expenses	-201.3		-178.2	
Depreciation, amortisation and provisions	-21.3		-17.0	
Operating profit on business activity	**108.9**	***8.1%***	**109.6**	***9.0%***
Expenses related to stock options and bonus share allotment plans	-3.0		-2.2	
Amortisation of allocated intangible assets	-4.8		-4.2	
Profit from recurring operations	**101.1**	***7.5%***	**103.2**	***8.5%***
Other operating income and expenses	2.8		-11.9	
Operating profit	**103.9**	***7.7%***	**91.3**	***7.5%***
Cost of net financial debt	-7.0		-7.2	
Other financial charges and expense	-1.4		-1.0	
Tax charge	-32.5		-33.6	
Share of net profit of equity-accounted companies	8.4		6.1	
Net profit before profit or loss from discontinued operations	**71.4**	***5.3%***	**55.6**	***4.6%***
Profit after tax from discontinued operations	-		-	
Net profit	**71.4**	***5.3%***	**55.6**	***4.6%***
Group share	71.4	*5.3%*	55.6	*4.6%*
Minority interests	-	-	-	-

Consolidated revenue amounted to €1,349.0 million in 2013, representing organic growth (calculated at constant exchange rates and comparable consolidation scope) of 4.3% compared to the previous year. This growth varied by country and business activity:

Revenue *(in millions of euros)*	**2013**	**2012 Published**	**Total growth**	**Organic growth**
France	**828.0**	**795.8**	***4.0%***	***4.1%***
Europe (without France)	**247.6**	**225.4**	***9.8%***	***9.6%***
■ United Kingdom	83.9	81.6	*2.8%*	*1.8%*
■ Spain	75.9	74.8	*1.5%*	*1.5%*
■ Italy	44.0	39.2	*12.2%*	*12.2%*
■ Switzerland	10.6	11.3	*-6.2%*	*-3.6%*
■ Benelux	13.7	11.0	*24.5%*	*24.5%*
■ Germany	19.5	7.5	NS	NS
Sopra Banking Software	**217.3**	**195.5**	***11.2%***	***-0.3%***
HR Access (9 months)	**56.1**			***2.4%***
SOPRA	**1,349.0**	**1,216.7**	***10.9%***	***4.3%***

France	2013		2012	
	Amount	%	Amount	%
Revenue	828.0		795.8	
Organic growth		*+4.1%*		
Operating profit on business activity	68.4	*8.3%*	68.2	*8.6%*
Profit from recurring operations	66.2	*8.0%*	66.3	*8.3%*
Operating profit	64.2	*7.8%*	64.6	*8.1%*

In France, revenue totalled €828.0 million, representing organic growth of 4.1%. This solid growth was backed by the transport, utilities and public service sectors, as well as financial services to a lesser extent. Operating profit on business activity came in at €68.4 million, representing a margin of 8.3% in the year, compared with 8.6% in 2012. Despite persistent price pressures and investments that weighed on profitability, business activity was robust in 2013. The year saw numerous contract signings, in particular for fixed-price projects and application management services, and there was a considerable rise in requests relating to mobility, cloud services and architecture. The Group's performance in France was also buoyed by the gradual turnaround achieved by the consulting business, which returned to growth and profitability over the course of the year.

Europe (without France)	2013		2012	
	Amount	%	Amount	%
Revenue	247.6		225.4	
Organic growth		*+9.6%*		
Operating profit on business activity	12.6	*5.1%*	13.2	*5.9%*
Profit from recurring operations	12.0	*4.8%*	13.0	*5.8%*
Operating profit	10.8	*4.4%*	11.3	*5.0%*

In Europe (excluding France), revenue totalled €247.6 million, up a total of 9.8% (including organic growth of 9.6%). Operating profit on business activity totalled €12.6 million, representing a margin of 5.1% in 2013, compared with 5.9% in 2012.

PERFORMANCE IN EUROPE (EXCLUDING FRANCE)

	2013		2012	
	Amount	%	Amount	%
United Kingdom				
Revenue	83.9		81.6	
Organic growth		*+1.8%*		
Operating profit on business activity	6.2	*7.4%*	5.3	*6.5%*
Profit from recurring operations	6.2	*7.4%*	5.3	*6.5%*
Operating profit	5.7	*6.8%*	4.0	*4.9%*
Spain				
Revenue	75.9		74.8	
Organic growth		*+1.5%*		
Operating profit on business activity	4.7	*6.2%*	4.6	*6.1%*
Profit from recurring operations	4.3	*5.7%*	4.4	*5.9%*
Operating profit	3.6	*4.7%*	4.0	*5.3%*
Italy				
Revenue	44.0		39.2	
Organic growth		*+12.2%*		
Operating profit on business activity	1.7	*3.9%*	1.1	*2.8%*
Profit from recurring operations	1.6	*3.6%*	1.1	*2.8%*
Operating profit	1.6	*3.6%*	1.1	*2.8%*
Switzerland				
Revenue	10.6		11.3	
Organic growth		*-3.6%*		
Operating profit on business activity	1.1	*10.4%*	1.4	*12.4%*
Profit from recurring operations	1.1	*10.4%*	1.4	*12.4%*
Operating profit	1.1	*10.4%*	1.4	*12.4%*
Belgium				
Revenue	13.7		11.0	
Organic growth		*+24.5%*		
Operating profit on business activity	0.4	*2.9%*	0.3	*2.7%*
Profit from recurring operations	0.3	*2.2%*	0.3	*2.7%*
Operating profit	0.3	*2.2%*	0.3	*2.7%*
Germany				
Revenue	19.5		7.5	
Organic growth		*NS*		
Operating profit on business activity	-1.5	*-7.7%*	0.5	*6.7%*
Profit from recurring operations	-1.5	*-7.7%*	0.5	*6.7%*
Operating profit	-1.5	*-7.7%*	0.5	*6.7%*

In the United Kingdom and Spain, growth remained moderate but profitability stabilised at altogether appropriate levels, while in Germany the investments made in support of the aerospace sector impacted short-term profitability.

	2013		2012	
	Amount	%	Amount	%
Sopra Banking Software				
Revenue	217.3		195.5	
Organic growth		*-0.3%*		
Operating profit on business activity	23.6	*10.9%*	28.2	*14.4%*
Profit from recurring operations	18.6	*8.6%*	23.9	*12.2%*
Operating profit	15.4	*7.1%*	22.1	*11.3%*

Sopra Banking Software continued to focus on building up its comprehensive offering. This subsidiary posted revenue of €217.3 million in 2013, representing positive total growth of 11.2% and negative organic growth of 0.3%. Although the rationalisation of its business model requires time and investments, the level of business activity in France, the United Kingdom, the Middle East and Africa generated a satisfactory operating profit on business activity of €23.6 million, corresponding to 10.9% of revenue (*vs* 14.4% in 2012).

	2013		2012	
	Amount	**%**	**Amount**	**%**
HR Access (9 months)				
Revenue	56.1		-	
Organic growth		*+2.4%*	-	
Operating profit on business activity	4.3	*7.7%*	-	
Profit from recurring operations	4.3	*7.7%*	-	
Operating profit	13.5	*24.1%*	-	

With regard to HR Access, the entity's integration programme has been successful and its strategic plan built around services was well received by the market. Nine-month revenue came to €56.1 million, corresponding to organic growth of 2.4%. The year ended on a high note, with licence signings coming in strong. The subsidiary's profit from recurring operations was €4.3 million, corresponding to a margin of 7.7%, well above the Group's announced targets.

At Group level, total staff costs for employees, sub-contractors and external contractors represented 75.4% of revenue, compared to 74.9% in 2012.

At the end of December 2013, the year-end workforce totalled 16,284 people, compared to 14,303 people at the end of December 2012. This workforce growth is linked to:

- external growth which led to the integration of around 900 new employees;
- an increase in the number of employees (recruitments net of departures) amounting to 1,080 people.

Operating expenses as a percentage of revenue increased slightly, totalling 14.9% (i.e. €201.3 million) compared to 14.6% (i.e. €178.2 million) in 2012. They take into account the French R&D tax credit in the amount of €10.8 million in 2013, versus €6.1 million in 2012.

Depreciation, amortisation and provisions, which came to 1.6% of revenue in 2013, increased by 0.2% relative to the previous year, mainly as a result of the structure of HR Access being taken into account.

Operating profit on business activity totalled €108.9 million or 8.1% of revenue, compared with €109.6 million or 9.0% of revenue in 2012.

Profit from recurring operations amounted to €101.1 million, corresponding to 7.5% of revenue, compared to €103.2 million and 8.5% of revenue in 2012, decreasing by 1%.

Expenses related to stock options (€0.2 million) remained stable in 2013 compared to 2012.

Expenses associated with the bonus share allotment plan implemented in June 2012 totalled €2.6 million in 2013, compared to €2.0 million in 2012.

After allocating goodwill on acquisitions, additions to amortisation of allocated intangible assets totalled €4.8 million in respect of 2013, compared with €4.2 million in respect of 2012.

Operating profit totalled €103.9 million or 7.7% of revenue, compared with €91.3 million or 7.5% of revenue in 2012.

Other operating income and expenses amounted to net income of €2.8 million, compared to a net expense of €11.9 million in 2012.

The cost of net financial debt totalled €7.0 million in 2013, compared with €7.2 million in 2012. Net financial expense, including hedging impact, came to €6.6 million in 2013, versus €5.8 million in 2012. This interest expense takes into account contributions to the blocked profit-sharing reserve, amounting to €2.0 million in 2013 and €1.9 million in 2012.

Other financial income and expense amounted to an expense of €1.4 million in 2013, as against an expense of €1.0 million a year earlier.

The 2013 tax expense totalled €32.5 million, compared with €33.6 million in 2012.

In 2013, profit from equity-accounted associates included the following:

- the Group's share in Axway's profit for the period (25.97% of €35.6 million): €9.1 million;
- the impact of the dilution of Axway's share capital: (-)€0.7 million.

The Group's net profit came to €71.4 million in 2013, corresponding to 5.3% of revenue, compared to €55.6 million and 4.6% of revenue in the previous year.

Basic earnings per share (calculated on the basis of the weighted average number of shares outstanding during the financial year) was €6.00 compared to €4.67 in 2012, and diluted earnings per share (taking into account share subscription options already granted but not yet exercised) was €5.92 compared to €4.62 a year earlier.

2.2. Balance sheet and financial structure

Non-current assets were €570.0 million at 31 December 2013, up from €565.3 million the previous year. This item mainly reflects the following movements:

- the increase in goodwill (€317.5 million *vs* €314.6 million in 2012);
- the decrease in intangible assets (€54.0 million *vs* €59.2 million in 2012);
- the increase in property and equipment (€49.2 million *vs* €39.2 million in 2012);
- the increase in equity-accounted investments (Axway Software) (€118.8 million *vs* €113.8 million in 2012);
- the decrease in deferred tax assets (€25.6 million *vs* €34.5 million in 2012).

Trade accounts receivable totalled €442.4 million, compared with €384.3 million in 2012.

Cash and cash equivalents amounted to €102.2 million compared to €47.4 million in 2012.

At 31 December 2013, consolidated shareholders' equity totalled €357.9 million compared to €305.3 million in 2012. The statement of changes in consolidated shareholders' equity included in Chapter 5 of this Registration Document provides a detailed presentation of the principal movements.

Borrowings and financial debt totalled €256.8 million, compared with €251.4 million in 2012, including €106.8 million in long-term bank borrowing, €61.0 million in current bank borrowing, €7.6 million in IT lease finance agreements and €29.8 million in additions to the special employee profit-sharing reserve.

Net debt at end-2013 totalled €154.6 million.

Net bank debt, excluding the employee profit-sharing liability, totalled €124.8 million. This net debt corresponds to the difference between consolidated net debt and the special employee profit-sharing reserve. A breakdown of the change in net debt can be found in Note 26.2 to the consolidated financial statements, in Chapter 5 of this Registration Document.

Other current liabilities, which totalled €416.4 million in 2013 compared to €337.1 million in 2012, mainly comprised:

- employee-related liabilities (personnel and social security) for €199.8 million;
- tax liabilities for €112.3 million, essentially corresponding to value added tax included in client receivables;
- accrued income and prepayments for €100.1 million, comprising the portion of billing revenue already issued but yet to be booked as revenue.

At 31 December 2013, the Group's financial position remained strong, with total equity of €357.9 million and net debt of €154.6 million.

3. Sopra Group SA company financial statements

Sopra Group SA comprises all of the Consulting, Systems Integration and Solutions Development activities in France except for HR Access and Sopra Banking Software, as well as all the Group's functional services. The company has Systems and Solutions Integration subsidiaries in Europe, includes the banking software publishing subsidiary Sopra Banking Software, and holds a 25.72% interest in Axway Software, a global software developer and market leader in governing data streams.

3.1. Income statement

Revenue amounted to €853.3 million in 2013, as against €819.2 million a year earlier.

Operating profit came to €51.5 million, down from €52.1 million a year earlier.

The Group's net financial income was €1.3 million in 2013, compared to a net financial expense of €2.2 million in 2012.

Pre-tax profit on ordinary activities was €52.9 million, compared to €50.0 million a year earlier.

Exceptional items amounted to an expense of €1.4 million in 2013, as against an expense of €0.2 million in 2012.

The discretionary and non-discretionary employee profit-sharing expense was €5.2 million, compared to €6.5 million in 2011, and the corporate income tax expense declined from €8.4 million to €5.3 million.

Net profit came to €40.9 million in 2013, as against €34.8 million in 2012.

In accordance with article 39–4 of the French Tax Code, we bring to your attention the fact that the accounts for the year ended 31 December 2013 include €131,190 in respect of non-deductible expenses.

3.2. Balance sheet

Shareholders' equity was €239.2 million at 31 December 2013, compared to €217.7 million a year earlier.

This change was due primarily to the following factors:

- the net profit for the year of €40.9 million;
- payment of dividends in respect of the 2012 financial year amounting to (-)€20.2 million;
- the capital increase related to the exercise of stock options for €0.8 million.

Pursuant to the provisions of Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, we hereby inform you that the balance of trade accounts payable at 31 December 2013 comprises the following elements:

(in thousands of euros)	Total outs-tanding amount	Amount not yet due	Amount due in less than 60 days	Amount due in more than 60 days
At 31 December 2012	44,421	43,765	552	104
At 31 December 2013	43,896	43,409	478	9

Sopra observes the payment terms required by law in France for trade accounts payable: a maximum of 60 days from the issue date of the invoice.

Fixed assets decreased to €479.8 million, from €383.2 million in 2012. These were comprised of €369.6 million in non-current financial assets, €83.1 million in intangible assets and €27.1 million in property and equipment.

3.3. Identity of shareholders

Sopra Group's share ownership structure is described in Section 2 ("Current ownership") of Chapter 7 of this Registration Document.

4. Strategy and objectives: recent trends and outlook for 2014

4.1. Key events in 2013

4.1.1. TARGETS COMFORTABLY ACHIEVED THANKS TO SUSTAINED GROWTH

Sopra delivered sustained growth in 2013, enabling it to exceed the targets set in 2012. Total Group revenue grew by 10.9% to €1.349 billion in 2013. With organic growth of 4.3% and a margin on operating activities of 8.1%, Sopra significantly outperformed comparable companies, particularly in the French market, which alone accounted for two-thirds of total revenue. The Group also cut its debt by almost 25% in 2013.

Sopra's workforce totalled 16,284 employees at end 2013, an increase of 14% on 2012. This growth was the result both of net recruitment across the Group's various sites and of employees added to the Group via acquisitions.

4.1.2. GROWTH IN THE SOFTWARE VENDING BUSINESS

In 2013, Sopra confirmed its status as a major vendor of business solutions, in particular thanks to the acquisition of HR Access and stable performance at the Sopra Banking Software subsidiary. Solutions vending now represents a quarter of the Group's total revenue, split equally between France and other countries (Europe and Rest of World).

While Sopra Banking Software alone generates two-thirds of software vending revenue, revenue from dedicated human resources solutions almost tripled in one year. These results are perfectly aligned with the Sopra 2015 project, which aims in particular to strengthen the Group's positioning not only in software vending but also in the human resources management market.

4.1.3. CONSOLIDATION OF THE KEY CLIENTS PROGRAMME

Sopra continued to develop its businesses with strategic key clients in 2013. As a result, 30 major clients in industry, finance, the public sector, transport, retail and telecoms/media accounted for 53% of the Group's total revenue in 2013. This concentration strategy continues to bear fruit and drive growth, with revenue generated from these key accounts up 13% relative to 2012.

The increase in the proportion of fixed-price projects, up from 19% of services revenue in 2012 to 25% in 2013, together with the reduction in technical assistance services, also demonstrates the Group's ability to focus on major projects that deliver high added value to clients.

The Group also achieved growth of 18% in the public sector in 2013, driven in particular by a number of large projects in the defence sector.

4.2. Strategic priorities in 2014

In 2014, Sopra will continue its strategic planning under what was previously referred to as the "Sopra 2015" project, now given fresh impetus as the "Sopra 2016" project. This project aims above all to create value for the Group's clients, but also its shareholders and employees, in order to secure their engagement, thus bringing their own long-term goals and ambitions in line with those of the Group.

This ambitious project, which has set 2015 targets for revenue between €1.5 billion and €2 billion (with operations outside France accounting for 35-40% of the total) and an operating margin on business activity of around 10%, has four main strategic thrusts:

- moving up the value chain so as to better serve the business-related and competitiveness challenges faced by the Group's clients;
- expansion in Europe;
- the development of solutions able to precisely meet client requirements;
- innovation, so as to ensure that the Group's clients are able to fully benefit from the opportunities offered by the latest digital and technology advances.

4.2.1. CONFIRMING THE GROUP'S INNOVATION AND TRANSFORMATION EFFORTS

The Group's core activity is to understand its clients' businesses in order to help them overcome their key challenges and boost their competitiveness. To maintain its positioning as a preferred strategic partner that provides its clients with a high level of added value, supports their development and optimises their operating costs, the Group needs to continue to focus on and invest in delivering an offering that is both innovative and differentiating.

Growth in the digital market is characterised by an increasing number of technological developments in the digital arena (the cloud, big data, social networks, mobility, etc.). While these developments give rise to tremendous opportunities for innovation and growth, they require Sopra to be proactive and to constantly question its business model. The Group needs to embrace emerging technologies so that it can then advise its clients on the best way to use those technologies to meet their needs.

4.2.2. STRENGTHENING THE GROUP'S POSITION AS A SOLUTIONS VENDOR

Solution vending is a key area of development in which Sopra will continue to invest. Within the framework of the Group's strategic plan, the aim is to enhance Sopra's sector-specific offerings while expanding its geographical coverage and ensuring the quality and performance of the services it delivers.

Concerning human resources management solutions, one of the projects for 2014 will be to combine HR Access and Pléiades in order to be able to offer clients an end-to-end HR management solution and consolidate the Group's position in this market.

4.2.3. STEPPING UP GROWTH IN THE EUROPEAN MARKET

The Group's European subsidiaries (excluding France) grew by 9.6% in 2013, sometimes in economically challenging markets.

In 2014, Sopra will continue to expand its European presence on the basis of a stronger Group culture, with the aim of generating 40% of total revenue from its European subsidiaries.

4.2.4. CONTINUING WITH THE EXTERNAL GROWTH STRATEGY

By acquiring HR Access, the Group demonstrated its ability to integrate the offerings and expertise of external companies, not only technically but also culturally. The most recent acquisitions have significantly boosted overall growth and helped strengthen Sopra's position in its various markets.

In 2014, the Group will continue with its aggressive external growth strategy, which will help achieve its targets in terms not only of results but also of strategic positioning and geographical coverage.

4.3. Recent developments

4.3.1. PROPOSED FRIENDLY TIE-UP BETWEEN SOPRA AND STERIA TO CREATE A EUROPEAN LEADER IN DIGITAL TRANSFORMATION

On 8 April 2014, Sopra and Steria announced their intention to create, by carrying out the proposed tie-up, a European leader in digital services with combined revenue of €3.1bn and operations in 24 countries, harnessing the talents of over 35,000 professionals.

This tie-up would enable the new group to meet the following targets:

- combined revenue of €3.1bn and a group boasting over 35,000 professionals, located in 24 countries, at the service of major international clients;
- highly complementary business activities and geographies, creating one of the most complete portfolios of offerings available on the market;
- a Solutions and Business Process Services activity representing 25% of revenue;
- a value-creating transaction, thanks to significant revenue synergies and annual operational cost savings of €62m;
- balanced corporate governance, with Pierre Pasquier as Chairman of the Board of Directors and François Enaud Chief Executive Officer;
- a new entrepreneurial project backed by a stable reference shareholder base and a shareholders' pact between Sopra GMT and Soderi.

The proposed tie-up will take the form of a friendly, voluntary *Offre Publique d'Echange* [1] (Public Exchange Offer) initiated by Sopra for all of the shares of Steria on the basis of one (1) Sopra share for four (4) Steria shares (the "Offer").

The Board of Directors of Soderi, the *associé commandité* (general partner) of Steria, as well as the Supervisory Board of Steria and the Board of Directors of Sopra approved this proposed tie-up and gave it their support.

The two firms share cultures of independence and growth and a great deal of mutual respect, making the idea of combining forces a natural decision. The accelerating pace of the digital revolution and new modes of consuming services are giving rise to a deep-seated change in the market. In this context the tie-up aims to deliver the best transformation solutions to clients so that they can adapt to the digital world. The alliance between Sopra and Steria would allow the two firms to put together one of the most complete portfolios of offerings available on the market, from software solutions to business process execution. This industrial project would also benefit the employees of both entities, who would be able to evolve and acquire new skills, and shareholders, who would be able to accompany Sopra and Steria in a foundational, value-creating project.

Balanced corporate governance and stable reference shareholder structure

The new group would operate with a balanced corporate governance structure in the framework of a proposed tie-up between equals.

Pierre Pasquier would be Chairman of its Board of Directors and François Enaud would be Chief Executive Officer. On the Board of Directors, Sopra and Steria would each be represented by four directors, in addition to independent members and employee representatives.

The share capital of the new combined entity would be structured, on the one hand, around a core block representing the founders and certain managers of Sopra, holding a total of approximately 22% of the share capital, a block owned by Geninfo representing 7% of the share capital, and finally a c.10% block owned by former and current employees-shareholders of Steria. The above-mentioned blocks together represent 39% of the share capital. This shareholder structure would be materialised by a shareholders' pact between Sopra GMT and Soderi, with the latter representing the former employee-shareholders of Steria.

(1) Sopra and Steria reserve the possibility of completing the tie-up by means of a fusion statutaire merger if necessary.

Very strong complementary fit of business activities and geographic segments

From an industrial perspective, the proposed tie-up between Sopra and Steria is a response to the market changes brought about by the digital revolution and new modes of consuming services. The new group would be able to make the transition from a positioning as "Systems Developer-Integrator" to "Service Creator-Operator", with a critical mass and the capacity to deliver the best transformation solutions to its clients. The portfolio of offerings would be among the most complete on the market.

The new group would generate 25% of its annual revenue from Solutions and Business Process Services, activities with the highest levels of growth and profitability both for Sopra and Steria. This proportion would develop rapidly, as a result of organic and external growth as well as the synergies related to the tie-up.

In terms of business activities and geographic segments, the complementary fit between the two entities is very strong. Sopra brings the power of its organisation in France, the strength of its banking, human resources and real estate products and its effective application management model. For its part, Steria brings its international reach (Europe and Asia) with a strong positioning in the United Kingdom, a pertinent offering in Business Process Services and its expertise in IT infrastructure management.

Industrial-scale production capacity would be significantly reinforced with an array of offshore and nearshore service centres representing a workforce of approximately 8,000 people, including over 6,000 in India.

A value-creating transaction drawing upon on a strong set of synergies

Reinforcing competitive positioning and the complementary fit of offerings and geographic locations would lead to faster revenue growth. For example, Sopra would be able to benefit from the European positions of Steria to accelerate the commercialisation and rollout of its software solutions; for its part, Steria would be able to leverage Sopra's offshore capacity in India for its French clients. The proposed tie-up should also generate annual operational cost synergies of €62m commencing in 2017. The transaction is expected to have a neutral effect on basic earnings per share in 2015 and be strongly earnings enhancing as of 2016.

The ambition is to form a group that is capable of generating strong organic growth with the objective of achieving revenue of over €4bn and progressively improve the operating margin on business activity to approach the 10% mark.

Schedule and conditions of the transaction

The Offer will be subject to the customary terms, notably to a success threshold of at least 66.67% of the share capital and voting rights issued by Steria.

Filing of the Offer could take place in May 2014.

Following the information-consultation of the companies' employee-representing bodies and successful completion of the Offer, a merger of the groups is expected to be carried out.

4.3.2. CHANGES IN SOPRA'S SENIOR LEADERSHIP

In connection with the proposed friendly tie-up between Sopra and Steria, Sopra's Board of Directors, convened on 15 April 2014, approved the appointment of Vincent Paris as the Group's Chief Executive Officer, replacing Pascal Leroy. This appointment will be effective from 1 May.

Pascal Leroy, who has served as Deputy CEO and then Chief Executive Officer of Sopra over the last four years, will continue to oversee the Group's operations and functions until 30 April.

Vincent Paris, who has been Deputy CEO of Sopra since January 2014, will be responsible for the day-to-day management of Sopra's operations until the effective completion of the friendly tie-up with Steria, planned for this summer.

As announced publicly and subject to the successful completion of the proposed tie-up, Pierre Pasquier will serve as Chairman of the Board of Directors of the new entity, Sopra Steria Group, with François Enaud as its Chief Executive Officer and Vincent Paris as Deputy CEO.

4.3.3. ACQUISITION OF COR&FJA BANKING SOLUTIONS GMBH

The acquisition of German company COR&FJA Banking Solutions GmbH was announced in November 2013 and completed in February 2014. This acquisition will boost Sopra Banking Software's international presence and enable this subsidiary to offer a new range of sector-specific services to a broader client portfolio.

4.3.4. PROPOSED ACQUISITION OF THE HR ACCESS SERVICE BUSINESS OF IBM FRANCE

On 24 April 2014, Sopra announced its intention to acquire the HR Access Service business, which was owned until that date by IBM France, via its subsidiary Sopra HR Software. This acquisition would significantly increase the pace at which Sopra deploys its strategy for human resources solutions.

The proposed acquisition, if completed, would further Sopra's strategic plan, which targets a strong presence in software solutions and associated services. It would bring the Group closer to clients, enhance its solutions oriented approach and provide recognised expertise on the human resources market. The HR Access Service business would join Sopra HR Software in making Sopra's HR solutions offering a market standard. The transaction would take the form of a partial transfer of business (*cession partielle fonds de commerce*). The acquisition price has not been made public. The proposal has been approved by Sopra's Board of Directors. The transaction, subject to the usual conditions precedent including consultation with employee representative bodies, is expected to be finalised in July 2014. With this acquisition, the annual pro forma revenue of Sopra's HR solutions offerings would be approximately €150m in 2014.

4.3.5. REVENUE FOR THE FIRST QUARTER OF 2014

1ST QUARTER 2014

(in millions of euros)	Q1 2014	Q1 2013 Pro forma	Q1 2013 Reported	Total growth	Organic growth[(1)]
France	**197.8**	**193.5**	**192.1**	**3.0%**	**2.2%**
Europe (excluding France)	**63.8**	**60.5**	**59.9**	**6.5%**	**5.5%**
of which United Kingdom	22.3	21.7	21.1	5.7%	2.8%
of which Spain	20.8	17.6	17.6	18.2%	18.2%
of which Italy	10.3	11.2	11.2	-8.0%	-8.0%
of which Switzerland	2.9	2.8	2.8	3.6%	3.6%
of which Benelux	4.3	3.4	3.4	26.5%	26.5%
of which Germany	3.2	3.8	3.8	-15.8%	-15.8%
Sopra Banking Software	**60.7**	**58.3**	**53.0**	**14.5%**	**4.1%**
Other Solutions	**36.1**	**31.0**	**16.3**	**NS**	**16.5%**
SOPRA GROUP	**358.4**	**343.3**	**321.3**	**11.5%**	**4.4%**

(1) At constant consolidation scope and exchange rates.

The Group posted revenue of €358.4 million for the first quarter of 2014, representing total growth of 11.5% and organic growth of 4.4%. Amid a slight market upturn, Sopra once again demonstrated its ability to outperform.

In France, business activity remained robust, continuing the trend noted at the end of last year, with the Group turning in a solid performance. Revenue for the quarter came to €197.8 million, representing total growth of 3.0% and organic growth of 2.2%. Sopra capitalized on its strong positioning among major clients, with numerous contract signings. In addition, some of the large contracts signed at the end of 2012 have hit their stride and are now attaining the profitability targets set for them.

In its other European markets, the Group's business activity also experienced growth. Sopra posted revenue in Europe (excluding France) of €63.8 million, achieving total growth of 6.5% and organic growth of 5.5%. Spain and the Benelux countries had an excellent start to the year with organic growth well over 15%, while adverse economic conditions affecting certain projects in Germany and Italy weighed on the Group's performance there. Sopra's performance in other European markets was in line with expectations.

Sopra Banking Software recorded revenue of €60.7 million for the quarter, representing total growth of 14.5% and organic growth of 4.1%. The subsidiary continued to develop, in particular by building up offshore teams in India and enhancing its industrialisation process to handle current large-scale projects. The period saw a significant (8%) rise in licence signings, and sales synergies with COR&FJA Banking Solutions, the Group's most recently completed acquisition (consolidated since 1 January), began to materialise, with the signing of the first cross-sold contract.

The Group's other solutions, for human resources and real estate, saw strong growth. Real estate solutions posted organic growth of more than 7%, while human resources solutions exceeded 20%. The remainder of the year is expected to offer excellent opportunities for this business segment, which enjoys a promising order book.

Sopra also announced the proposed acquisition, by its subsidiary Sopra HR Software, of HR Access Service Line, currently owned by IBM France (see press release dated 24th April). If completed, this transaction would position Sopra even more strongly to deliver on its software solutions strategy, expectedly resulting in pro forma 2014 revenue of over €150 million for the Group's Human Resources Solutions business as a whole.

In the first quarter, 430 staff joined the Group as new hires and 115 on the acquisition of COR&FJA Banking Solutions. The total workforce now comprises 16,835 people.

Sopra maintains a 25.66% stake in its former subsidiary Axway Software. For first quarter 2014, Axway reported an encouraging revenue performance of €52.0 million, representing organic growth of 6.1%. This momentum has enabled the company to confirm its targets for the year, which include significant organic and external growth and an operating margin on business activity at least equal to that achieved in 2013 (15.8%).

4.3.6. CHANGE IN FINANCIAL POSITION

There has not been any significant change in the Group's financial or trading position since the close of the last financial year for which audited financial statements or interim financial statements have been published.

4.4. Outlook for 2014

For the 2014 financial year Sopra is aiming for organic growth of between 3% and 5%, as well as an improvement in its operating margin on business activity.

If the proposed acquisition of HR Access Service comes to fruition, the Group's pro forma revenue will be approximately €1.5bn for the financial year, representing total growth of approximately 11% and the net debt target for the end of the financial year will be between €120 million and €140 million.

5. Subsidiaries and associated entities

5.1. Acquisitions of equity interests in subsidiaries and associated entities

5.1.1. NEWLY CONSOLIDATED COMPANIES

- **HR Access** – At the beginning of April 2013, Sopra acquired 100% of the share capital of the HR Access group. HR Access offers a complete range of global and integrated HR solutions, designed to meet the needs of a vast set of companies across all business sectors. The solutions offered are dedicated to managing personnel, time and activities, skills and payroll. HR Access serves more than 625 clients in 54 countries, and generated 2012 revenue of €75 million. It has nearly 900 employees in France, Spain and Tunisia. All HR Access businesses have been consolidated since 1 April 2013.
- **Altime** – In October 2013, Sopra Banking Software acquired two consulting companies which underwent a simplified merger with Sopra Banking Software with effect from 31 December 2013. Over three months, these two entities contributed €1.2 million in revenue with 24 employees.

5.1.2. DECONSOLIDATED ENTITIES

No Sopra Group entities were deconsolidated in financial year 2013.

5.2. Legal reorganisations and restructurings

Following the 2012 acquisitions, a legal entity rationalisation process gave rise to the transactions listed below, none of which had any impact on the consolidated financial statements:

- Adeuza was wound up by way of a complete transfer of assets and liabilities (*transmission universelle de patrimoine*, TUP) to Sopra Group on 29 June 2013;
- Sopra Group Ltd's business was transferred to Sopra Group Financial Services Ltd effective 1 January 2013. The corporate name of Sopra Group Ltd was changed to Sopra Group Holding Ltd and that of Sopra Group Financial Services Ltd was changed to Sopra Group C&SI Ltd;
- all shares constituting the issued capital of Sopra Group Solutions UK Ltd were transferred to Sopra Banking Software SA by Sopra Group Holding Ltd on 28 June 2013, the two first two companies being wholly owned subsidiaries of Sopra Group. On 30 September 2013, Sopra Banking Software Ltd's business was contributed to Sopra Group Solutions UK Ltd. Sopra Group Solutions UK Ltd was renamed Sopra Banking Software Ltd effective 8 October 2013 (the previously existing entity under the name Sopra Banking Software Ltd was renamed SBS123 Ltd);
- the Spanish company CS Sopra España was merged with Sopra Group Informatica at the end of June 2013 (effective retroactively for accounting purposes from 1 January 2013);
- Sopra Banking Paris was wound up without liquidation by way of a complete transfer of assets and liabilities (TUP) to Sopra Banking Software on 29 June 2013;
- the business of the Belgian company Business Architects International was transferred to Sopra Banking Software Belgium effective 1 January 2013, after which this entity was merged by way of a cross-border transaction with Sopra Banking Software in France on 30 June 2013, effective retroactively for accounting purposes from 1 April 2013;
- the Belgian company Sopra Banking Software Participations was merged by way of a cross-border transaction between this entity and Sopra Banking Software in France on 31 May 2013, effective retroactively for accounting purposes from 1 January 2013;
- Sopra Banking Software Factory's business was transferred to Sopra Banking Software Belgium, a wholly owned subsidiary of Sopra Group, on 1 January 2013;
- all shares constituting the issued capital of SOPRAntic were transferred to Sopra Group by Sopra Banking Software on 28 June 2013. The corporate name of SOPRAntic was changed to Sopra Banking Software Morocco.

A legal entity rationalisation process was also applied to the new HR Access sub-group, without any impact on the consolidated financial statements:

- HR Access Netherlands CV was dissolved on 30 June 2013;
- HR Access Solutions BV was merged by way of a cross-border transaction between this entity and Sopra HR Software in France, effective retroactively for accounting purposes from 1 July 2013;
- HR Access Solutions SAS was merged using the simplified procedure with Sopra HR Software on 31 December 2013, effective retroactively for accounting purposes from 1 July 2013.

5.2. List of consolidated companies

This list is detailed in Chapter 6, Section 5.9, "Individual financial statements".

6. Risk factors

The procedures implemented to control and manage these risks are presented in the Chairman of the Board of Directors' report in Chapter 2 of this Registration Document.

The Group carried out a review of the risks that could have a material adverse effect on our business, financial position or results (or our capacity to achieve our objectives). We believe that we are not exposed to any material risks other than those presented in this Registration Document. We draw the attention of our investors to the fact that the list of risks presented below is not exhaustive. The Group may be exposed to unknown risks or other risks that were not considered as of the date this Registration Document was published and that are liable to have an adverse effect on the Group, our business, our financial condition or the price of the Group's shares.

This document contains forecasts in respect of which there are risks and uncertainties concerning the Group's future growth and profitability. Readers are reminded that licence agreements, which often represent investments for our clients, are generally more significant in the second half of the year, and may therefore have a more or less favourable impact on full-year performance.

Irrespective of the strategic risk associated with the Group's competitive positioning and the risk that its business model might lose its relevance, Group senior management decided, after consulting the Executive Committee, that operational risks associated with human resources and production constituted the Group's main risks, as well as risks related to business relations with key clients and cash management. As such, these risks are the subject of ongoing action plans.

Provisions are recognised in respect of all ongoing disputes, as described in Notes 28 and 37 to the consolidated financial statements, in Chapter 5 of this document.

Risks are recognised in accordance with the method presented in Note 1.20 to the consolidated financial statements, in Chapter 5 of this document.

The Group is not aware of any legal or arbitration proceedings which could have a significant impact other than those reflected in the Group's financial position. As of the publication date of this document, Sopra Group is not aware of any governmental, legal or arbitration proceedings, including any proceedings that may be suspended or threatened, which may have or which have had a material impact on the Company's financial position or profitability during the past twelve months.

6.1. Main operational risks

6.1.1. HUMAN RESOURCES (HR) RISKS

In a service business, which also faces certain skill shortages, human resources risks are naturally critical. The performance of the recruitment process, skill and career management, the permanence of key roles and the sharing of the Group's culture and values are key issues deserving of constant attention.

Among the main issues involved in human resources, the optimal use and thus the expert knowledge of the resources already present in the Group (skills, aptitudes, potential) is an area of particular importance, as the primary operating entities continue to grow in size.

The organisation, tools and human resources processes contributing to the control of this risk across the Group have been reinforced in recent years, as described below.

The HR vision supporting the Enterprise Project over the next three years is updated annually and broken down to individual business unit level. With this in mind, the company's HR requirements are expressed in terms of headcount, changes in the Group's business lines and skills development requirements in line with the key challenges faced.

Within this framework, the Group's performance measurement and career management system aims to share employees' specialist knowledge and draw up individual and collective HR development plans aligned with the company's needs as well as with employees' capabilities and career goals.

This system is based around the following components. Employee performance is assessed by project managers on a project-by-project basis. These assessments feed into annual career interviews with line managers. Human Resources Committees, made up of management and all line managers in each business unit, meet twice a year to assess and review employees' roles, performance and future development. In particular, they are intended to share employees' knowledge, assess their skills, performance and development potential from a cross-functional perspective, and draw up associated development plans. These Human Resources Committees, which exist at each level of decision-making (branch, division, country and Group), serve to ensure that performance is assessed consistently and fairly and that career management is aligned with the objectives embodied in the strategic HR vision. Action plans are then rolled out and managed throughout the year within each entity.

The Human Resources Department works with Heads of HR in each division to support management by coordinating these various systems.

In response to growth in operating entities, the network of line managers within each branch, to whom branch managers may delegate responsibility for employee career management, has been strengthened.

The capacity to produce a sufficient number of leaders capable of managing large projects which are complex in terms of their volume, client needs, technology and production methods, such as offshore sourcing, affects the potential long-term growth of the Group.

An ambitious programme, which aims to favour the emergence within the Group of its future leaders (project managers, architects, experts, etc.) led to a rethinking of the career paths, skill use opportunities and employment conditions of the Group's staff employed in productive subdivisions.

Section 2, "Our responsibility to our employees", of the Group's Sustainable Development and Corporate Social Responsibility Report (Chapter 4) provides an overview of the human resources policy.

6.1.2. PRODUCTION RISKS

The main risk lies in the Group's ability to deliver on its commitments to clients in respect of quality, timescales and costs: to deliver products and services in line with specifications and within the stipulated timescales and allocated budget, particularly in the context of major client programmes. Providing responses to fully meet client demands and the control of production quality are among the primary challenges faced by the Group.

Controlling such risks requires a perfect knowledge of numerous constantly evolving technical and business environments, the application of a prior validation procedure covering technical, legal and financial aspects, a tried and tested project management methodology designed to integrate the participation of *Xshore* production platforms, together with a management system for monitoring and controlling technical and accounting aspects.

On another front, the realisation of the growing importance of issues related to the reliability of IT and communications infrastructure led to the role of the Head of Information Systems Security (within the Industrialisation department) being extended. This initiative meets a need to spur greater involvement among all stakeholders across the Group in analysing risks associated with information systems and defining action plans in a context of growing interdependence between entities and onshore and offshore production sites.

6.1.3. RISKS RELATED TO BUSINESS RELATIONS WITH KEY CLIENTS

Commercial efficiency depends upon the ability to mobilise all client-related knowledge, where relationships with major clients extend over a number of years and involve numerous employees, often belonging to different units. Mastering this knowledge is a key factor, which permits an understanding of, and an appropriate response to, clients' needs but also allows for better management of the risk of losing a client or a major contract.

The sales approach used for major accounts is coordinated in the form of a procedure involving the members of the Executive Committee for the management of major commercial programmes.

6.1.4. CASH MANAGEMENT RISKS

The results obtained during the last two years in promoting better control of working capital requirements are largely attributable to the fact that improving the management of the client cycle remained a top priority throughout this period.

The Finance Department, which manages the provisional financing plan, alongside the Legal Department and all operational managers remained mobilised to improve the Group's performance in this area.

Training efforts were pursued on behalf of managers, sales engineers and project managers, who contribute on a day-to-day basis to the hands-on implementation of directives in this area.

Effective management of invoicing and receipts remains a high-level priority.

In addition, organisational improvements are allowing for a better separation of functions within the Finance Department, thus strengthening its control of the cash cycle.

Finally, negotiated bank borrowing facilities help the Group manage its liquidity risk.

6.2. Other risks

6.2.1. LEGAL RISKS

a. Intellectual property

Brands

Sopra and its subsidiaries have trademark protection for the main brand names used in each country.

The brand portfolio is managed by the Group's Legal Department with assistance from an industrial and intellectual property advisor.

Patents

Sopra Banking Software Belgium holds patents concerning technical algorithms used by various components (technological and functional) of the Sopra Banking Platform software suite, designed for banks and financial institutions.

Neither Sopra nor any of its subsidiaries have filed for or hold other patents for software.

Software licences

Sopra and its subsidiaries own exclusive rights to all their software, either through having developed it in-house or by having acquired these rights.

All of the Group's software is protected by copyright. In some cases, copyright protection has been filed with bodies such as Logitas.

Sopra and its subsidiaries only grant non-exclusive, non-transferable user licences for software packages supplied to their clients.

b. Software distribution

Software developed by Sopra or by Sopra Banking Software is usually marketed directly by the Group. The Group has nonetheless set up a number of distribution agreements with partners.

c. Specific regulations

The Group is not subject to any specific regulations and its activities are not subject to any legal, regulatory or public authorisation.

6.2.2. INDUSTRIAL AND ENVIRONMENTAL RISKS

Sopra Group operates exclusively in the field of IT services and is therefore not exposed to any specific industrial or environmental risk.

6.2.3. FINANCIAL RISKS

Financial risks are discussed in Note 34 to the consolidated financial statements, in Chapter 5 of this document.

Negotiated bank borrowing facilities help the Group manage its liquidity risk. The Group's policy concerning this matter is to have borrowing facilities at its disposal which are much more extensive than its needs. Sopra has entered into three syndicated credit facilities with its banks: in the amounts of €132 million in April 2008, €150 million in June 2011 and €128 million in June 2012. The Group has undertaken to comply with the covenants described in Note 36.4 to the consolidated financial statements, in Chapter 5 of this document.

The Company has conducted a specific review of its exposure to liquidity risk and considers that it is able to meet its future maturities.

As of this writing, there are no elements likely to have a material impact on Sopra's financial position and performance.

6.2.4. RISK OF CLIENT OR SUPPLIER DEPENDENCY

a. Risk of client dependency

In 2011, our number one client accounted for 7.3% of Group revenue; the top five clients represented 23.4% and the top ten represented 37.4%.

In 2012, our number one client accounted for 7.4% of Group revenue; the top five clients represented 23.4% and the top ten represented 34.6%.

In 2013, our number one client accounted for 7.6% of Group revenue; the top five clients represented 24.0% and the top ten represented 35.6%.

Our main clients include BNP Paribas, CNAM/CPAM, Crédit Agricole, Airbus Group, EDF, Orange, Mulliez-Auchan, SFR and Société Générale.

b. Risk of supplier dependency

The most significant suppliers are the travel agency, the organisation issuing restaurant vouchers for staff members, a few sub-contractors and the owners of premises. There are many other suppliers each representing a low purchase amount. There is no significant risk related to the insolvency of any of our suppliers or subcontractors.

6.2.5. RISKS RELATED TO THE NATURE OF CONTRACTS

The breakdown of revenue according to the nature of contracts is summarised in the table below:

% of Group's total revenue	2013	2012
Consulting	*5%*	*6%*
Fixed-price projects	*19%*	*15%*
Technical assistance	*22%*	*28%*
Application outsourcing	*29%*	*30%*
Industry application solutions	*25%*	*21%*
TOTAL	***100%***	***100%***

The revenue items exposed to the risk inherent in the determination of costs are:

- 100% of fixed-price projects;
- approximately 50% of application outsourcing;
- approximately 20% of industry application solutions.

About 38% of the Group's total revenue is exposed to the risk inherent in the determination of costs during contractual negotiations. For information, in recent financial years we have not recorded any material fixed price overruns that would affect our ability to generate margins.

6.2.6. RISKS RELATED TO DOWNTIME

Downtime is equal to the number of days between two projects (excluding training, illness, paid leave, pre-sales, etc.) divided by the total number of days worked by the Group's active engineers.

This rate was approximately 5.0% in 2013 and 6.6% in 2012.

6.2.7. INSURANCE AND RISK COVERAGE

a. Civil liability insurance

Sopra has taken out liability coverage with Allianz, a policy including business liability insurance, comprehensive general liability insurance, products and services liability insurance and professional liability insurance, both for the parent company and its subsidiaries.

This policy provides worldwide cover with the exception of the United States, Canada, North Korea and, in particular, as part of the Group's business in and to the entire world, with the exception of Sudan and South Sudan, depending on the loss involved, for the period from 1 January 2013 to 31 December 2013.

The amounts of the cover and excesses are as follows:

Business liability / Comprehensive general liability

- All-inclusive (bodily injury, property damage and financial losses, whether consecutive or not): €40,000,000 per year covered, of which €1,500,000 for accidental environmental damage.
- Excess: €15,000 for all damage claims except bodily damage.

Products and services liability / Professional liability

- All-inclusive (bodily injury, property damage and financial losses, whether consecutive or not): €40,000,000 per year covered, of which:
  - additional expenses: €10,000,000 per year covered,
  - computer viruses: €5,000,000 per year covered.
- Excess: €15,000 for additional expenses and €150,000 for all damage claims except bodily damage.

b. Civil liability relating to aeronautic products

Sopra has taken out a specific insurance policy covering liability arising from aerospace products.

c. Directors' and officers' liability insurance

Sopra has also contracted an insurance policy covering senior executives' liability.

7. Information concerning company officers

7.1. Corporate offices and positions held by each company officer during the financial year

This information is provided in Chapter 2, Section 3 of this Registration Document.

7.2. Details of compensation paid to company officers

The company officers occupying a position within the Group who received fixed and variable compensation in respect of financial year 2013 are as follows:

- Pierre Pasquier, Chairman of the Board of Directors;
- Pascal Leroy, Chief Executive Officer.

The Chairman's role justifies the fact that part of his compensation is conditional upon the achievement of targets set at the beginning of the year.

Like all Executive Committee members, company officers holding a position within the Group received variable compensation in 2013 based on 2012 results and receive such compensation in 2014 based on 2013 results. This variable component may represent up to:

- 40% of fixed annual compensation where the Group's profitability target as well as individual targets are met;
- 60% of fixed annual compensation for very strong performance.

As a result of the alignment of the variable remuneration system applicable to executive company officers with that of all Executive Committee members, the Group departs from the recommendations of the AFEP-MEDEF Code of corporate governance, which states that "when qualitative criteria are used, a limit must be determined for the qualitative portion". For the Group, qualitative criteria do not entitle the beneficiary to receive variable remuneration but serve instead to determine the upward or downward adjustment in the amount calculated in respect of the main profitability target shared by all senior executives and Executive Committee members.

Due to the fact that these targets are not announced publicly, they may be determined without giving consideration to any factors other than the interests of the Group.

7.2.1. SUMMARISED STATEMENT OF COMPENSATION PAYABLE AND OPTIONS AND SHARES ALLOCATED TO PIERRE PASQUIER (TABLE 1 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

	2013	2012
Compensation payable in respect of the financial year	€479,955	€481,449
Valuation of multi-year variable compensation allocated during the financial year	-	-
Valuation of options allocated during the financial year	-	-
Valuation of performance-based shares allocated during the financial year	-	-
TOTAL	**€479,955**	**€481,449**

7.2.2. SUMMARISED STATEMENT OF COMPENSATION PAID TO PIERRE PASQUIER (TABLE 2 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

	2013		2012	
	Amount due	Amount paid	Amount due	Amount paid
Fixed compensation	€350,000	€350,000	€350,000	€350,000
Annual variable compensation	€105,000	€105,000	€105,000	€192,500
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors’ fees	€20,622	€19,950	€19,950	€11,427
Benefits in kind	€4,333	€6,499	€6,499	€6,499
TOTAL	**€479,955**	**€481,449**	**€481,449**	**€560,426**

As Chairman and CEO of Sopra GMT, the holding company that manages Sopra, Pierre Pasquier received fixed compensation in respect of the 2013 financial year from that company in the amount of €60,000. As Chairman of Axway Software, as indicated in its registration document, he also received fixed compensation from the latter company in the amount of €120,000.

7.2.3. SUMMARISED STATEMENT OF COMPENSATION PAYABLE AND OPTIONS AND SHARES ALLOCATED TO PASCAL LEROY (TABLE 1 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

	2013	2012
Compensation payable in respect of the financial year	€498,322	€463,247
Valuation of multi-year variable compensation allocated during the financial year	-	-
Valuation of options allocated during the financial year	-	-
Valuation of performance-based shares allocated during the financial year	-	-
TOTAL	**€498,322**	**€463,247**

Pascal Leroy was named Deputy CEO on 29 October 2010 and subsequently Chief Executive Officer, effective from 20 August 2012.

By way of exception to the guidelines set forth in the AFEP-MEDEF Code, the exercise of the 42,000 share subscription options (changed to 44,731 following adjustments for the Axway spin-off) allotted to Pascal Leroy on 29 March 2011 and exercisable as of 30 March 2016 is not conditional on performance. These options were allotted in order to ensure that Mr Leroy’s interests were aligned with those of the shareholders. As a condition for this grant, Pascal Leroy agreed, for as long as he remains a Sopra Group company officer, not to sell or transfer more than 5% of the shares resulting from the exercise of these options in any given year. The performance requirement is only taken into account in respect of the variable component of compensation paid to the Group’s executives. The exercise price of these options was set at the average market price of the 20 days preceding the allocation, without a discount, in accordance with Group rules.

7.2.4. SUMMARISED STATEMENT OF COMPENSATION PAYABLE TO PASCAL LEROY (TABLE 2 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

	2013		2012	
	Amount due	Amount paid	Amount due	Amount paid
Fixed compensation	€400,000	€400,000	€341,806	€341,806
Annual variable compensation	€80,000	€102,542	€102,542	€105,000
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors’ fees	-	-	-	-
Benefits in kind	€18,322	€18,322	€18,899	€18,899
TOTAL	**€498,322**	**€520,864**	**€463,247**	**€465,705**

7.2.5. COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS (TABLE 3 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

STATEMENT OF DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE COMPANY OFFICERS

	2013	2012
Christian Bret (appointed on 19 June 2012)		
Directors' fees	€22,951	€12,749
Other compensation	-	-
Alain Brodelle (term expired on 19 June 2012)		
Directors' fees	-	€7,602
Other compensation	-	-
Kathleen Clark-Bracco (appointed on 19 June 2012)		
Directors' fees	€22,951	€9,661
Other compensation	-	-
Philippe Citerne (term expired on 19 June 2012)		
Directors' fees	-	€12,749
Other compensation	-	-
Delphine Inesta (term expired on 19 June 2012)		
Directors' fees	-	€10,373
Other compensation	-	-
Gérard Jean	€27,362	€22,586
Directors' fees		
Other compensation	-	-
Hélène Martel-Massignac (resigned effective 22 May 2013)	€15,931	€17,295
Directors' fees		
Other compensation	-	-
Françoise Mercadal-Delasalles (appointed on 19 June 2012)	€14,399	€5,975
Directors' fees		
Other compensation	-	-
Bernard Michel (Advisor) (appointed on 19 June 2012)		
Directors' fees	€19,809	€23,554
Other compensation	-	-
Jean Mounet (appointed on 19 June 2012)		
Directors' fees	€14,399	€8,961
Other compensation	-	-
François Odin		
Directors' fees	€22,190	€27,909
Other compensation	-	-
Jean-Luc Placet (appointed on 19 June 2012)		
Directors' fees	€20,894	€12,081
Other compensation	-	-
Hervé Saint-Sauveur		
Directors' fees	€40,264	€38,543
Other compensation	-	-
Jean-François Sammarcelli		
Directors' fees	€8,228	€8,530
Other compensation	-	-
Gérard Vincent (term expired 19 June 2012)		
Directors' fees	-	€11,482
Other compensation	-	-
TOTAL	**€229,378**	**€230,050**

The total amount of directors' fees to be allocated with respect to the 2013 financial year was €250,000 (the seventh resolution approved by the General Meeting of 13 June 2013): The directors' fees allocated to Pierre Pasquier with respect to 2013, totalling €20,622, are presented in the table found in Section 7.2.2.

Directors' fees are allocated to participants in meetings of the Board of Directors and its committees (voting and non-voting members), solely on the basis of their effective participation in those meetings, whether by physical presence or telephone. The participation of chairmen in their respective committees was counted double.

Other compensation paid in 2013

It should be noted that:

- Kathleen Clark-Bracco's compensation in respect of financial year 2013 was €204,750 on the basis of her status as an employee of Sopra GMT, the holding company that manages Sopra;
- Trigone, a company controlled by Jean Mounet, invoiced commercial consulting services totalling €366,250 in 2013 under the terms of a contract signed in 2009.

7.2.6. SHARE SUBSCRIPTION AND PURCHASE OPTIONS ALLOCATED DURING THE YEAR TO EXECUTIVE OFFICERS (TABLE 4 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Name of executive company officer	Number and date of plan	Type of options	Valuation of options *via* method used in consolidated financial statements	Number of options allocated during the year	Exercise price	Exercise period
-	-	-	-	-	-	-

7.2.7. SHARE SUBSCRIPTION AND PURCHASE OPTIONS EXERCISED DURING THE YEAR BY EXECUTIVE OFFICERS (TABLE 5 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Name of executive company officer	Number and date of plan	Number of options exercised during the year	Exercise price
Pascal Leroy	Plan no. 5 (26/05/2005)	5,326	€53.84

The options exercised had been allocated to Pascal Leroy on 21 December 2006, prior to his appointment as a company officer.

7.2.8. BONUS SHARES ALLOCATED TO COMPANY OFFICERS (TABLE 6 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Name of executive company officer	Number and date of plan	Number of shares allocated during the year	Valuation of options *via* method used in consolidated financial statements	Acquisition date	Vesting date	Conditions for freeing shares
-	-	-	-	-	-	

7.2.9. BONUS SHARES ALLOCATED TO COMPANY OFFICERS THAT WERE FULLY VESTED DURING THE YEAR (TABLE 7 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Name of executive company officer	Number and date of plan	Number of options made available during the financial year	Exercise price	Vesting conditions
-	-	-	-	-

7.2.10. TIMELINE OF SHARE SUBSCRIPTION AND PURCHASE OPTION ALLOCATIONS (TABLE 8 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Date of General Meeting	Plan No. 5 – GM of 26 May 2005				Plan No. 6 – GM of 15 May 2008			Plan No. 7 – GM of 10 May 2011	Total
Date of Board of Directors or Executive Board meeting	25/07/2006	21/12/2006*	08/01/2007	18/03/2008*	17/03/2009*	15/04/2010*	29/03/2011*	20/11/2011	
Total number of shares that may be subscribed or purchased	30,000	67,000	5,000	50,000	20,000	30,000	49,500	5,000	256,500
Of which: number of shares held by Pascal Leroy as a company officer							42,000		42,000
Exercise price	57.85	58.80	60.37	45.30	27.16	53.68	72.00	43.22	
Number of shares initially allocated or readjusted following the Axway spin-off	30,000	70,423	5,000	52,642	21,302	31,953	52,720	5,000	269,040
Initial or readjusted exercise price following the Axway spin-off		53.84		41.16	24.13	49.03	66.61		
Of which: number of shares held by Pascal Leroy as a company officer							44,731		44,731
Date at which options may be exercised	26/07/2011	22/12/2011	09/01/2012	19/03/2013	18/03/2014	16/04/2015	30/03/2016	21/10/2016	
Expiration date	24/07/2014	20/12/2014	07/01/2015	17/03/2016	16/03/2017	14/04/2018	28/03/2019	19/10/2019	
Subscription or purchase price	57.85	53.84	60.37	41.16	24.13	49.03	66.61	43.22	
Operating procedures	NA	NA	NA	NA	NA	NA	NA	NA	
Number of shares subscribed at 31/12/2013	0	22,901	0	3,196					26,097
Cumulative number of share subscription or purchase options cancelled or lapsed	30,000	20,359	5,000	9,500					64,859
Share subscription or purchase options remaining at 31/12/2013	0	27,163	0	39,946	21,302	31,953	52,720	5,000	178,084

* *Quantity and exercise price for option allocations adjusted following the Axway spin-off and listing transactions.*

NA: not applicable.

A total of 26,097 subscription options were exercised in 2013 under Plan 5.

No further options may be granted under Plan 5, Plan 6, or Plan 7. At the Combined General Meeting held on 19 June 2012, the shareholders authorised the Board of Directors to issue options under Plan 8. No shares have yet been allotted under this plan.

Adjustments were made to the exercise price and volume of Sopra share subscription options yet to be exercised as at 14 June 2011 to reflect the Axway spin-off and capital increase with pre-emptive rights for existing shareholders. These adjustments are set out in the table above.

Based on these adjustments, the number of Sopra shares issuable against outstanding options is 178,084.

On 19 June 2012, the General Meeting set a limit of 5% of the share capital for the issue of new shares against subscription options provided for under Plan 8, with the qualification that the issue of any subscription and/or purchase warrants for redeemable shares (BSAAR), as well as any bonus share issues, would result in this limit being lowered such that the total value of the securities issued would not exceed 5% of the share capital.

In light of the 166,875 bonus shares issued under the plan authorised by the General Meeting of 19 June 2012 (see Note 25.3 of Chapter 5 of this document), the number of options that could still be issued as of 31 December 2013 under Plan 8 was 427,799.

This in turn brings the maximum number of Sopra shares to be issued in respect of options to be exercised to 605,883.

On exercising their options, holders of Sopra options as at 14 June 2011 are eligible to receive one free Axway Software share held by the Company for each Sopra option originally granted. The number of Axway Software shares that could thus be distributed by way of the exercise of Sopra Group options totalled 162,500 as at 31 December 2013.

7.2.11. TEN LARGEST STOCK OPTION ALLOCATIONS TO EMPLOYEES WHO ARE NOT COMPANY OFFICERS AND OPTIONS EXERCISED BY SAID EMPLOYEES DURING THE YEAR (TABLE 9 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Ten largest stock option allocations to employees who are not company officers and options exercised by said employees during the year	Number of options allocated/ number of shares subscribed or purchased	Weighted average price	Plan 5	Plan 6	Plan 7
Ten largest stock option allocations during the year by the Company, and by any other Group entities able to grant options, to employees of the Company and of any other Group entities able to grant options (summary information)	0	-	0	0	0
Stock options granted by the Company and by the aforementioned entities exercised during the year by the ten employees of the Company and these entities having thus exercised the largest number of stock options (summary information)	20,771	€51.89	20,771	0	0

7.2.12. TIMELINE OF BONUS SHARE ALLOTMENTS (TABLE 10 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

Date of General Meeting	Plan 1 of 19 June 2012
Date of Board of Directors meeting	19/06/2012
Total number of bonus shares allotted	166,875
of which company officers	0
Share acquisition date	01/07/2014
Holding period end date	30/06/2016
Number of shares subscribed at 31 March 2014	0
Cumulative number of shares cancelled or lapsed	28,200
Number of allocated bonus shares remaining at end of period	138,675

7.2.13. EMPLOYMENT CONTRACTS, SUPPLEMENTARY PENSION PLANS, COMMITMENTS DUE ON THE TERMINATION OF SERVICE OR CHANGE OF FUNCTIONS, NON-COMPETITION CLAUSES (TABLE 11 – AMF POSITION-RECOMMENDATION NO. 2009-16, REVISED ON 17 DECEMBER 2013)

	Employment contract		**Supplementary pension plan**		**Indemnities or benefits due or likely to become due on the termination of service or change of functions**		**Indemnities relating to a non-competition clause**	
Senior executive officer	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Pierre Pasquier Chairman Date of appointment: 2012 End of term: 2018		X		X		X		X
Pascal Leroy Chief Executive Officer Date of appointment: 2012 End of term: indefinite	X*			X	X**			X

* *By way of exception to AFEP-MEDEF guidelines, given his seniority in the Group, Pascal Leroy's employment contract was not terminated when he was named Chief Executive Officer. The contract remains in suspension as of his appointment to the position of Deputy CEO on 29 October 2010.*

** *On 17 October 2012 the Board of Directors voted, on recommendation from the Compensation Committee, to grant Pascal Leroy a guarantee. This guarantee would be triggered only if his company officer status and his employment contract were to be terminated simultaneously, on the Company's initiative, except in the event of gross negligence, wilful misconduct, or compulsory retirement. The target amount of this guarantee will be equal to Pascal Leroy's average variable compensation, assuming fulfilment of targets, over the two financial years immediately preceding the termination of his company officer status. The amount effectively paid will be determined by multiplying the target amount by his average level of performance over the preceding two financial years. His average level of performance is defined as the ratio of his average variable compensation effectively paid over the preceding two financial years to his average variable compensation assuming fulfilment of targets. Thus, the payment of the guarantee is conditional upon the fulfilment, and prior recognition thereof by the Board of Directors, of the performance criteria agreed on as a basis for releasing variable compensation during the benchmark period. Moreover, the amount of the guarantee will be strictly proportional to the performance assessment validated by the Board of Directors.*

Pursuant to the provisions of the French Commercial Code, this guarantee was submitted for approval by the General Meeting of 13 June 2013 (fifth resolution).

8. Information on transactions in securities by directors or persons designated by Article L. 621-18-2 of the French Monetary and Financial Code

Pursuant to Article 223-26 of the general regulations of the AMF, the transactions referred to in Article L. 621-18-2 of the French Monetary and Financial Code during financial year 2013, relating to Sopra shares, were as follows:

Category (1)	Name	Function	Transaction type (2)	Transaction date	Number of securities	Unit price	Transaction amount
a	SEI (3)	Chief Executive Officer	A	02/01/2013	826	€47.9013	€39,566
a	SEI	Chief Executive Officer	A	04/01/2013	77,000	€47.9985	€3,695,885
a	SEI	Chief Executive Officer	A	08/01/2013	37,700	€48.0000	€1,809,600
a	SEI	Chief Executive Officer	A	09/01/2013	12,300	€47.9973	€590,367
a	Françoise Mercadal-Delasalles	Director	A	15/03/2013	1	€56.7500	€57
a	SEI	Chief Executive Officer	A	16/09/2013	1,355	€67.8851	€91,984
a	SEI	Chief Executive Officer	A	17/09/2013	843	€67.9107	€57,249
a	SEI	Chief Executive Officer	A	18/09/2013	51	€67.9400	€3,465
a	SEI	Chief Executive Officer	A	23/09/2013	20,766	€69.0192	€1,433,253
a	SEI	Chief Executive Officer	A	24/09/2013	1,985	€68.5000	€135,973
a	SEI	Chief Executive Officer	A	30/09/2013	500	€65.0000	€32,500
a	SEI	Chief Executive Officer	A	01/10/2013	3,500	€64.2293	€224,803
a	Pascal Leroy	Chief Executive Officer	SO	04/10/2013	5,326	€53.8400	€286,752
a	Pascal Leroy	Chief Executive Officer	G	04/10/2013	5,326	€0.0000	€0
a	SEI	Chief Executive Officer	A	06/12/2013	12,000	€72.3663	€868,396

(1) Category a: Members of the Board of Directors, CEO.
(2) Type of transaction: A: Acquisition; D: Disposal; S: Subscription; E: Exchange; G: Gift; SO: Exercise of stock options.
(3) SEI is a French société par actions simplifiée (SAS, simplified joint stock company) with variable capital controlled by several of the Group's current and former senior managers. Pascal Leroy, Chief Executive Officer of Sopra, serves as Chairman of SEI.

In addition, the following declarations of threshold crossings by registered intermediaries or fund managers were filed with the AMF in 2013:

Date at which threshold(s) crossed	AMF declaration number	Shareholder(s) having crossed the threshold(s)	Crossing of threshold(s) in capital and voting rights	Type	Number of shares	% of voting rights
04/12/2013	213C1877	FMR LLC	5%	Increase	603,728	*5.07%* (1)
01/10/2013	213C1510	Caravelle SA	5%	Decrease	-	-

(1) On the basis of share capital composed of 11,914,789 shares representing the same number of voting rights.

9. Employee share ownership

Pursuant to the provisions of Article L. 225-102 of the French Commercial Code, we hereby inform you that, at 31 December 2013:

- employees of the Company or its affiliates held 12,153 Sopra shares in the form of units in company mutual funds (FCPE) through an employee savings plan;
- no shares in the Company were held at 31 December 2013 by employees or former employees through company mutual funds (FCPE);
- no shares in the Company were held at 31 December 2013 by employees during periods of inalienability provided for in Articles L. 225-194 and L. 225-197 of the French Commercial Code.

10. Information required by Law 2006-387 of 31 March 2006 relating to public acquisition offers

1° The Company's ownership structure is presented in Chapter 7, Section 2 of this Registration Document.

2° There are no restrictions in the Articles of Association:

- relating to the number of voting rights per share; the General Meeting held on 22 June 2010 approved the elimination of double voting rights (Article 29 of the Articles of Association). Each Sopra share is attributed one voting right,
- shares are freely tradable, other than as specified by applicable laws or regulations (Article 11 of the Articles of Association).

The Company has not been informed of any clauses of agreements pursuant to Article L. 233-11 of the French Commercial Code.

3° Any direct or indirect participating interests in the capital of the Company of which the latter has been informed pursuant to Articles L. 233-7 and L. 233-12 are presented in Chapter 7, Section 2 of this Registration Document.

4° There are no special controlling rights.

5° There is no control mechanism provided under an employee share ownership scheme.

6° Agreements between shareholders of which the Company is aware and which may give rise to restrictions on share transfers and voting rights are presented in Chapter 7, Section 2 of this Registration Document.

7° The regulations applicable to the appointment and replacement of the members of the Board of Directors are set forth in Article 14 of the Articles of Association. The regulations relating to the amendment of the Company's Articles of Association are contained within Article 33 of the Articles of Association, which states that the Extraordinary General Meeting alone shall be authorised to amend any and all provisions of the Memorandum and Articles of Association.

8° The powers of the Board of Directors are described in Article 17 of the Articles of Association. *"The Board of Directors determines the overall business strategy of the Company and supervises its implementation. It examines any and all matters related to the efficiency and effectiveness of business operations and reaches decisions about any and all issues concerning the Company, within the limits of the corporate purpose and except for those matters which, by law, can only be decided on by the shareholders in a General Meeting."*

In addition, the Board of Directors has been given delegations of authority by the Combined General Meeting of 19 June 2012 in the nineteenth to the thirty-second resolutions.

9° Agreements concluded by the Company that might be amended or cease to apply in the event of a change in the ownership of the Company mainly concern the syndicated credit facilities concluded in April 2008, June 2011 and June 2012.

10° There are no agreements providing for the payment of compensation to the members of the Board of Directors or to employees upon their resignation or their dismissal without just cause or should their employment contract be terminated due to a public offer, other than those stipulated in the related-party agreements in the Statutory Auditors' special report on said agreements at the end of Chapter 6 of this Registration Document.

11. Sustainable development and corporate social responsibility

This information is provided in Chapter 4 of this Registration Document.

12. Miscellaneous

12.1. Delegations of authority granted to the Board of Directors by past General Meetings

This item is addressed in Chapter 7, Section 4.

12.2. Share buyback programme

This item is addressed in Chapter 7, Section 2.3.

12.3. Regulated agreements

12.3.1. COMMITMENTS TO COMPANY OFFICERS

This item is addressed in Chapter 2, Section 1.2.

12.3.2. OTHER REGULATED AGREEMENTS

Please refer to the special report of the Statutory Auditors.

12.3.3. RECLASSIFICATION OF REGULATED AGREEMENTS

At its meeting of 17 February 2014, in order to rationalise and efficiently manage the monitoring of inter-company agreements, the Board of Directors decided to exclude agreements concerning routine operations concluded under normal terms between Sopra and its fully-owned subsidiaries from the scope of the regulated agreement scheme. Such agreements include the following:

- Cash management agreements concluded with the subsidiaries (Sopra Group Ltd, Sopra Group GmbH, Sopra Belux, Sopra Group SpA, SOPRAntic, Sopra Informatique, Sopra Group Informatica, Sopra Luxembourg).
- Agreements entered into with Sopra Banking Software:
  - Assistance provided by functional divisions,
  - Head office expenses,
  - Civil liability insurance,
  - Cash management agreements,
  - Lease on premises in Annecy,
  - Agreements to sublet premises,
  - Provision of IT resources,
  - Provision of personnel.
- Tax consolidation agreements concluded by Sopra, the Group's parent company, and each of its consolidated subsidiaries, namely:
  - Sopra Banking Software, and
  - Sopra HR Software.
- Sale of shares in SOPRAntic to Sopra Banking Software.

As a result, these agreements will no longer be mentioned in the Statutory Auditors' special report on regulated agreements and commitments, approved by the Annual General Meeting of Shareholders. Nevertheless, the application of these agreements will continue to be presented in documentation on transfer prices drawn up for each financial year, pursuant to the Company's obligations. This documentation is reviewed by the Statutory Auditors and transmitted to the Audit Committee on an annual basis.

13. Summary of resolutions submitted for the approval of shareholders at the General Meeting of 27 June 2014

These items are summarised in Chapter 8, Section 1 of this Registration Document.

Paris, 23 April 2014,

The Board of Directors

Annex to the Management Report of the Board of Directors submitted to the General Meeting of Sopra Group shareholders

Summary of results for the last five financial years for Sopra Group SA (individual financial statements)

(in euros)	2013	2012	2011	2010	2009
Financial position of the Group at the year-end					
■ Share capital	11,919,583	11,893,486	11,893,486	47,415,780	47,010,172
■ Number of shares issued	11,919,583	11,893,486	11,893,486	11,853,945	11,752,543
■ Number of bonds convertible into shares	-	-	-	-	-
Results of operations for the year					
■ Revenue excluding VAT	853,281,417	819,228,076	850,278,131	770,733,208	723,828,915
■ Profit before tax, depreciation, amortisation and provisions	56,398,937	32,010,128	236,531,998	46,353,303	9,483,156
■ Corporate income tax	5,312,553	8,406,288	21,143,182	13,045,706	10,372,243
■ Profit after tax, depreciation, amortisation and provisions	40,946,527	34,841,059	173,287,949	42,557,634	44,462,844
■ Amount of profit distributed as dividends	22,647,208	20,218,926	22,597,623	9,483,156	9,402,034
Earnings per share					
■ Profit after tax but before depreciation, amortisation and provisions	4.29	1.98	18.11	2.81	4.87
■ Profit after tax, depreciation, amortisation and provisions	3.44	2.93	14.57	3.59	3.78
■ Dividend paid per share	1.90*	1.70	1.90	0.80	0.80
Employee data					
■ Number of employees	8,901	8,395	8,654	7,843	7,596
■ Total payroll	382,986,738	358,743,374	363,402,201	328,767,823	312,763,163
■ Social and social benefit charges paid (social security, social bodies, etc.)	170,862,230	167,007,884	169,287,774	150,925,734	143,666,230

* *Subject to approval by the General Meeting of 27 June 2014.*

Report of the Board of Directors on the use of delegations of authority given by the combined general meeting of 19 June 2012 in the form of resolutions relating to the issue of securities giving access, whether directly or indirectly, to the share capital

- The authorisation granted to the Board of Directors by **the twentieth resolution**, to cancel the shares that the Company may have repurchased under share repurchase programmes, **was not used**.
- The delegation of powers to the Board of Directors by **the twenty-second resolution** to increase the Company's share capital by up to €3.5 million in par value, maintaining pre-emptive subscription rights, by issuing shares or any other securities entitling access to the Company's share capital **was not used**.
- The delegation of authority given to the Board of Directors by **the twenty-third resolution**, to decide to increase the number of shares or securities giving access to the Company's share capital to be issued pursuant to the delegation of authority provided for in the twenty-second resolution, up to a maximum of 15% of the amount of the initial issue and at the same price, in the event of excess demand, **was not used**.

- The delegation of authority given to the Board of Directors by **the twenty-fourth resolution**, to decide to increase the share capital through the capitalisation of reserves, the issue of new shares or by increasing the par value of existing shares, **was not used**.
- The delegation of powers to the Board of Directors by **the twenty-fifth resolution** to increase the Company's share capital by up to €3.5 million in par value, eliminating pre-emptive subscription rights, by issuing shares or any other securities entitling access to the Company's share capital as part of a public offering **was not used**.
- The delegation of authority given to the Board of Directors by **the twenty-sixth resolution**, to decide to increase the number of shares or securities giving access to the Company's share capital to be issued pursuant to the authorisation referred to in the twenty-fifth resolution, without pre-emptive subscription rights for existing shareholders, up to a maximum of 15% of the amount of the initial issue and at the same price, in the event that the issue is oversubscribed, **was not used**.
- The delegation of powers to the Board of Directors by **the twenty-seventh resolution** to increase the Company's share capital by up to €3.5 million in par value, eliminating pre-emptive subscription rights, by issuing shares or any other securities entitling access to the Company's share capital as part of an offering reserved for qualified investors or a restricted circle of investors, as provided for in paragraph II of Article 411-2 of the French Monetary and Financial Code, **was not used**.
- The delegation of authority given to the Board of Directors by **the twenty-eighth resolution**, to decide to increase the Company's share capital, without pre-emptive subscription rights for existing shareholders, in consideration of contributions in kind consisting of equity securities or other securities giving access to equity, **was not used**.
- The delegation of authority given to the Board of Directors by **the twenty-ninth resolution**, to decide to increase the Company's share capital in favour of employees of the Company or other companies within the Group that are members of an employee savings plan, **was not used**.

Paris, 23 April 2014,

The Board of Directors

Report of the Board of Directors relating to share subscription options

The Board of Directors did not use the authorisation given by **the thirtieth resolution** of the Combined General Meeting of **19 June 2012** to grant share subscription options to employees.

Paris, 23 April 2014,

The Board of Directors

Report of the Board of Directors relating to the authorisation given by the General Meeting to issue warrants to subscribe for and/or acquire redeemable shares (BSAAR) to employees and/or officers of the Company or its Group

The Board of Directors **did not use** the authorisation given by **the thirty-first resolution** of the Combined General Meeting of 19 June 2012 to issue BSAARs to employees and/or officers of the Company or its Group.

The Board of Directors **did not use** the authorisation given by **the ninth resolution** of the Combined General Meeting of 13 June 2013 to issue BSAARs to employees and/or officers of the Company or its Group.

Paris, 23 April 2014,

The Board of Directors

Report of the Board of Directors relating to the authorisation granted by the shareholders in the General Meeting to allot bonus shares in favour of employees and officers of the Company or its Group

The Board of Directors **used** the authorisation granted by **the thirty-second resolution** at the General Meeting of 19 June 2012 to proceed with an equitable allotment of 15 shares to 11,125 employee grantees, for a total of 166,875 shares.

At 31 December 2013, there were no more than 9,245 employees concerned, for a total of 138,675 shares. This allotment could represent up to approximately 1.16% in maximum theoretical dilution. This maximum theoretical dilution does not take into account the loss of rights of employees leaving the Group during the period from 1 January 2014 to the date after which they will effectively become the owners of the shares (the vesting period lasts between two and four years, depending on the country of employment).

Paris, 23 April 2014,

The Board of Directors