HALF-YEAR FINANCIAL REPORT

AT 30 JUNE

2013

Sopra group

Talented Together

Unissons nos talents

Société anonyme with share capital of €11,893,486 – 326 820 065 RCS Annecy
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This document is a free translation into English of the original French "Rapport financier semestriel au 30 juin 2013", hereafter referred to as the "Half-year financial report at 30 June 2013". It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.

1 Business review for the period ended 30 June 2013

General environment

After seeing very slight growth in 2012, the market for digital services (formerly referred to as IT services) experienced a slowdown in the first half of 2013. In terms of revenue performance, this trend was exacerbated in France by two fewer working days in the period compared to the previous year. Among clients, it translated into protracted decision-making on investments and occasional postponement of projects.

The public sector in France, burdened by major budget cuts, is among those most affected by this crisis. Alongside it we find the country's telecoms industry, still reeling from the arrival of a fourth operator driving down prices and margins, and the manufacturing sector. This is with the exception of aerospace, which continues to make investments though to a more limited extent. However, other industry sectors such as finance (in response to changes in its regulatory framework) and energy are maintaining the pace of their investments.

With regard to the digital services sector's various business lines, consulting is still probably the hardest hit. In contrast, application management and production have continued their forward march. Software development, although certainly affected by the crisis, has seen slight growth. Cloud services are still only a marginal component of investments by major clients.

Prices remain under pressure and the offshore market continues to expand, although less quickly than anticipated due to linguistic challenges. It is difficult to analyse how margins will be impacted by this pricing pressure coupled with weak or nonexistent growth.

Markets in southern Europe are still facing serious challenges, while those in northern Europe are slowly beginning to emerge from the crisis.

1. Significant events of the first six months of the year and impact on the interim financial statements

1.1. Significant events

1.1.1. ACQUISITION OF THE HR ACCESS GROUP

Sopra Group has acquired HR Access, a software vendor specialising in human resources management solutions. HR Access is consolidated in the Group's financial statements with effect from 1 April 2013.

Sopra Group's acquisition of HR Access is in keeping with its "Sopra 2015" enterprise project, through which it aims not only to solidify its positioning in the human resources management segment, but also to meet its bold target of generating 30% of its revenue in software development. Sopra Group is now able to provide end-to-end HR software solutions perfectly suited to the human resources management market and fit for organisations of all sizes.

The solutions provided by HR Access serve both private and public sector companies, in all industry sectors. HR Access has built a loyal client base, including many CAC 40 companies. With this acquisition Sopra Group rounds out its offerings marketed under the Pléiades brand, which are in wide use by both the private and public sectors in France. HR Access and Sopra Group's solutions include modules for workforce and talent management, time and attendance, as well as payroll. Each solution is offered either under the traditional software licensing model or in the form of a service (SaaS). HR Access and Sopra Group share several strengths: quality products, a proven capacity in R&D and a deep understanding of the human resources industry.

Sopra Group will ensure the ongoing development of both product lines. Whether they have opted for an HR Access or Pléiades solution, existing clients may remain fully confident in their investment decisions.

1.1.2. CHANGE IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS

At its meeting on 30 May 2013 chaired by Pierre Pasquier, the Board of Directors of Sopra Group acknowledged the resignation of Hélène Martel-Massignac from the Board and as a member of its Audit Committee and its Compensation Committee, effective 22 May 2013.

In submitting her resignation, Hélène Martel-Massignac explained that Caravelle, of which she is Chief Executive Officer, was interested in being able to freely review options relating to its shareholding in Sopra Group, which it has held since 2004. She made clear that this resignation does not in any way cast doubt on Caravelle's confidence in Sopra Group's executive management team.

1.2. Business activity during the first six months of 2013

In a difficult market environment, the Group achieved good performance for the first half of the year, with:

- revenue in the 1st half representing total growth of 12.1% and organic growth of 4.9%;

- operating margin on business activity resilient at 6.2% in the 1st half;
- integration of HR Access well on track;
- confirmation of annual targets.

Sopra Group was able to harness its capacity for innovation and its competencies in managing major projects to support clients' transformation projects in France and Europe. Clients continue to appreciate the quality of the services the Group provides in its three business lines (consulting, systems integration and software publishing) and the long-term partnership spirit in which they are delivered.

CONSOLIDATED INCOME STATEMENT

Revenue for the first half of 2013 amounted to €661.0 million, representing total growth of 12.1% and organic growth of 4.9%. In the second quarter, revenue came to €339.7 million, representing total growth of 12.6% and organic growth of 7.3%.

Operating profit on business activity was €41.3 million, generating a margin of 6.2%.

After deducting costs associated with stock options and bonus shares for a total of €1.4 million and amortisation of intangible assets of €2.4 million, profit from recurring operations was €37.5 million, representing a margin of 5.7%.

Taking into account negative goodwill, restructuring expenses and other operating income and expenses, operating profit came to €63.6 million, representing a margin of 9.6%. The Group emphasises that the entirety of negative goodwill was recognised in the first half of the year, while a large portion of restructuring expenses will be recognised in the second half.

Net financial expense was €2.4 million. Total tax expense amounted to €13.4 million.

Net profit, including Axway's €2.4 million contribution, thus amounted to €50.2 million with a net margin of 7.6%.

	First-half 2013 with HR Access		First-half 2013 without HR Access		First-half 2012	
	€m	%	€m	%	€m	%
Revenue	**661.0**		**644.4**		**589.6**	
Staff costs – Employees	-455.4		-442.3		-396.6	
Staff costs – Contractors	-53.1		-52.2		-49.7	
Operating expenses	-101.2		-95.9		-87.8	
Depreciation, amortisation and provisions	-10.0		-9.0		-7.9	
Operating profit on business activity	**41.3**	***6.2%***	**45.0**	***7.0%***	**47.6**	***8.1%***
Expenses related to stock options	-1.4		-1.4		-0.7	
Amortisation of allocated intangible assets	-2.4		-2.4		-1.7	
Profit from recurring operations	**37.5**	***5.7%***	**41.2**	***6.4%***	**45.2**	***7.7%***
Other operating income and expenses	26.1		-0.9		-6.8	
Operating profit	**63.6**	***9.6%***	**40.3**	***6.3%***	**38.4**	***6.5%***
Cost of net financial debt	-2.4		-2.5		-2.9	
Other financial income and expenses	-		0.1		-0.5	
Corporate income tax	-13.4		-13.8		-14.7	
Share of net profit from equity-accounted companies	2.4		2.4		0.3	
NET PROFIT	**50.2**	***7.6%***	**26.5**	***4.1%***	**20.6**	***3.5%***
Group share	50.2		26.5		20.5	
Minority interests	-		-		0.1	

In France, revenue came to €413.7 million, representing total growth of 4.5% and organic growth of 4.6%. This solid performance achieved in a difficult market environment was sustained by key accounts, which posted organic growth of close to 12.0% over the first half of the year. Operating profit on business activity totalled €31.0 million, with a margin of 7.5% compared to 8.8% in the first half of 2012. Investments in large-scale projects were significant but should have a lesser impact on the second half of the year.

In Europe, revenue amounted to €122.9 million, representing total growth of 12.8% and organic growth of 9.5%. This growth was due to the performances of the Italian, Belgian and German subsidiaries, in which investments generated double-digit growth. Meanwhile, performance stabilised in the United Kingdom and declined slightly in Spain under persistently difficult market conditions. Operating profit on business activity in Europe came to €3.5 million, which represented an operating margin on business activity of 2.8%, with the United Kingdom, Italy and Switzerland showing the best profitability. Sopra Group expects an operating margin on business activity in Europe for the year slightly below that achieved in the prior year.

For Sopra Banking Software, revenue for the first half of the year was €107.8 million, for total growth of 27.0% and organic growth of 1.3%. The margin reached 9.7% for the first half of the year. Business activity in France posted organic growth of 7.2%, and despite uncertainty surrounding licence sales at year end, the subsidiary's annual margin should be above 10%.

With respect to HR Access, the Group's latest acquisition, revenue amounted to €16.6 million in the 2nd quarter, an increase of 2.5%. With the integration process well on track, breakeven could be achieved in the second half of the year in terms of operating profit on business activity, provided licence sales perform as hoped.

	First-half 2013	First-half 2012 Pro forma	First-half 2012 Reported	Total growth	Organic growth
	€m	€m	€m	%	%
France	**413.7**	**395.5**	**395.7**	**4.5%**	**4.6%**
Europe (excluding France)	**122.9**	**112.2**	**109.0**	**12.8%**	**9.5%**
United Kingdom	42.3	41.5	38.2	10.7%	1.9%
Spain	37.8	38.4	38.4	-1.6%	-1.6%
Italy	22.8	19.7	19.7	15.7%	15.7%
Switzerland	5.4	5.6	5.7	-5.3%	-3.6%
Benelux	6.6	5.1	5.1	29.4%	29.4%
Germany	8.0	1.9	1.9	NS	NS
Sopra Banking Software	**107.8**	**106.4**	**84.9**	**27.0%**	**1.3%**
HR Access	**16.6**	**16.2**	**-**	**-**	**2.5%**
SOPRA GROUP	**661.0**	**630.3**	**589.6**	**12.1%**	**4.9%**

Performance by operating entity for 1st half 2013 was as follows:

	Revenue	Operating profit on business activity	Operating margin on business activity
	€m	€m	%
France	**413.7**	**31.0**	**7.5%**
Europe (excluding France)	**122.9**	**3.5**	**2.8%**
United Kingdom	42.3	3.3	7.8%
Spain	37.8	0.5	1.3%
Italy	22.8	0.7	3.1%
Switzerland	5.4	0.7	13.0%
Benelux	6.6	-0.1	-1.5%
Germany	8.0	-1.6	-20.0%
Sopra Banking Software	**107.8**	**10.5**	**9.7%**
HR Access	**16.6**	**-3.7**	**-22.3%**
SOPRA GROUP	**661.0**	**41.3**	**6.2%**

At 30 June 2013, the Group's workforce totalled 16,100 people. The Group added 880 employees via acquisition and 1,830 through recruiting. The net increase in the workforce was 1,790 people compared to 31 December 2012.

The Group's revenue breakdown by industry segment changed as follows:

	First-half 2013	2012
Financial Services	33%	33%
Services/Transport/Utilities	20%	20%
Public Sector	16%	16%
Manufacturing	16%	16%
Telecoms & Media	10%	10%
Retail	5%	5%
TOTAL	**100%**	**100%**

By geographic region, revenue broke down as follows:

	First-half 2013	2012
France	67%	68%
Europe & rest of world	33%	32%
TOTAL	**100%**	**100%**

By offering, revenue broke down as follows:

	First-half 2013	2012
Consulting & Integration	76%	79%
Software publishing	24%	21%
TOTAL	**100%**	**100%**

GROUP'S FINANCIAL POSITION

Equity amounted to €332.7 million. Net debt at 30 June 2013 was €216.2 million, taking into account the employee profit sharing liability of €31.3 million. Consequently, net bank debt amounted to €184.9 million. The net debt to equity ratio excluding employee profit sharing for the calculation of bank covenants came to 55.6%.

The Group has available credit lines of €295 million, in addition to authorised overdraft facilities.

At 30 June 2013, the financial position remained robust, in regards to both debt maturity and compliance with banking covenants.

Furthermore, at 31 July 2013, the Group extended a €150 million revolving line of credit by two years. Initially maturing in June 2016, the line is now extended to June 2018.

1.3. Strategy

The Group's business model applies a comprehensive approach, combining consulting, integration services and software development. The Group's high value-added offerings, together with the gradual implementation of a strategy to meet clients' evolving technology needs, have enabled the Group to stay on course and confirm its targets, both for the current year and up to 2015.

By 2015, the Group expects its revenue to grow to between €1.5 billion and €2 billion and its operating margin on business activity to reach about 10%.

2. Description of the main risks and uncertainties relating to the remaining six months of the year

This document contains forecasts in respect of which there are risks and uncertainties concerning the Group's future growth and profitability. The Group highlights the fact that a higher proportion of licence agreements, which often represent investments for clients, are generally signed in the second half of the year, and thus may have a more or less favourable impact on the end-of-year performance.

The outcome of events or actual results may differ from those described in this document as a result the main operational risks set out in our 2012 Registration Document filed with the *Autorité des Marchés Financiers* (AMF) on 23 April 2013 under number D.13-0410. Irrespective of the strategic risk associated with the Group's competitive positioning or loss of business model relevance, Group senior management decided, after consulting the Executive Committee, that operational risks involving human resources, production, sales activity and cash management constituted the company's main risks and should be the subject of rolling action plans.

2.1. Human resources risks

In a service business, which also faces certain skill shortages, human resources risks are naturally critical. The performance of the recruitment process, human resources 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.

In recent years, the Group has built upon the human resources tools, processes and organisational initiatives that contribute to controlling risk.

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. The lessons of this programme, which also resulted in organisational changes, continue to be applied today.

2.2. 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 controlling production quality are among the Group's primary concerns.

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 offshore production facilities, together with a management system for monitoring and controlling technical and accounting issues.

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 Transformation and Performance 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.

2.3 Commercial risks

Commercial efficiency depends upon the ability to mobilise all client-related knowledge, where relationships with major clients extend over a number of years, 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.

2.4. 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 has remained a top priority throughout this period.

The Finance Department, 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. The Group's policy concerning this matter is to have borrowing facilities at its disposal which are much more extensive than its needs.

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

3. Main related-party transactions

3.1. Transactions between related parties having taken place during the six-month period ended 30 June 2013 and having had a material impact on the issuer's financial position or results during this period

The Group's financial position and results for the first six months of the current financial year were not materially influenced by any related party transaction.

3.2. Changes affecting related-party transactions described in the latest Registration Document with a potential material impact on the issuer's financial position or results during the six-month period ended 30 June 2013

The Group's financial position and results for the first six months of the current financial year were not materially influenced by any change in related party transactions.

4. Updated forecasts and targets

Sopra Group confirmed its annual targets, namely:

- organic growth of between 2% and 5%;
- operating margin on business activity, calculated based on the former scope excluding HR Access, in excess of 8.0%;
- operating margin on business activity, calculated at the current scope including HR Access, of between 7.3% and 7.7%;
- net profit margin at least equal to that of the prior year, i.e. 4.6%;
- net debt of between €150 million and €170 million.

2

Condensed consolidated interim financial statements

Consolidated statement of net income

(in thousands of euros)	Notes	First-half 2013	First-half 2012	2012
Revenue	*4*	**661,036**	**589,638**	**1,216,729**
Staff costs	*5*	-455,362	-396,568	-811,780
External expenses and purchases		-150,249	-133,704	-271,798
Taxes and duties		-8,098	-7,166	-15,399
Depreciation, amortisation, provisions and impairment		-10,038	-7,867	-16,958
Other current operating income and expenses		4,058	3,261	8,787
Operating profit on business activity		**41,347**	**47,594**	**109,581**
as % of revenue excl. VAT		*6.3%*	*8.1%*	*9.0%*
Expenses related to stock options		-1,443	-716	-2,196
Amortisation of allocated intangible assets		-2,426	-1,684	-4,213
Profit from recurring operations		**37,478**	**45,194**	**103,172**
as % of revenue excl. VAT		*5.7%*	*7.7%*	*8.5%*
Other operating income and expenses	*6*	26,140	-6,804	-11,880
Operating profit		**63,618**	**38,390**	**91,292**
as % of revenue excl. VAT		*9.6%*	*6.5%*	*7.5%*
Cost of net financial debt	*7*	-2,449	-2,885	-7,194
Other financial income and expenses	*7*	15	-540	-1,027
Tax charge	*8*	-13,378	-14,669	-33,540
Net profit from associates	*9*	2,433	315	6,068
Net profit from continuing operations		**50,239**	**20,611**	**55,599**
Net profit from discontinued operations		-	-	-
CONSOLIDATED NET PROFIT		**50,239**	**20,611**	**55,599**
as % of revenue excl. VAT		*7.6%*	*3.5%*	*4.6%*
Minority interests		4	132	-1
Attributable to Group		**50,235**	**20,479**	**55,600**

Earnings per share *(in euros)*	Notes	First-half 2013	First-half 2012	2012
Basic earnings per share	*10*	4.22	1.72	4.67
Fully diluted earnings per share	*10*	4.17	1.70	4.62

Consolidated statement of comprehensive income

(in thousands of euros)	Notes	First-half 2013	First-half 2012	2012
Consolidated net profit		**50,239**	**20,611**	**55,599**
Other comprehensive income:				
Actuarial gains and losses on pension plans		-1,204	-879	-3,412
Tax impact		430	302	1,221
Subtotal of items not reclassifiable to profit or loss		**-774**	**-577**	**-2,191**
Translation differential		-4,356	1,978	740
Change in the value of derivatives		649	-1,115	-1,851
Related to associates		274	1,031	-616
Related to discontinued activities		-	-	-
Tax impact		-76	418	631
Subtotal of items reclassifiable to profit or loss		**-3,509**	**2,312**	**-1,096**
Other comprehensive income, total net of tax		**-4,283**	**1,735**	**-3,287**
COMPREHENSIVE INCOME		**45,956**	**22,346**	**52,312**
Minority interests		4	132	-1
Attributable to Group		**45,952**	**22,214**	**52,313**

Consolidated statement of financial position

ASSETS *(in thousands of euros)*	Notes	30/06/2013	30/06/2012	31/12/2012
Goodwill	*12*	311,289	313,852	314,626
Intangible assets		57,081	62,379	59,152
Property and equipment		42,731	43,017	39,193
Equity-accounted investments in associates	*13*	114,820	109,634	113,824
Other non-current financial assets		4,955	3,890	3,997
Deferred tax assets		37,837	31,282	34,453
Non-current assets		**568,713**	**564,054**	**565,245**
Stocks and works in progress		263	421	490
Trade accounts receivable	*14*	450,710	391,963	384,262
Other current receivables		48,479	47,218	33,700
Cash and cash equivalents		74,603	28,754	47,359
Current assets		**574,055**	**468,356**	**465,811**
TOTAL ASSETS		**1,142,768**	**1,032,410**	**1,031,056**

LIABILITIES AND EQUITY *(in thousands of euros)*	Notes	30/06/2013	30/06/2012	31/12/2012
Share capital		11,893	11,893	11,893
Capital reserves		11,032	8,141	9,533
Consolidated reserves and other reserves		259,575	232,774	228,226
Profit for the period		50,235	20,479	55,600
Equity – Group share		**332,735**	**273,287**	**305,252**
Minority interests		**5**	**130**	**1**
TOTAL EQUITY	*15*	**332,740**	**273,417**	**305,253**
Financial debt – long-term portion	*16*	209,191	251,687	178,367
Deferred tax liabilities		17,009	19,073	17,966
Provision for post-employment benefits	*17*	58,403	43,616	48,552
Non-current provisions	*18*	11,874	6,086	6,724
Other non-current liabilities		3,033	2,132	7,979
Non-current liabilities		**299,510**	**322,594**	**259,588**
Financial debt – short-term portion	*16*	81,603	58,404	73,048
Trade payables		55,156	56,040	56,092
Other current liabilities		373,759	321,955	337,075
Current liabilities		**510,518**	**436,399**	**466,215**
TOTAL LIABILITIES		**810,028**	**758,993**	**725,803**
TOTAL LIABILITIES AND EQUITY		**1,142,768**	**1,032,410**	**1,031,056**

Consolidated statement of changes in equity

(in thousands of euros)	Share capital	Capital reserves	Treasury shares	Consolidated reserves and retained earnings	Other comprehensive income	Total Group share	Minorities	Total
AT 31/12/2011	**11,893**	**7,951**	**-871**	**274,893**	**-19,958**	**273,908**	**3**	**273,911**
Capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	187	-	-	-	187	-	187
Transactions in treasury shares	-	-	22	109	-	131	-	131
Ordinary dividends	-	3	-	-22,565	-	-22,562	-	-22,562
Changes in scope	-	-	-	-	-	-	32,550	32,550
Put option in respect of minority interests	-	-	-	-739	-	-739	-32,550	-33,289
Other movements	-	-	-	148	-	148	-5	143
Shareholder transactions	**-**	**190**	**22**	**-23,047**	**-**	**-22,835**	**-5**	**-22,840**
Profit for the period	-	-	-	20,479	-	20,479	132	20,611
Other comprehensive income	-	-	-	-	1,735	1,735	-	1,735
Total comprehensive income for the period	**-**	**-**	**-**	**20,479**	**1,735**	**22,214**	**132**	**22,346**
AT 30/06/2012	**11,893**	**8,141**	**-849**	**272,325**	**-18,223**	**273,287**	**130**	**273,417**
Capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	1,392	-	-	-	1,392	-	1,392
Transactions in treasury shares	-	-	542	3	-	545	-	545
Ordinary dividends	-	-	-	-	-	-	-	-
Changes in scope	-	-	-	-	-	-	-	-
Put option in respect of minority interests	-	-	-	739	-	739	32,550	33,289
Acquisition of minority interests	-	-	-	-949	-	-949	-32,550	-33,499
Other movements	-	-	-	44	95	139	4	143
Shareholder transactions	**-**	**1,392**	**542**	**-163**	**95**	**1,866**	**4**	**1,870**
Profit for the period	-	-	-	35,121	-	35,121	-133	34,988
Other comprehensive income	-	-	-	-	-5,022	-5,022	-	-5,022
Comprehensive profit for the period	**-**	**-**	**-**	**35,121**	**-5,022**	**30,099**	**-133**	**29,966**
AT 31/12/2012	**11,893**	**9,533**	**-307**	**307,283**	**-23,150**	**305,252**	**1**	**305,253**
Capital transactions	-	99	-	44	-	143	-	143
Share-based payments	-	1,401	-	317	-	1,718	-	1,718
Transactions in treasury shares	-	-	-306	58	-	-248	-	-248
Ordinary dividends	-	-	-	-20,219	-	-20,219	-	-20,219
Changes in scope	-	-	-	-	-	-	-	-
Other movements	-	-	-	137	-	137	-	137
Shareholder transactions	**-**	**1,500**	**-306**	**-19,663**	**-**	**-18,469**	**-**	**-18,469**
Profit for the period	-	-	-	50,235	-	50,235	4	50,239
Other comprehensive income	-	-	-	-	-4,283	-4,283	-	-4,283
Comprehensive profit for the period	**-**	**-**	**-**	**50,235**	**-4,283**	**45,952**	**4**	**45,956**
AT 30/06/2013	**11,893**	**11,033**	**-613**	**337,855**	**-27,433**	**332,735**	**5**	**332,740**

Consolidated cash flow statement

(in thousands of euros)	First-half 2013	First-half 2012	2012
Consolidated net profit (including minority interests)	**50,239**	**20,611**	**55,599**
Profit after tax from discontinued operations	-	-	-
Net increase in depreciation, amortisation and provisions	10,354	9,174	20,865
Unrealised gains and losses related to changes in fair value	-787	-112	125
Share-based payment expense	1,401	187	1,579
Other calculated income and expense	-35,209	-1,579	-443
Gains and losses on disposal	504	12	-164
Share of net profit of equity-accounted companies	-2,433	-315	-6,068
Cash from operations after cost of net debt and tax	**24,069**	**27,978**	**71,493**
Cost of net financial debt	2,449	2,885	7,194
Income taxes (including deferred tax)	13,378	14,669	33,540
Cash from operations before cost of net debt and tax (A)	**39,896**	**45,532**	**112,227**
Tax paid (B)	-15,442	-29,324	-41,820
Changes in operating working capital requirements (including liabilities related to employee benefits) (C)	-50,895	-37,879	-8,604
Net cash from operating activities (D) = (A+B+C)	**-26,441**	**-21,671**	**61,803**
Purchase of tangible and intangible fixed assets	-5,977	-3,985	-6,781
Proceeds from sale of tangible and intangible fixed assets	125	193	3,124
Purchase of financial assets	-931	-451	-799
Proceeds from sale of financial assets	56	38	654
Impact of changes in scope	44,167	-142,064	-175,459
Dividends received (equity-accounted companies, non-consolidated securities)	1,851	1,322	1,322
Changes in loans and advances granted	-	-	-
Other cash flow relating to investing activities	-	-	-
Net cash from (used in) investing activities (E)	**39,291**	**-144,947**	**-177,939**
Proceeds on issue of shares	99	-	-
Proceeds on the exercise of stock options	-	-	-
Purchase and proceeds from disposal of treasury shares	-306	114	679
Dividends paid during the period:			
▪ Dividends paid to shareholders of Sopra Group SA	-20,219	-22,562	-22,562
▪ Dividends paid to minority interests of consolidated companies	-	-	-
Change in borrowings	63,743	172,938	126,639
Net interest paid (including finance leases)	-2,408	-2,188	-6,847
Other cash flow relating to financing activities	-822	5,047	5,400
Net cash from (used in) financing activities (F)	**40,087**	**153,349**	**103,309**
Effect of foreign exchange rate changes (G)	-561	-474	-1,359
Net cash from (used in) discontinued operations (H)	**-**	**-**	**-**
NET CHANGE IN CASH AND CASH EQUIVALENTS (D+E+F+G+H)	**52,376**	**-13,743**	**-14,186**
Opening cash position	2,460	16,646	16,646
Cash relating to discontinued operations	-	-	-
Closing cash position	54,836	2,903	2,460

Notes to the condensed consolidated financial statements

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ACCOUNTING PRINCIPLES AND POLICIES

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OTHER INFORMATION

Sopra Group and its subsidiaries constitute an IT consulting and services group with an offer spanning Consulting to Systems and Solutions Integration and Application Portfolio Management and the development of sector-specific Solutions. Sopra Group is a *société anonyme* governed by French law. Its registered office is located at Parc des Glaisins, F-74942 Annecy-le-Vieux, France and its head office is located at 9 bis, rue de Presbourg, F-75116 Paris, France.

It is listed on Compartment B, NYSE Euronext Paris.

The Group's consolidated financial statements for the six-month period ended 30 June 2013 were approved by the Board of Directors at its meeting on 31 July 2013.

ACCOUNTING PRINCIPLES AND POLICIES

Note 1 Key accounting policies

The main accounting policies applied for the preparation of the consolidated financial statements are presented below. They have been applied consistently for all of the financial years presented.

1.1. Basis of preparation

The consolidated financial statements for the six months ended 30 June 2013 were prepared in accordance with:

- IFRS standards as adopted by the European Union. This information is available on the website of the European Commission: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm;
- IFRS as published by the IASB.

They were prepared mainly using the historical cost convention, except for employee benefits, share subscription options, financial debt and derivatives which are measured at fair value.

The consolidated financial statements for the period ended 30 June 2013 were prepared pursuant to the provisions of IAS 34 *Interim Financial Reporting,* as amended in May 2010. They are condensed interim financial statements and do not include all of the information required for annual financial statements. They must be read in conjunction with Sopra Group's 2012 Registration Document, which was filed with the AMF on 23 April 2013 under number D.13-0410 and is available for download from the Group's website (www.sopragroup.com).

The accounting policies applied by the Group in preparing the consolidated financial statements for the period ended 30 June 2013 are identical to those applied in the published consolidated financial statements for the period ended 31 December 2012.

Values for various expense items such as annual bonuses, employee profit sharing and corporation income tax are subject to an annual estimate and are recognised during the half-year period in an amount proportional to the forecast operating results.

1.2. Application of new standards and interpretations

The following new standards, amendments to existing standards and interpretations that must be applied for annual periods beginning on or after 1 January 2013 have had no material impact on the Group's financial statements or results: amendments to IAS 1, amendments to IAS 19, amendments to IFRS 7, IFRS 13, amendments to IAS 12, amendments to IFRS 1, the 2009-2011 annual IFRS improvements cycle and IFRIC 20.

The Group decided against early application of the following standards and interpretations not yet adopted by the European Union for annual periods beginning on or after 1 January 2013: amendments to IAS 32, IFRS 10, IFRS 11, IFRS 12, IAS 27R and IAS 28R, amendments to IFRS 10, IFRS 11 and IFRS 12 and IFRIC 21.

Note 2 Highlights and consolidation scope

2.1. First consolidation

HR Access – In early April 2013, Sopra Group acquired 100% of the capital of HR Access. HR Access offers a comprehensive range of end-to-end, integrated HR solutions that are designed to meet the needs of a wide range of companies and organisations across all industry sectors. Its solutions include modules for workforce and talent management, time and attendance, as well as payroll. HR Access serves over 625 clients in 54 countries and generated revenue of €75 million in 2012. HR Access employs nearly 900 staff in France, Spain and Tunisia. All HR Access business activities were consolidated from 1 April 2013.

2.2. Deconsolidated entities

No Sopra Group entities were deconsolidated during the first half of 2013.

2.3. Reorganisation of legal entities

Following the acquisitions made in 2012, Sopra Group proceeded with a rationalisation of its legal entities, which gave rise to the following transactions, all without impact on the consolidated financial statements:

- Adeuza was dissolved without liquidation, by way of a transfer of all its assets and liabilities to Sopra Group, effective 29 June 2013;
- the business of Sopra Group Ltd was transferred to Sopra Group Financial Services Ltd, effective 1 January 2013. The registered name of the first company was changed from Sopra Group Ltd to Sopra Group Holding Ltd, and that of the second was changed from Sopra Group Financial Services Ltd to Sopra Group C&SI Ltd;
- all shares held by Sopra Group Holding Ltd in Sopra Group Solutions UK Ltd were transferred to Sopra Banking Software SA. Both of these companies are wholly owned subsidiaries of Sopra Group;
- two Spanish entities, CS Sopra España and Sopra Group Informática, were merged at the end of June 2013, with retroactive effect for accounting purposes from 1 January 2013;
- Sopra Banking Paris was dissolved without liquidation, by way of a transfer of all its assets and liabilities to Sopra Banking Software, effective 29 June 2013;
- the business of the Belgian software developer Business Architects International (BAI) was transferred to Sopra Banking Software Belgium effective 1 January 2013, after which BAI was absorbed by Sopra Banking Software by way of a cross-border merger to France on 30 June 2013, with retroactive effect for accounting purposes from 1 April 2013;
- the Belgian entity Sopra Banking Software Participations was absorbed by Sopra Banking Software by way of a cross-border merger to France on 31 May 2013, with retroactive effect for accounting purposes from 1 January 2013;
- the business of Sopra Banking Software Factory was transferred to Sopra Banking Software Belgium, a wholly owned subsidiary of Sopra Group, effective 1 January 2013;
- all shares held by Sopra Group in SOPRAntic were transferred to Sopra Banking Software, effective 29 June 2013.

2.4. List of consolidated companies in the first half of 2013

Company	Country	% control	% held	Consolidation method
SYSTEMS AND SOLUTIONS INTEGRATION				
Sopra Group	France	-	-	Parent company
Sopra Group Holding Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Group C&SI Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Belux	Belgium	100.00%	100.00%	FC
Sopra Group Luxembourg	Luxembourg	100.00%	100.00%	FC
Sopra Group GmbH	Germany	100.00%	100.00%	FC
Sopra Informatique	Switzerland	100.00%	100.00%	FC
Sopra Group SpA	Italy	100.00%	100.00%	FC
Sopra Group Informatica SA	Spain	100.00%	100.00%	FC
Sopra Group Euskadi SL	Spain	100.00%	100.00%	FC
PROFit Gestao Informatica Lda	Portugal	100.00%	100.00%	FC
Sopra India Private Ltd	India	100.00%	100.00%	FC
SOPRA BANKING SOFTWARE				
Sopra Banking Software	France	100.00%	100.00%	FC
Sopra Banking Software Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Group Solutions UK Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Banking Software Belgium	Belgium	100.00%	100.00%	FC
Sopra Banking Software Luxembourg	Luxembourg	100.00%	100.00%	FC
Sopra Banking Software Singapore Pte Ltd	Singapore	100.00%	100.00%	FC
SOPRAntic	Morocco	100.00%	100.00%	FC
Cameroun Delta Informatique	Cameroon	95.00%	95.00%	FC
HR ACCESS				
Sopra HR Software	France	100.00%	100.00%	FC
HR Access Solutions SAS	France	100.00%	100.00%	FC
HR Access Solutions UK Ltd	United Kingdom	100.00%	100.00%	FC
HR Access Fidelity Netherlands CV	Netherlands	100.00%	100.00%	FC
HR Access Solutions BV	Netherlands	100.00%	100.00%	FC
HR Access Solutions Belgium BVBA	Belgium	100.00%	100.00%	FC
HR Access Solutions Sarl	Luxembourg	100.00%	100.00%	FC
HR Access Solutions GmbH	Germany	100.00%	100.00%	FC
HR Access Solutions Swiss Sarl	Switzerland	100.00%	100.00%	FC
HR Access Solutions Italy Srl	Italy	100.00%	100.00%	FC
HR Access Solutions Spain SL	Spain	100.00%	100.00%	FC
HR Access Solutions Tunisie International Sarl	Tunisia	100.00%	100.00%	FC
HR Access Solutions Maroc Sarl	Morocco	100.00%	100.00%	FC
AXWAY GROUP	France	25.97%	25.97%	EM

FC: Fully consolidated.
EM: Equity method.

Note 3 Comparability of financial statements

The acquisitions carried out in the first half of 2013 had an individual and cumulative impact on the statement of net income and the Group's main business indicators which is lower than the materiality threshold (25%) required by the General Regulation of the AMF (art. 222-2) for the preparation of pro forma information.

The main impacts of these acquisitions on the financial statements for the first half of 2013 are as follows:

Contribution of companies acquired to revenue and operating profit on business activity

	30/06/2013			30/06/2012
(in millions of euros)	Excluding acquisitions	Contribution from acquisitions	Published	Published
Revenue	644.4	16.6	661.0	589.6
Operating profit on business activity	45.1	-3.7	41.4	47.6

Impact of 2013 acquisitions on goodwill

See Note 12.

Impact of changes in the scope of consolidation on net debt

(in thousands of euros)	First-half 2013	2012
Cost of acquisitions (excluding earnouts)	1,500	-190,546
Net debt/Net cash of acquired companies	42,667	8,298
Earnouts	-	-135
TOTAL	**44,167**	**-182,383**

NOTES TO THE CONSOLIDATED STATEMENT OF NET INCOME

Note 4 Revenue

4.1. Revenue by business line

(in millions of euros)	First-half 2013		First-half 2012	
CSSI France	413.7	62.6%	395.7	67.1%
SSI Europe	122.9	18.6%	109.0	18.5%
Sopra Banking Software	107.8	16.3%	84.9	14.4%
HR Access	16.6	2.5%	-	-
TOTAL REVENUE	**661.0**	**100.0%**	**589.6**	**100.0%**

4.2. Revenue by economic sector

	First-half 2013	First-half 2012
Financial services	33.8%	31.5%
Services/Transport/Utilities	20.1%	20.4%
Public sector	16.0%	15.9%
Manufacturing	15.8%	16.0%
Telecoms & Media	9.7%	10.6%
Retail	4.6%	5.6%
TOTAL	**100.0%**	**100.0%**

4.3. International revenue

(in millions of euros)	First-half 2013		First-half 2012	
CSSI France*	18.3	2.8%	60.7	10.3%
SSI Europe	122.9	18.6%	116.4	19.7%
Sopra Banking Software	71.9	10.9%	-	-
HR Access	5.4	0.8%	-	-
Total international revenue	**218.5**	**33.1%**	**177.1**	**30.0%**
TOTAL REVENUE	**661.0**	**100.0%**	**589.6**	**100.0%**

* *Export portion.*

Note 5 Staff costs

5.1. Analysis

(in thousands of euros)	First-half 2013	First-half 2012
Salaries	325,438	282,669
Social charges	128,676	112,321
Employee profit-sharing and incentive schemes	1,248	1,578
TOTAL	**455,362**	**396,568**

5.2. Workforce

Workforce at the end of the period	First-half 2013	First-half 2012
France	10,402	9,410
International	5,699	4,760
TOTAL	**16,101**	**14,170**

Average workforce	First-half 2013	First-half 2012
France	10,156	9,242
International	5,599	4,688
TOTAL	**15,755**	**13,930**

Note 6 Other operating income and expenses

(in millions of euros)	First-half 2013	First-half 2012
Acquisition costs (fees, commissions, etc.)	-1.9	-4.4
Restructuring costs	-6.7	-2.4
of which integration and reorganisation of business lines	*-0.5*	*-1.5*
of which separation costs	*-2.9*	*-0.9*
of which other non-recurring expenses	*-3.3*	*-*
Other operating expenses	-0.7	-
Total operating expenses	**-9.3**	**-6.8**
Gain on negative goodwill from HR Access	35.4	-
Total operating income	**35.4**	**-**
TOTAL	**26.1**	**-6.8**

In the first half of 2013, non-recurring operating expenses amounting to €8.4 million resulted from the acquisition of HR Access.

Note 7 Financial income and expenses

7.1. Cost of net financial debt

(in thousands of euros)	First-half 2013	First-half 2012
Income from cash and cash equivalents	200	175
Interest charges	-2,896	-3,127
Net result of hedges (yield spread)	-609	-323
Impact of the change in value of syndicated loans	856	624
Discounting of put options on minority interests	-	-234
TOTAL	**-2,449**	**-2,885**

The average cost of borrowing after hedging was 2.35% in the first half of 2013, compared with 2.16% in the first half of 2012. The average cost of financing including bank overdrafts was 2.11% in the first half of 2013, compared with 1.93% in 2012.

7.2. Other financial income and expenses

(in thousands of euros)	First-half 2013	First-half 2012
Foreign exchange gains and losses	**499**	**-208**
Reversals of provisions	-	-
Proceeds on the disposal of financial assets sold	-	-
Other financial income	70	104
Total other financial income	**70**	**104**
Charges to provisions	-	-
Discounting of retirement commitments	-650	-733
Discounting of employee profit sharing	258	226
Change in the value of derivatives	-69	112
Net carrying amounts of financial assets sold	-	-
Other financial expense	-93	-41
Total other financial expense	**-554**	**-436**
TOTAL	**15**	**-540**

Note 8 Tax charge

(in thousands of euros)	First-half 2013	First-half 2012
Current tax	15,577	10,998
Deferred tax	-2,199	3,671
TOTAL	**13,378**	**14,669**

Note 9 Net profit from associates

Profit for the first half of 2013 includes the following:

- the Group's share of Axway's profit for the period (25.97% of €9.8 million): €2.5 million;
- the impact of the dilution of Axway's share capital: (-)€0.1 million.

Note 10 Earnings per share

(in euros)	First-half 2013	First-half 2012
Net profit attributable to the Group	50,234,771	20,479,016
Weighted average number of ordinary shares in issue	11,893,486	11,893,486
BASIC EARNINGS PER SHARE	**4.22**	**1.72**

(in euros)	First-half 2013	First-half 2012
Net profit attributable to the Group	50,234,771	20,479,016
Weighted average number of ordinary shares in issue	11,893,486	11,893,486
Weighted average number of securities retained in respect of dilutive items	159,458	146,105
Weighted average number of shares retained for the calculation of diluted net earnings per share	12,052,944	12,039,591
FULLY DILUTED EARNINGS PER SHARE	**4.17**	**1.70**

The methods for calculating earnings per share are described in Note 1.23 of the 2012 Registration Document. The only diluting instruments are the stock options and bonus shares presented in Notes 25.2 and 25.3, respectively, of the 2012 Registration Document.

For the calculation of diluted earnings per share, only potential dilutive ordinary shares have been taken into account, to the exclusion of those with an earnings-enhancing effect. The shares considered to have an enhancing effect are potential ordinary shares resulting from share subscription options whose exercise price plus the fair value of the services remaining to be received from option holders is higher than the average share price (€56.08) during the period.

Note 11 Segment information

11.1. Results by division

a. France

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	413.7		395.7	
Operating profit on business activity	31.0	7.5%	34.7	8.8%
Profit from recurring operations	29.9	7.2%	34.0	8.6%
Operating profit	29.5	7.1%	33.1	8.4%

b. Europe

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	122.9		109.0	
Operating profit on business activity	3.5	2.8%	4.7	4.3%
Profit from recurring operations	3.3	2.7%	4.7	4.3%
Operating profit	2.9	2.4%	4.5	4.1%

c. Sopra Banking Software

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	107.8		84.9	
Operating profit on business activity	10.5	9.7%	8.2	9.7%
Profit from recurring operations	8.0	7.4%	6.5	7.7%
Operating profit	7.9	7.3%	6.4	7.5%

d. HR Access

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	16.6		-	
Operating profit on business activity	-3.7	-22.3%	-	
Profit from recurring operations	-3.7	-22.3%	-	
Operating profit	23.3	140.4%	-	

e. Not allocated

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	-		-	
Operating profit on business activity	-		-	
Profit from recurring operations	-		-	
Operating profit	-		-5.6	

f. Group

(in millions of euros)	First-half 2013		First-half 2012	
Revenue	661.0		589.6	
Operating profit on business activity	41.3	6.2%	47.6	8.1%
Profit from recurring operations	37.5	5.7%	45.2	7.7%
Operating profit	63.6	9.6%	38.4	6.5%

So as to better reflect the Group's current legal and organisational structure, the presentation of results by division has been modified: the business of Sopra Group Solutions UK Ltd (formerly Tieto), reported as part of the Europe segment in 2012, is now included within the Sopra Banking Software segment. The information for 2012 has been restated to reflect this reclassification.

Operating profit for the unallocated segment at 30 June 2012 was broken down as follows:

- (-)€5.2 million in external acquisition-related costs;
- (-)€0.4 million in restructuring costs.

11.2. Revenue by geographic area

(in millions of euros)	France	United Kingdom	Spain	Other European countries	Other zones	Total
First-half 2013	442.5	59.6	40.2	96.0	22.7	**661.0**

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Note 12 Goodwill

12.1. Changes in goodwill

Movements in the first half of 2013 were as follows:

(in thousands of euros)	Gross value	Impairment	Net
31 December 2012	**396,307**	**81,681**	**314,626**
Acquisitions			
HR Access	-	-	-
Adjustments relating to business combinations	**-**	**-**	**-**
Impairment	**-**	**-**	**-**
Translation adjustments	**-4,755**	**-1,418**	**-3,337**
30 JUNE 2013	**391,552**	**80,263**	**311,289**

12.2. Determination of goodwill arising on business combinations in the period

The acquisition of HR Access under bargain purchase conditions resulted in the recognition in the income statement of a gain in the amount of €35.4 million, under *Other operating income and expenses* (see Note 6).

At the time of this transaction, neither an acquisition price nor an earnout were agreed upon. The seller paid additional financing of €1.5 million to Sopra Group on 4 April 2013. The financial structure of this transaction will help offset operating losses for the 2013 financial year, while also contributing to the defrayment of restructuring costs.

In accordance with IFRS 3 the identification of assets acquired and liabilities assumed, as well as their respective valuations, were reviewed in order to properly take into account all information available as of the acquisition date.

(in thousands of euros)	**HR Access**
Acquisition price	-
Additional financing from the seller	-1,500
Acquisition cost	**-1,500**
Fair value of net assets acquired	33,930
GOODWILL (NEGATIVE GOODWILL)	**-35,430**

Detailed information on the fair value of the net assets of HR Access is provided below:

(in thousands of euros)	**HR Access**
Intangible assets allocated	-
Other intangible assets	412
Property and equipment	2,754
Deferred tax	1,672
Other assets	46,019
Cash and cash equivalents	42,752
Financial liabilities	-86
Provision for post-employment benefits	-6,089
Other liabilities	-53,504
FAIR VALUE OF NET ASSETS ACQUIRED	**33,930**

12.3. Breakdown of goodwill by CGU

The Group has adopted a segmentation into cash-generating units (CGUs), consistent with the operational organisation of its business lines, the management control and reporting system and published segment reporting.

The summarised statement of net carrying amounts for goodwill attributed to CGUs is presented below:

(in thousands of euros)		**30/06/2013**	**31/12/2012**
CSSI France	France	52,705	52,869
SSI Europe	United Kingdom	48,191	66,172
	Spain	51,297	51,297
	Italy	8,119	8,119
	Belgium	-	-
Sopra Banking Software		150,977	136,169
TOTAL		**311,289**	**314,626**

So as to better reflect the organisation of the Group's operations, the presentation of CGUs has been modified: the business of Sopra Group Solutions UK Ltd (formerly Tieto), reported as part of the United Kingdom CGU in 2012, is now included within the Sopra Banking Software CGU.

12.4. Impairment tests

The Group conducted a review of its material intangible assets to determine whether there were indications that these assets might be impaired and therefore would require the implementation of impairment tests. A difficult economic climate and company performance below forecasts led the Executive Management to carry out an impairment test for the SSI Spain CGU. This test did not result in the recognition of any impairment losses in these interim financial statements.

Note 13 Equity-accounted investments in associates

(in thousands of euros)	Gross value	Impairment	Net
31 December 2012	**131,761**	**17,937**	**113,824**
Changes in scope	-	-	-
Capital transactions	126	-	126
Dividends paid	-1,844	-	-1,844
Net profit	2,548	-	2,548
Translation differential	218	-	218
Changes in shareholding	-244	-	-244
Other movements	192	-	192
30 JUNE 2013	**132,757**	**17,937**	**114,820**

At 30 June 2013, the Axway shares held by Sopra Group (5,285,435 shares representing 25.97% of the share capital) were valued at €114.8 million, corresponding to the value in use of the investment. The market value of the shares (based on the share price at 30 June 2013 of €17.89) was €94.6 million.

Note 14 Trade accounts receivable

(in thousands of euros)	30/06/2013	31/12/2012
Trade accounts receivable – gross value	287,097	286,450
Accrued income	180,931	112,626
Accrued credit notes	-11,355	-11,963
Impairment of trade accounts receivable	-5,963	-2,851
TOTAL	**450,710**	**384,262**

*Net trade receiva*bles, expressed in months of revenue at 30 June 2013, corresponded to about 2.5 months of revenue, compared to 2.2 at 31 December 2012 and 2.5 at 30 June 2012.

Note 15 Equity

The consolidated statement of changes in equity is presented on page 15.

15.1. Changes in the share capital

There were no changes in the first half of 2013.

At 30 June 2013, Sopra Group had share capital of €11,893,486, consisting of 11,893,486 fully paid-up shares with a par value of €1 each.

15.2. Share subscription option plans

In the first half of 2013, a total of 2,663 share subscription options were exercised.

No additional options were granted during the period.

At 30 June 2013, a total of 201,518 shares were issuable upon the exercise of options already granted, while 427,799 shares were still grantable, thus representing a maximum number of 629,317 shares issuable upon the exercise of options.

Past service costs recognised in the first half of 2013 in respect of stock option holders, using the method set out in Note 1.16 *Share-based payments* of the 2012 Registration Document, totalled €106 thousand.

15.3. Bonus share plans

Following the authorisation granted at the General Meeting held on 19 June 2012, the Board of Directors ratified a bonus share allotment plan for Sopra Group employees on 19 June 2012. This democratic plan, under which 166,875 shares were allocated to employees subject to their being employed by Sopra Group on the maturity date of the plan, will ultimately lead to the creation of some 130,000 shares after taking into consideration staff turnover estimates.

In accordance with the terms of IFRS 2 *Share-based Payment* the fair value of bonus shares granted, calculated at the attribution date, is recognised under expenses over the vesting period of these rights, i.e. between two and four years. The corresponding expense in respect of the first half of 2013 was €1.295 million.

The fair value of the shares was determined with reference to a stock market price at the attribution date, deducting the amount of dividends not received by employees over the vesting period. The estimated number of shares that will actually be delivered is reviewed annually to account for employees having left the Group during the year.

15.4. Transactions in treasury shares

At 30 June 2013 Sopra Group held 10,895 of its own shares acquired under the repurchase programmes authorised by the General Meeting, for a total amount of €0.613 million representing an average purchase price of €56.26. The valuation of treasury shares owned at the average closing share price in June 2013 (€56.015) amounted to €0.610 million.

These shares represented 0.09% of the total number of shares in circulation at 30 June 2013.

All transactions in treasury shares are taken directly to shareholders' equity. The impact in the first half of 2013 was (-)€0.248 million.

15.5. Dividends

The Combined General Meeting of Sopra Group on 13 June 2013 decided to distribute an ordinary dividend of €20.219 million in respect of financial year 2012, representing €1.70 per share. This dividend was paid on 24 June 2013. The dividend paid the previous financial year totalled €22.598 million, i.e. €1.90 per share.

Note 16 Financial debt – consolidated net debt

(in thousands of euros)	Current	Non-current	30/06/2013	31/12/2012
Bank loans	52,839	178,944	231,783	166,976
Liabilities on finance lease contracts	3,353	4,541	7,894	7,430
Employee profit sharing	5,631	25,654	31,285	32,039
Other sundry financial debt	13	52	65	72
Current bank overdrafts	19,767	-	19,767	44,898
FINANCIAL DEBT	**81,603**	**209,191**	**290,794**	**251,415**
Investment securities	-4	-	-4	-16
Cash and cash equivalents	-74,599	-	-74,599	-47,342
NET DEBT	**7,000**	**209,191**	**216,191**	**204,057**

16.1. Bank loans

At end June 2013, the Group had the following borrowing facilities available:

(in millions of euros)	Start date	Due date	Notional principal amount	Amount authorised as of 30/06/2013	H2 2013 reductions	Amount authorised as of 31/12/2013
Reducible revolving credit facility	Apr-08	Apr-14	132	33	-	33
Revolving credit facility	Jun-11	Jun-16	150	150	-	150
Renewable credit facility/term loan	Jun-12	Jun-17	128	112	8	104
				295	**8**	**287**

The applicable bank conditions are as follows:

- the applicable interest rate is the Euribor rate for the drawdown period concerned plus a margin adjusted on a half yearly basis as a function of the leverage ratio (net financial debt to EBITDA). The net financial debt in question does not take into account the employee profit sharing liability but does include liabilities related to earnouts;
- these facilities are subject to a non-utilisation fee.

The Group must meet three financial ratios under the terms of bank covenants. On the basis of the financial statements for the period ended 30 June 2013, the Group's ratios are below the upper limits set by the bank agreements.

16.2. Hedging of borrowings

Sopra Group entered into hedging contracts at the time it took out syndicated loan facilities.

The interest rate applicable to these facilities is Euribor: the purpose of the hedging agreements is to protect against the risk of a rise in this rate.

At 30 June 2013, five swap agreements were in force (swapping 3-month Euribor for a fixed rate).

These agreements were put in place in June 2012, when Sopra Group took out its new syndicated borrowing facility, and are matched to that facility in terms of their notional amount and maturity (2017).

At 30 June 2013, the valuation of these various hedging agreements was a net expense of €1.7 million (entirely in liabilities), versus a net expense of €3.0 million at 31 December 2012.

As these agreements are qualified as perfect hedges under *IAS 39*, the valuation difference of (-)€1.3 million was taken directly to equity.

16.3. Summary of exposure to interest rate risk

	Rate	30/06/2013	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Investment securities	Variable rate	4	4	-	-	-	-	-
Cash and cash equivalents	Fixed rate	74,599	74,599	-	-	-	-	-
	Fixed rate	**74,599**	**74,599**	**-**	**-**	**-**	**-**	**-**
Financial assets	**Variable rate**	**4**	**4**	**-**	**-**	**-**	**-**	**-**
Bank loans	Variable rate	-231,783	-52,839	-17,906	-160,908	-130	-	-
Finance lease liabilities	Fixed rate	-7,894	-3,353	-2,489	-1,525	-527	-	-
Employee profit sharing	Fixed rate	-31,285	-5,631	-4,536	-6,691	-10,131	-4,296	-
Other financial debt	Fixed rate	-65	-13	-	-	-	-	-52
Current bank overdrafts	Variable rate	-19,767	-19,767	-	-	-	-	-
	Fixed rate	**-39,244**	**-8,997**	**-7,025**	**-8,216**	**-10,658**	**-4,296**	**-52**
Financial liabilities	**Variable rate**	**-251,550**	**-72,606**	**-17,906**	**-160,908**	**-130**	**-**	**-**
Net exposure before hedging	**Fixed rate**	**35,355**	**65,602**	**-7,025**	**-8,216**	**-10,658**	**-4,296**	**-52**
	Variable rate	**-251,546**	**-72,602**	**-17,906**	**-160,908**	**-130**	**-**	**-**
Interest rate hedging instruments	**Fixed-rate payer swaps**	**112,000**	**16,000**	**16,000**	**80,000**	**-**	**-**	**-**
Net exposure after hedging	**Fixed rate**	**-76,645**	**49,602**	**-23,025**	**-88,216**	**-10,658**	**-4,296**	**-52**
	Variable rate	**-139,546**	**-56,602**	**-1,906**	**-80,908**	**-130**	**-**	**-**

Note 17

Provisions for post-employment benefits

These provisions relate to non-financed defined benefit plans in France, Italy and Germany.

(in thousands of euros)	01/01/2013	Change in scope	Charge for the period	Recovery for the period (provision used)	Recovery for the period (provision not used)	Change in actuarial differences	30/06/2013
France	43,685	4,391	2,494	-306	-	1,205	51,469
Italy	4,867	168	507	-173	-	-	5,369
Germany	-	1,530	35	-	-	-	1,565
TOTAL	**48,552**	**6,089**	**3,036**	**-479**	**-**	**1,205**	**58,403**
Impact (net of expenses incurred)							
Profit from recurring operations			2,387		-		
Financial items			649		-		
TOTAL			**3,036**		**-**		

In France, the defined benefits scheme relates to the payment of retirement benefits. The Group provides for its commitments to employees in accordance with the provisions of the Syntec collective bargaining agreement with respect to the retirement scheme modified in 2004 pursuant to the retirement reform measures introduced by the *Loi Fillon* of 21 August 2003. Provisions for retirement benefits are recognised in accordance with the conditions in Note 1.18 of the 2012 Registration Document.

Table showing the change in provision for retirement benefits (France)

(in thousands of euros)	Present value of defined benefit scheme obligations	Taken to the income statement
31 December 2012	**43,685**	**3,643**
Changes in scope	4,391	-
Past service cost	1,857	1,857
Financial cost	637	637
Benefits paid to employees	-306	-306
Change in actuarial differences	1,205	-
30 JUNE 2013	**51,469**	**2,188**

The main actuarial assumptions used for this scheme are as follows for the periods under review:

	30/06/2013	30/06/2012	31/12/2012
Benchmark for discounting	Source: Bloomberg	Source: Bloomberg	Source: Bloomberg
Discount rate for commitments	2.4% to 2.60%	2.80%	2.60%
Future salary growth rate	2.50%	2.50%	2.50%
Age at retirement	65 years	65 years	65 years
Mortality table	Insee 2008-2010	Insee 2004-2006	Insee 2008-2010

In Italy, the defined benefits scheme relates to the payment of regulatory termination benefits (*Trattamento di Fine Rapporto*). These payments are calculated as a proportion of the employee's gross annual salary and are linked to the price index issued by the Italian Institute of Statistics (ISTAT).

Note 18 Non-current provisions

(in thousands of euros)	01/01/2013	Change in scope	Charge for the period	Recovery for the period (provision used)	Recovery for the period (provision not used)	Other movements	30/06/2013
Provisions for disputes	1,374	714	438	-172	-74	-	2,280
Provisions for guarantees	-	1,064	-	-	-	-	1,064
Provisions for loss-making contracts	-	3,827	-	-	-	-	3,827
Other provisions for contingencies	250	300	-	-114	-	-	436
Sub-total provisions for contingencies	**1,624**	**5,905**	**438**	**-286**	**-74**	**-**	**7,607**
Provisions for taxes	5,100	-	57	-900	-	9	4,266
Other provisions for losses	-	-	-	-	-	-	-
Sub-total provisions for losses	**5,100**	**-**	**57**	**-900**	**-**	**9**	**4,266**
TOTAL	**6,724**	**5,905**	**495**	**-1,186**	**-74**	**9**	**11,873**
Impact (net of expenses incurred)							
Profit from recurring operations			438		-74		
Operating profit			-		-		
Financial items			-		-		
Tax charge			57		-		
TOTAL			**495**		**-74**		

OTHER INFORMATION

Note 19 Related party transactions

Agreements entered into with parties related to Sopra Group were identified in the 2012 Registration Document, filed with the AMF on 23 April 2013, in Note 35, "Related party transactions".

Other than those set out in the 2012 Registration Document, no new agreements were entered into with parties related to Sopra Group during the first half of 2013.

Note 20 Off balance sheet commitments and contingent liabilities

The Group's off balance sheet commitments are those granted or received by Sopra Group and its subsidiaries. They were not subject to any material variation relative to 31 December 2012.

As regards existing syndicated loans, the Group is in compliance with its covenants and commitments as set out in the relevant agreements.

Note 21 Exceptional events and legal disputes

To the Company's knowledge, there are no exceptional events or legal disputes that may have a material effect on its financial position, revenue, business assets, or net profit, or those of the Group as a whole.

Note 22 Post balance sheet events

No material events have occurred since the balance sheet date.

Statutory Auditors' report on the Group's interim financial information

To the Shareholders,

As mandated by your General Meetings and in accordance with Article L. 451-1-2 III of the French Monetary and Financial Code, we have carried out the following procedures:

- a limited review of Sopra Group's condensed consolidated interim financial statements for the six-month period from 1 January 2013 to 30 June 2013, which precede this report;
- the verification of the information provided in the business review for the six-month period ended 30 June 2013.

These interim condensed consolidated financial statements were prepared under the supervision of the Board of Directors. Our responsibility is to issue a conclusion on these financial statements based on our limited review.

I – CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our limited review in accordance with French professional standards.

A limited review of the interim financial statements consists of obtaining the information deemed necessary, primarily from staff responsible, concerning accounts and finances, and of implementing analytical procedures. Such a review does not comprise all of the verifications carried out in an audit performed in accordance with professional standards applicable in France. It does not therefore provide the assurance of having identified all of the significant issues that could have been identified in the course of an audit.

Based on our limited review, we have not identified any significant anomalies which would cast doubt on the compliance of the condensed interim consolidated financial statements with IAS 34 – IFRS standard, as adopted in the European Union – relating to interim financial information.

II – SPECIFIC VERIFICATION

We also verified the information provided in the interim management report commenting upon the condensed consolidated interim financial statements that were the focus of our limited review.

We have no comments on the sincerity and the consistency of this information with the consolidated financial statements.

Paris and Courbevoie, 1 August 2013

The Statutory Auditors

Auditeurs & Conseils Associés	**Mazars**
François Mahé	Christine Dubus

Certification by the Company Officer responsible for the half-year financial report

I declare that, to the best of my knowledge, the financial statements presented in the half-year financial report have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of Sopra Group, and that the half-year business review includes a fair review of the main events that occurred in the first six months of the financial year and their impact on the interim financial statements, the main transactions between related parties and the main risks and uncertainties for the remaining six months of the financial year.

Paris, 2 August 2013

Pascal Leroy

Chief Executive Officer

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