The world is how we shape it

sopra steria

2024 Half-Year Financial Report

at 30 june 2024

Contents

This document is a free translation into English of the original French "Rapport financier semestriel au 30 juin 2024", hereafter referred to as the "Half-Year Financial Report at 30 June 2024". 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.

Société Anonyme with share capital of €20,547,701
326 820 065 RCS Annecy
Registered office: PAE les Glaisins - Annecy-le-Vieux – FR 74940 Annecy - France
Head office: 6 Avenue Kleber – FR 75116 Paris - France

1. Business review for the six-month period

1. Business activity and key events during the first six months of the year

Cyril Malargé, Chief Executive Officer of Sopra Steria Group, commented:

"Despite the market having adopted a wait-and-see stance our first-half results are robust. They provide tangible evidence of the business's shift towards higher-added-value. This shift is intended to position Sopra Steria as a trusted, credible European alternative to global players, harnessing technology and artificial intelligence to help our clients deliver on their transformation objectives.

Our priorities fall into three key areas: upscaling in consulting; moving our tech offerings higher up the value chain; and upgrading our operating model.

Integration of companies acquired in 2023 has proceeded in line with the roadmap and is generating tangible commercial and operational synergies. Profitability at CS Group and the Benelux reporting unit improved significantly in the first half, confirming our full-year guidance.

Furthermore, most of the steps in the sale of banking software activities to Axway have been successfully completed[1]. As such, the sale will be finalised in early September.

Lastly, we have improved operating profitability across each of our reporting units and confirm our guidance of achieving a Group operating margin of close to 10% in full-year 2024."

1.1. Consolidated income statement for H1 2024

The planned sale of most of the activities of Sopra Banking Software, announced on 21 February 2024, was reflected in the first half of the year in the legal carve-out of the Sopra Banking Software activities to be sold and the transfer to various Group entities of the activities to be retained. Since the carved-out activities constituted a separate major line of business at 31 December 2023, they have been classified as a discontinued operation (in accordance with *IFRS* 5, *Non-Current Assets Held for Sale and Discontinued Operations*). The financial statements for the first half of 2024 are presented in accordance with this standard as of 1 January 2024, as are the restated comparative financial statements for 2023.

Moreover, as part of the review of assets acquired and liabilities assumed, **the Group harmonised the method used to recognise revenue** at Ordina. It considered that Ordina acted as an "agent" in the Netherlands and Belgium, in contracts involving the sale of external expertise. Revenue recognised for certain contracts now corresponds to a net amount equivalent to its margin or its commission rather than being recognised on a gross basis together with the recognition of an operating expense (*IFRS* 15). The 2023 baseline has been restated for the purposes of calculating organic revenue growth.

After taking these two factors into account, restated Q1 2024 revenue came to €1,484.6 million, equating to organic growth[2] of 0.2% (vs €1,587.4m reported, equating to organic growth of 0.3%).

SOPRA STERIA: 2024 HALF-YEAR RESULTS

		H1 2024			H1 2023 restated*		H1 2023 reported	
		Amount	Margin	Change vs 2023 (rep'd)	Amount	Margin	Amount	Margin
Key income statement items								
Revenue	€m	2,949.4		*3.8%*	2,676.7		2,840.1	
Organic growth	%	*+0.3%*						
Operating profit on business activity	€m	285.3	9.7%	*13.6%*	249.9	9.3%	251.1	8.8%
Profit from recurring operations	€m	251.2	8.5%	*20.9%*	216.7	8.1%	207.8	7.3%
Operating profit	€m	229.7	7.8%	*29.7%*	188.5	7.0%	177.1	6.2%
Net profit from continuing activities attributable to the Group	€m	169.3	5.7%	*50.5%*	128.8	4.8%	112.5	4.0%
Net profit attributable to the Group	€m	123.2	4.2%	*9.5%*	112.5	4.2%	112.5	4.0%
Weighted average number of shares in issue excl. treasury shares	m	20.16			20.20		20.20	
Basic earnings per share	€	6.11		*9.8%*	5.57		5.57	
Recurring earnings per share	€	8.45		*24.4%*	7.60		6.80	

* *On a 2024 accounting standards basis (IFRS 5)*

1) *The increase in Axway's share capital to help finance the purchase will take place between 26 July and 20 August 2024 (inclusive)*
2) *Alternative performance measures are defined in the glossary at the end of this chapter.*

		30/06/2024		31/12/2023 restated*	31/12/2023 reported
		Amount	Change vs 2023 (rep'd)	Amount	Amount
Key balance sheet items					
Net financial debt	€m	1 057,0	*11,7%*	946,0	946,0
Equity attributable to the Group	€m	1 949,9	*3,9%*	1 876,7	1 876,7

* *On a 2024 accounting standards basis (IFRS 5)*

DETAILED BREAKDOWN OF OPERATING PERFORMANCE IN H1 2024

Sopra Steria revenue totalled €2,949.4 million, an increase of 3.8% relative to H1 2023 reported. The positive impact of changes in scope was €295.8 million, arising from the consolidation of CS Group and Tobania since 1st March 2023, and of Ordina since 1st October 2023. Currency fluctuations had a positive impact of €8.3 million. The classification of activities of Sopra Banking Software as assets held for sale generated a €163.5 million negative impact. Lastly, harmonisation of the method used to recognise revenue at Ordina generated a €41.1 million negative impact. At constant exchange rates, scope and accounting standards, revenue grew 0.3%.

The Group's operating profit on business activity rose 13.6% to €285.3 million, equating to a margin of 9.7%, up 0.9 points from H1 2023 reported. The classification of certain activities of Sopra Banking Software as assets held for sale is estimated to have a positive 0.5-point impact over the half-year period (positive 0.2-point impact on a full-year basis).

In France (42% of total Group revenue), revenue grew 4.4% to €1,251.3 million. This figure reflects the consolidation of CS Group for two extra months compared with the first half of 2023 and the reallocation of €21.6 million of revenue[3] from activities that previously fell within the scope of Sopra Banking Software. At constant scope, revenue was down 1.6%, with the second quarter showing an improvement (down 0.1%) relative to the first quarter (down 3.0%). The defence and transport verticals both posted growth in the half-year; the public sector and financial services held steady; and other verticals – notably aeronautics – declined. The operating margin on business activity (9.5%) was up 0.4 points from the first half of 2023. The reallocation of activities previously within the scope of Sopra Banking Software boosted revenue by 0.2 points. CS Group's profitability increased by around 2 points.

Revenue for the **United Kingdom** (17% of total Group revenue) came in at €487.3 million, equating to organic growth of 3.1%, after declining slightly in the second quarter, notably as a result of the electoral context, which particularly affected SSCL's business. The most buoyant business areas were financial services, government and transport. The operating margin on business activity was once again high (11.6%), up 0.2 points from the first half of 2023.

The **Europe** reporting unit (36% of total Group revenue) generated revenue of €1,050.5 million, representing total growth of 28.1%. This change reflects the consolidation of Ordina and Tobania, the reallocation of €15.0 million of revenue[2] from activities previously within the scope of Sopra Banking Software and a €41.1 million decline in revenue resulting from the harmonisation of the method used to recognise revenue at Ordina. Growth at constant scope, exchange rates and accounting standards came in at 1.5%. The most buoyant growth was in Scandinavia, Spain and Italy. The operating margin on business activity came in at 9.3%, up 0.4 points compared with the first half of 2023, including the dilutive effect of the reallocation of activities previously within the scope of Sopra Banking Software (-0.1 points). Profitability at the Benelux reporting unit, into which three companies are in the process of being integrated, increased by around 2 points.

The **Solutions** reporting unit (5% of total Group revenue) generated revenue of €160.3 million, up 12.6% in total following the reallocation of €17.9 million in revenue[2] from activities previously falling within the scope of Sopra Banking Software. Excluding changes in scope, revenue held steady. Human Resources Solutions posted growth of 5.2%. Property Management Solutions contracted by 5.3%. The reporting unit's operating margin on business activity came to 7.6%, down 2.4 points from its level in the first half of 2023. The reallocation of activities previously within the scope of Sopra Banking Software had a negative impact of 3.1 points. Excluding the impact of changes in scope, the reporting unit's operating margin on business activity improved by 0.7 points.

SOPRA STERIA: REVENUE BY REPORTING UNIT (€M / %) – Q1 2024

	Q1 2024 restated(A)	Q1 2024 reported	Q1 2023 restated*(B)	Q1 2023 reported	Organic growth (A/B)	Total growth
France	633,6	624,6	653,5	589,9	-3,0%	+7,4%
United Kingdom	240,0	240,0	223,5	216,7	+7,4%	+10,7%
Europe	531.9	547.7	525.1	410.4	+1.3%	+29.6%
Solutions	79.0	71.2	79.5	70.6	-0.6%	+11.9%
Sopra Banking Software	-	103.8	-	107.7	-	-
SOPRA STERIA GROUP	**1,484.6**	**1,587.4**	**1,481.6**	**1,395.4**	**+0.2%**	**+6.4%**

* *Revenue at 2024 scope, exchange rates and accounting policies (IFRS 5 & 15)*

3) *Baseline : 2023*

SOPRA STERIA: REVENUE BY REPORTING UNIT (€M / %) – Q2 2024

	Q2 2024	Q2 2023 restated*	Q2 2023 reported	Organic growth	Total growth
France	617.7	618.5	609.0	-0.1%	+1.4%
United Kingdom	247.3	249.0	244.3	-0.7%	+1.2%
Europe	518.6	509.7	409.4	+1.7%	+26.7%
Solutions	81.3	80.9	71.8	+0.6%	+13.3%
Sopra Banking Software	-	-	110.3	-	-
SOPRA STERIA GROUP	**1,464.8**	**1,458.1**	**1,444.7**	**+0.5%**	**+1.4%**

* *Revenue at 2024 scope, exchange rates and accounting policies (IFRS 5 & 15)*

SOPRA STERIA: REVENUE BY REPORTING UNIT (€M / %) – H1 2024

	H1 2024	H1 2023 restated*	H1 2023 reported	Organic growth	Total growth
France	1,251.3	1,272.0	1,198.9	-1.6%	+4.4%
United Kingdom	487.3	472,5	461.0	+3.1%	+5.7%
Europe	1,050.5	1 034,8	819.8	+1.5%	+28.1%
Solutions	160.3	160,3	142.4	-0.0%	+12.6%
Sopra Banking Software	-	-	218.0	-	-
SOPRA STERIA GROUP	**2,949.4**	**2,939.7**	**2,840.1**	**+0.3%**	**+3.8%**

* *Revenue at 2024 scope, exchange rates and accounting policies (IFRS 5 & 15)*

SOPRA STERIA: PERFORMANCE BY REPORTING UNIT – H1 2024

	H1 2024		S1 2023 restated*		H1 2023 reported	
	€m	%	€m	%	€m	%
France						
Revenue	1,251.3		1,220.5		1,198.9	
Operating profit on business activity	119.2	9.5%	113.3	9.3%	108.8	9.1%
Profit from recurring operations	106.6	8.5%	97.4	8.0%	90.1	7.5%
Operating profit	99.4	7.9%	89.7	7.3%	84.2	7.0%
United Kingdom						
Revenue	487.3		461.0		461.0	
Operating profit on business activity	56.7	11.6%	52.4	11.4%	52.4	11.4%
Profit from recurring operations	49.8	10.2%	45.5	9.9%	45.5	9.9%
Operating profit	48.2	9.9%	38.2	8.3%	38.2	8.3%
Europe						
Revenue	1,050.5		834.8		819.8	
Operating profit on business activity	97.3	9.3%	73.1	8.8%	72.8	8.9%
Profit from recurring operations	84.2	8.0%	66.0	7.9%	66.0	8.1%
Operating profit	72.6	6.9%	53.3	6.4%	56.2	6.9%
Solutions						
Revenue	160.3		160.3		142.4	
Operating profit on business activity	12.2	7.6%	11.1	6.9%	14.3	10.0%
Profit from recurring operations	10.6	6.6%	7.8	4.9%	12.4	8.7%
Operating profit	9.5	5.9%	7.4	4.6%	12.0	8.5%

* *On a 2024 accounting standards basis (IFRS 5)*

1.2. Comments on the components of net profit for H1 2024

Profit from recurring operations came to €251.2 million, up 20.9% relative to the first half of 2023. It included a €13.2 million share-based payment expense (versus €28.4 million in the first half of 2023) and a €20.9 million amortisation expense on allocated intangible assets (versus €14.9 million in the first half of 2023).

Operating profit was €229.7 million, up 29.7%, after a net expense of €21.5 million for *other operating income and expenses* (compared with a net expense of €30.7 million in the first half of 2023).

Net interest expense was €18.2 million (versus €12.5 million in the first half of 2023).

The tax expense was €33.3 million in the half-year period, versus €42.5 million in the first half of 2023, translating to a Group-wide tax rate of 15.7% following the recording of non-recurring tax income in the United Kingdom.

For the 2024 financial year as a whole, the tax rate is estimated at around 23%.

Net profit/(loss) from associates came in at a €1.4 million loss (compared with a €0.1 million loss in the first half of 2023).

Net profit from continuing operations came in at €176.9 million, up 45.0%, giving a margin of 6.0%.

Net profit/(loss) from discontinued operations came in at a loss of €46.1 million.

Consolidated net profit came to €130.7 million, up 7.2% relative to the first half of 2023.

After deducting €7.6 million in **non-controlling interests, net profit attributable to the Group** came to €123.2 million, up 9.5% (compared with €112.5 million in the first half of 2023), representing a net profit margin of 4.2%.

Basic earnings per share came to €6.11 (up 9.7%), compared with €5.57 per share in the first half of 2023.

1.3. Workforce

The Group's **net headcount** stood at 56,001 employees at 30 June 2024 (compared with 56,273 employees at 31 March 2024). Excluding headcount corresponding to the parts of Sopra Banking Software currently in the process of being sold, the net headcount at end-June was 52,413 employees.

A total of 9,182 staff were employed at international service centres (India, Poland, Spain, etc.).

The **workforce attrition rate** was 15.2% (vs 15.7% in the first half of 2023).

1.4. Financial position at 30 June 2024

Free cash flow in the first half of 2024 came in at €44.0 million, in keeping with historical seasonal effects excluding the delay until July of the collection of tax credit receivables. This compares with €122.9 million in the first half of 2023, which included net receipts in advance of around €50 million.

Net financial debt totalled €1,057.0 million at 30 June 2024. This included €93.9 million in dividend payments. At end-June, it equated to 1.6x[(4)] pro forma 12-month rolling EBITDA before the impact of *IFRS* 16 (with the financial covenant stipulating a maximum of 3x).

1.5. Acquisition and external growth transactions

No material changes in the scope of consolidation took place during the period.

2. Risk factors and related-party transactions

2.1. Risk factors

The main risk factors are of the same nature as those presented in Chapter 2, Section 1 (pages 39 to 53) of the 2023 Universal Registration Document filed with the Autorité des Marches Financiers (AMF) on 15 March 2024, available on the Company's website: https://www.soprasteria.com. As at the date of this report, no significant risk factors other than those mentioned in the 2023 Universal Registration Document had been identified.

The most significant risks specific to Sopra Steria are set out below by category and in decreasing order of criticality (based on the crossover between likelihood of occurrence and the estimated extent of their impact), taking account of mitigation measures implemented. This presentation of residual risks is not intended to show all Sopra Steria's risks. The assessment of this order of materiality may be changed at any time, in particular due to the appearance of new external factors, changes in operations or a change in the effects of risk management measures.

4) Leverage calculated on the basis of net financial debt before IFRS 5 of €1,048 million.

For each risk, a description is provided in Chapter 2, Section 1 (pages 39 to 53) of the 2023 Universal Registration Document explaining in what ways it could affect Sopra Steria as well as the risk management measures put in place, such as governance, policies, procedures and checks and dedicated action plans.

The table below shows the results of this assessment in terms of residual materiality on a scale of three levels, from least material (•) to most material (•••).

Category/Risk	Residual materiality	Page in the 2023 Universal Registration Document
Risks related to strategy and external factors		
Ability to offer appropriate, adapted solutions	•••	P. 41
Acquisitions	••	P. 42
Loss of business from a major client or vertical	•	P. 42
Attacks on reputation	•	P. 42-43
Risks related to operational activities		
Repercussions of major external crises	•••	P. 43
Cybersecurity, protection of systems and data	••	P. 43-44
Pre-sales and delivery of projects and managed/operated services	••	P. 44-45
Risks related to human resources		
Attracting talent /**SNFP**/ [(1)]	••	P. 45
Development of skills and retention of key personnel /**SNFP**/ [(1)]	••	P. 45-46
Risks related to regulatory requirements		
Compliance /**SNFP**/ [(1)]	•	P. 46

(1) ***/SNFP/*** *This risk also relates to the provisions of Articles L. 225-102-1 and R. 225-105 of the French Commercial Code, which cover the Company's Statement of Non-Financial Performance.*

2.2. Related-party transactions

These transactions are discussed in Note 15 to the condensed consolidated financial statements in this report (page 35).

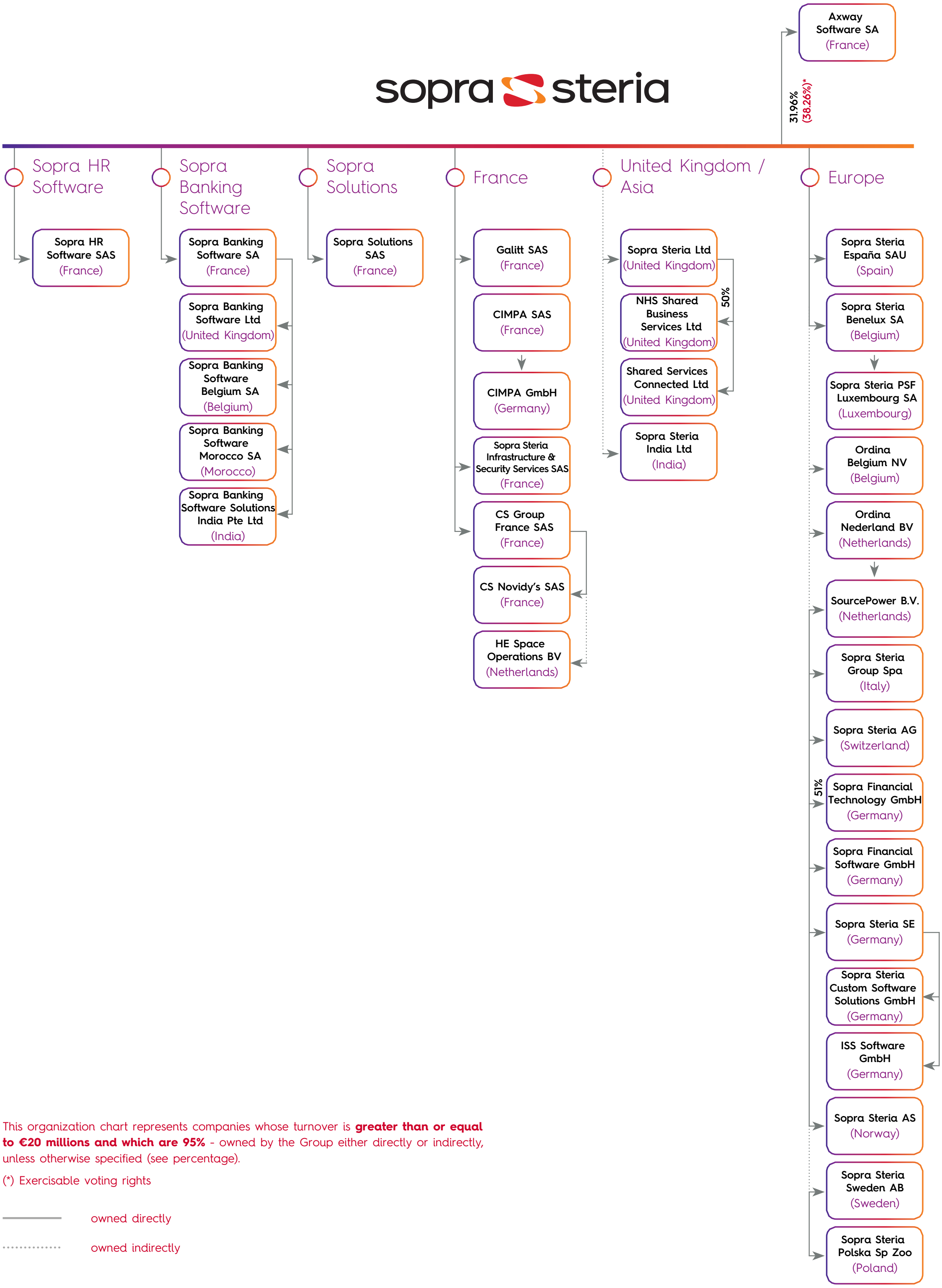
3. Targets for 2024

- Revenue relatively stable on an organic basis;
- Operating margin on business activity of at least 9.7%;
- Free cash flow of around €350 million.

4. Events subsequent to the period-end, 30 June 2024

On 19 July 2024, the Group sold to Sopra GMT 3.619 million of the 6.914 million Axway Software shares it held, at the price of €26.50 per share, for a total sale price of €95.9 million. The Group will then sell to Sopra GMT all its pre-emptive subscription rights to Axway Software shares.

5. Simplified Group structure at 30 June 2024



This organization chart represents companies whose turnover is **greater than or equal to €20 millions and which are 95%** - owned by the Group either directly or indirectly, unless otherwise specified (see percentage).

(*) Exercisable voting rights

owned directly

owned indirectly

Annex/Glossary

- **Restated revenue**: Revenue for the prior year, expressed on the basis of the scope and exchange rates for the current year.
- **Organic revenue growth**: Increase in revenue between the period under review and restated revenue for the same period in the prior financial year.
- **EBITDA**: This measure, as defined in the Universal Registration Document, is equal to *Consolidated operating profit on business activity* after adding back depreciation, amortisation and provisions included in *Operating profit on business activity*.
- **Operating profit on business activity**: This measure, as defined in the Universal Registration Document, is equal to *Profit from recurring operations* adjusted to exclude the share-based payment expense for stock options and free shares and charges to amortisation of allocated intangible assets.
- **Profit from recurring operations**: This measure is equal to *Operating profit* before *other operating income and expenses,* which includes any particularly significant items of operating income and expense that are unusual, abnormal, infrequent or not foreseeable, presented separately in order to give a clearer picture of performance based on ordinary activities.
- **Basic recurring earnings per share**: This measure is equal to *Basic earnings per share* before *other operating income and expenses* net of tax.
- **Free cash flow:** Free cash flow is defined as *net cash from operating activities*; less investments (net of disposals) in property, plant and equipment, and intangible assets; less lease payments; less net interest paid; and less additional contributions to address any deficits in defined-benefit pension plans.
- **Downtime**: Number of days between two contracts (excluding training, sick leave, other leave and pre-sales) divided by the total number of business days.

2. Condensed consolidated interim financial statements

Consolidated statement of net income

(in millions of euros)	Notes	H1 2024	H1 2023
Revenue	*4.1*	**2,949.4**	**2,676.7**
Staff costs	*5.1*	-1,862.9	-1,637.3
External expenses and purchases		-712.2	-708.6
Taxes and duties		-19.7	-21.1
Depreciation, amortisation, provisions and impairment		-74.2	-58.4
Other current operating income and expenses		4.8	-1.4
Operating profit on business activity		**285.3**	**249.9**
as % of revenue		9.7%	9.3%
Expenses related to stock options and related items	*5.4*	-13.2	-22.9
Amortisation of allocated intangible assets	*8.2*	-20.9	-10.3
Profit from recurring operations		**251.2**	**216.7**
as % of revenue		8.5%	8.1%
Other operating income and expenses	*4.2*	-21.5	-28.2
Operating profit		**229.7**	**188.5**
as % of revenue		7.8%	7.0%
Cost of net financial debt	*12.1.1*	-8.8	2.4
Other financial income and expenses	*12.1.2*	-9.4	-4.9
Tax expense	*6*	-33.3	-47.6
Net profit from associates	*10.1*	-1.4	-0.1
Net profit from continuing operations		**176.9**	**138.3**
Net profit from discontinued operations	*2.2*	-46.1	-16.3
Consolidated net profit		**130.7**	**122.0**
as % of revenue		4.4%	4.6%
Non-controlling interests	*14.1.4*	7.6	9.5
NET PROFIT ATTRIBUTABLE TO THE GROUP		**123.2**	**112.5**
as % of revenue		4.2%	4.2%
EARNINGS PER SHARE *(in euros)*	**Notes**		
Basic earnings per share from continuing operations	*14.2*	8.40	6.37
Diluted earnings per share from continuing operations	*14.2*	8.26	6.31
Basic earnings per share from discontinued operations	*14.2*	-2.29	-0.81
Diluted earnings per share from discontinued operations	*14.2*	-2.25	-0.80

Consolidated statement of comprehensive income

(in millions of euros)	Notes	H1 2024	H1 2023
Consolidated net profit		**130.7**	**122.0**
Other comprehensive income:			
Actuarial gains and losses on pension plans	*5.3*	7.6	-18.7
Tax impact		1.9	4.6
Related to associates		0.0	-0.2
Change in fair value of financial assets (non-consolidated securities)		-	-
Subtotal of items not reclassifiable to profit or loss		**9.5**	**-14.3**
Translation differences		24.9	16.6
Change in net investment hedges		-8.8	-15.5
Tax impact on net investment hedges		2.4	3.3
Change in cash flow hedges		10.5	4.9
Tax impact on cash flow hedges		-2.6	-0.5
Related to associates		2.1	-1.6
Subtotal of items reclassifiable to profit or loss		**28.5**	**7.1**
Other comprehensive income, total net of tax		**38.0**	**-7.2**
COMPREHENSIVE INCOME		**168.8**	**114.8**
Non-controlling interests		9.2	13.5
Attributable to the Group		**159.5**	**101.3**

Consolidated statement of financial position

ASSETS *(in millions of euros)*	**Notes**	**30/06/2024**	**31/12/2023**
Goodwill	*8.1*	2,334.2	2,586.2
Intangible assets	*8.2*	241.8	322.6
Property, plant and equipment	*8.2*	156.2	164.6
Right-of-use assets	*9*	417.6	457.1
Equity-accounted investments	*10*	97.0	185.9
Other non-current assets	*7.1*	56.5	73.8
Retirement benefits and similar obligations	*5.3*	47.0	40.6
Deferred tax assets	*6*	113.8	184.1
Non-current assets		**3,464.2**	**4,015.0**
Trade receivables and related accounts	*7.2*	1,359.0	1,372.4
Other current assets	*7.3*	591.1	515.5
Cash and cash equivalents	*12.2*	138.0	191.7
Current assets		**2,088.1**	**2,079.6**
Assets held for sale	*2.2*	638.6	-
TOTAL ASSETS		**6,190.8**	**6,094.6**

LIABILITIES AND EQUITY *(in millions of euros)*	**Notes**	**30/06/2024**	**31/12/2023**
Share capital		20.5	20.5
Share premium		531.5	531.5
Consolidated reserves and other reserves		1,397.8	1,324.7
Equity attributable to the Group		**1,949.9**	**1,876.7**
Non-controlling interests	*14.1.4*	**57.8**	**48.4**
TOTAL EQUITY	*14.1*	**2,007.6**	**1,925.1**
Financial debt – Non-current portion	*12.2*	679.9	619.5
Lease liabilities – Non-current portion	*9*	355.8	392.9
Deferred tax liabilities	*6*	34.3	114.1
Retirement benefits and similar obligations	*5.3*	202.0	226.2
Non-current provisions	*11.1*	52.8	59.4
Other non-current liabilities		17.6	21.6
Non-current liabilities		**1,342.5**	**1,433.6**
Financial debt – Current portion	*12.2*	515.1	518.2
Lease liabilities – Current portion	*9*	106.2	110.0
Current provisions	*11.1*	44.7	53.9
Trade payables and related accounts		404.5	354.5
Other current liabilities	*7.5*	1,542.0	1,699.2
Current liabilities		**2,612.4**	**2,735.9**
Liabilities held for sale	*2.2*	228.3	-
TOTAL LIABILITIES		**4,183.2**	**4,169.5**
TOTAL LIABILITIES AND EQUITY		**6,190.8**	**6,094.6**

Consolidated statement of changes in equity

(in millions of euros)	Share capital	Share premium	Treasury shares	Consolidated reserves and retained earnings	Other comprehensive income	Total attributable to the Group	Non-controlling interests	Total
AT 31/12/2022	**20.5**	**531.5**	**-68.6**	**1,364.2**	**2.7**	**1,850.3**	**43.1**	**1,893.4**
Share capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	26.1	-	26.1	0.1	26.2
Transactions in treasury shares	-	-	-1.3	-10.7	-	-12.0	-	-12.0
Ordinary dividends	-	-	-	-87.6	-	-87.6	-	-87.6
Changes in scope	-	-	-	-89.9	-	-89.9	0.0	-89.9
Other movements	-	-	-	6.7	-0.0	6.7	-6.8	-0.1
Shareholder transactions	**-**	**-**	**-1.3**	**-155.4**	**-0.0**	**-156.7**	**-6.7**	**-163.4**
Net profit for the period	-	-	-	112.5	-	112.5	9.5	122.0
Other comprehensive income	-	-	-	-	-11.2	-11.2	4.0	-7.2
Comprehensive income for the period	**-**	**-**	**-**	**112.5**	**-11.2**	**101.3**	**13.5**	**114.8**
AT 30/06/2023	**20.5**	**531.5**	**-69.9**	**1,321.3**	**-8.5**	**1,794.9**	**49.9**	**1,844.8**
Share capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	12.0	-	12.0	0.0	12.1
Transactions in treasury shares	-	-	-25.6	-0.8	-	-26.4	-	-26.4
Ordinary dividends	-	-	-	-0.0	-	-0.0	-7.0	-7.0
Changes in scope	-	-	-	52.0	-0.0	52.0	3.0	55.0
Other movements	-	-	-	-6.7	0.0	-6.7	6.8	0.1
Shareholder transactions	**-**	**-**	**-25.6**	**56.5**	**-**	**30.9**	**2.8**	**33.7**
Net profit for the period	-	-	-	71.2	-	71.2	-4.1	67.1
Other comprehensive income	-	-	-	-	-20.3	-20.3	-0.1	-20.4
Comprehensive income for the period	**-**	**-**	**-**	**71.2**	**-20.3**	**50.9**	**-4.2**	**46.7**
AT 31/12/2023	**20.5**	**531.5**	**-95.5**	**1,449.0**	**-28.8**	**1,876.7**	**48.4**	**1,925.1**
Share capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	11.5	-	11.5	0.1	11.6
Transactions in treasury shares	-	-	-0.6	-4.3	-	-5.0	-	-5.0
Ordinary dividends	-	-	-	-93.9	-	-93.9	0.0	-93.9
Changes in scope	-	-	-	-	-	-	-0.0	-0.0
Other movements	-	-	-	1.0	-	1.0	0.0	1.0
Shareholder transactions	**-**	**-**	**-0.6**	**-85.7**	**-**	**-86.4**	**0.1**	**-86.3**
Net profit for the period	-	-	-	123.2	-	123.2	7.6	130.7
Other comprehensive income	-	-	-	-	36.4	36.4	1.7	38.0
Comprehensive income for the period	**-**	**-**	**-**	**123.2**	**36.4**	**159.5**	**9.2**	**168.8**
AT 30/06/2024	**20.5**	**531.5**	**-96.1**	**1,486.4**	**7.6**	**1,949.9**	**57.8**	**2,007.6**

Consolidated cash flow statement

(in millions of euros)	Notes	H1 2024	H1 2023
Consolidated net profit (including non-controlling interests)		**130.7**	**122.0**
Net increase in depreciation, amortisation and provisions		126.2	85.4
Unrealised gains and losses related to changes in fair value		-2.7	3.1
Expenses and income related to stock options and related items	*5.4*	10.8	25.8
Gains and losses on disposal		1.0	0.3
Share of net profit/(loss) of equity-accounted companies	*10.1*	3.2	0.1
Cost of net financial debt (including cost related to lease liabilities)	*12.1.1*	27.5	11.3
Dividends from non-consolidated securities		-0.3	-0.0
Tax expense	*6*	32.9	42.5
Cash from operations before change in working capital requirement (A)		**329.5**	**290.4**
Tax paid (B)		-40.4	-46.8
Change in operating working capital requirement (C)	*13.1*	-132.8	-14.0
Net cash from operating activities (D) = (A+B+C)		**156.3**	**229.5**
Purchase of property, plant and equipment and intangible assets		-40.1	-47.3
Proceeds from sale of property, plant and equipment and intangible assets		0.4	0.0
Purchase of financial assets		-2.1	-3.2
Proceeds from sale of financial assets		5.2	-0.0
Cash impact of changes in scope		-17.5	-291.7
Dividends received (equity-accounted companies, non-consolidated securities)		0.3	2.7
Proceeds from/(Payments on) loans and advances granted		-0.1	-3.5
Net interest received		1.5	2.1
Net cash from/(used in) investing activities (E)		**-52.3**	**-340.8**
Proceeds from shareholders for capital increases		0.0	-0.0
Purchase and sale of treasury shares		-13.4	-3.1
Dividends paid to shareholders of the parent company		-93.9	-87.5
Dividends paid to the minority interests of consolidated companies		0.0	-0.0
Proceeds from/(Payments on) borrowings		54.8	183.6
Lease payments		-67.2	-46.2
Net interest paid (excluding interest on lease liabilities)		-19.9	-6.4
Additional contributions related to defined-benefit pension plans		-5.7	-6.9
Other cash flows relating to financing activities		-0.6	-0.9
Net cash from/(used in) financing activities (F)		**-145.9**	**32.6**
Impact of changes in foreign exchange rates (G)		-2.1	-6.0
Impact of the presentation of Sopra Banking Software		-9.5	-
NET CHANGE IN CASH AND CASH EQUIVALENTS (D+E+F+G)		**-53.5**	**-84.7**
Opening cash position		191.5	356.2
Closing cash position		137.9	271.6

Notes to the condensed interim consolidated financial statements

NOTE 1 OVERVIEW OF MAIN ACCOUNTING POLICIES

The Group's condensed interim consolidated financial statements for the six-month period ended 30 June 2024 were approved by the Board of Directors at its meeting held on 24 July 2024.

1.1. Basis of preparation

The consolidated financial statements for the period ended 30 June 2024 were prepared in accordance with *IAS* 34 Interim Financial Reporting, part of the International Financial Reporting Standards *(IFRSs)* published by the International Accounting Standards Board (*IASB*) as adopted in the European Union and available online at https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/financial-reporting_en.

The accounting policies used to prepare the condensed consolidated financial statements for the six-month period ended 30 June 2024 were the same as those used in the consolidated financial statements for the year ended 31 December 2023 and described in Chapter 5, Note 1 of the 2023 Universal Registration Document (filed on 15 March 2024 with the Autorité des Marches Financiers under No. D.24-0121, available on the Group's website: https://www.soprasteria.com), with the exception of the new standards and interpretations applicable to accounting periods beginning on or after 1 January 2024, presented in Note 1.2.

1.2. Application of new standards and interpretations

1.2.1. New mandatory standards and interpretations

New standards and amendments to existing standards adopted by the European Union, the application of which is mandatory for accounting periods beginning on or after 1 January 2024, mainly consist of the following amendments:

- *Amendment to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current;*
- *Amendment to IFRS 16 Leases – Lease Liability in a Sale and Leaseback;*
- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements*.

The application of these new requirements does not have an impact on the Group's consolidated financial statements or their notes.

In addition, in the first half of financial year 2024 the *IFRS* Interpretations Committee (*IFRS IC*) published two final decisions. The first decision concerned potential payments to sellers of a business contingent on their continued employment at the business during handover periods, under *IFRS* 3 *Business Combinations*. The second decision specified how provisions for climate-related commitments should be recognised under *IAS* 37 Provisions, Contingent Liabilities and Contingent Assets. These two decisions have no impact on the Group's financial statements.

1.2.2. Standards and interpretations published by the *IASB* but not applied early

The Group did not identify any new standards or amendments to existing standards adopted by the European Union, the application of which is mandatory after 31 December 2023 and which may be applied in advance.

1.3. Material estimates and accounting judgments

The preparation of the interim financial statements entails the use of estimates and assumptions in measuring certain consolidated assets and liabilities, as well as certain income statement items. Group management is also required to exercise judgment in the application of its accounting policies.

Such estimates and judgments, which are continually updated, are based both on historical information and on a reasonable anticipation of future events according to the circumstances. However, given the uncertainty implicit in assumptions as to future events, the related accounting estimates may differ from the ultimate actual results.

The main assumptions and estimates that may leave scope for material adjustments to the carrying amounts of assets and liabilities in the subsequent period are as follows:

- measurement of the recoverable amount of property, plant and equipment and intangible assets, especially goodwill (see Note 8);
- measurement of the recoverable amount of investments in associates recorded in the balance sheet (see Note 10.2);
- measurement of retirement benefit obligations (see Note 5.3);
- revenue recognition (see Note 4.1);
- lease terms and the measurement of right-of-use assets and lease liabilities (see Note 9);
- measurement of deferred tax assets;
- provisions for contingencies (see Note 11.1).

These accounting judgments and estimates take into account the trajectory for reducing GHG emissions and, in particular, the process of transitioning the Group's activities towards meeting the Climate Neutral Now programme's target of climate neutrality. This is reflected in particular in the projections used to measure assets. It is also reflected in consumption shown in the income statement, in particular electricity consumption from renewable sources under green power purchase agreements entered into directly with suppliers or using Guarantee of Origin certificates.

Furthermore, the Group's activities have only a minor impact on greenhouse gas emissions trends.

Lastly, the Group considers that, to date, it has not been affected by major climate events.

NOTE 2 SCOPE OF CONSOLIDATION

2.1. Main acquisitions

On 4 October 2023, the Group acquired a controlling interest in Ordina.

At 31 December 2023, the purchase price allocation was not definitive. During the first half of the year, the Group identified and recognised a customer relationship in particular, amounting to €110.9 million, within Intangible assets, and the associated deferred tax liability. This intangible asset is to be amortised over an average period of 10.6 years. The adjustment was recognised at the acquisition date and as such changed the 2023 comparative data.

At 30 June 2024, the provisional purchase price allocation for Ordina broke down as follows:

(in millions of euros)	**Ordina**
Intangible assets	111.3
Property, plant and equipment	8.1
Deferred tax assets	0.2
Other non-current assets	29.4
Trade receivables and related accounts	99.6
Other current assets	28.0
Total assets acquired	**276.6**
Retirement benefits and similar obligations	0.6
Non-current provisions	-
Deferred tax liabilities	23.3
Other non-current liabilities	19.2
Trade payables and related accounts	7.3
Current provisions	1.3
Other current liabilities	126.7
Total liabilities assumed	**178.3**
TOTAL NET ASSETS ACQUIRED/(NET LIABILITIES ASSUMED)	**98.2**
Non-controlling interests	-
PURCHASE PRICE	**517.6**
GOODWILL	**419.4**

In the first half of 2024, the Group carried out the acquisition of InProcess by Sopra Steria Group in France on 7 March 2024.

2.2. Sale of Sopra Banking Software

On 21 February 2024, the Board of Directors authorised the planned sale by the Group of most of Sopra Banking Software's activities to Axway Software. This transaction also involves the sale by the Group to Sopra GMT of around 3.6 million of the 6.9 million Axway shares it holds (see Note 7.1).

In the first half of the year, this decision to refocus the Group's activities on digital services and solutions, consulting and digital technology in its strategic markets (financial services, defence & security, aeronautics, space and the public sector) was reflected in the legal carve-out of the activities of Sopra Banking Software to be sold and the transfer of the activities retained to the Group's entities.

Sopra Banking Software's "Development" business, which was carved out as part of this process, constituted a separate part of the Sopra Banking Software reporting unit at 31 December 2023. The Group considered that it constituted a separate major line of business, classifying it as a discontinued operation, in accordance with *IFRS* 5 Non-Current Assets Held for Sale and Discontinued Operations.

This accounting treatment involves the following consequences and changes to the Group's consolidated financial statements:

- Net profit from the discontinued operations of Sopra Banking Software is presented within a separate item, *Profit from discontinued operations*, in the consolidated statement of net income for financial year 2024 as from 1 January 2024. The base year, financial year 2023, is also restated in the same manner.
- The assets of Sopra Banking Software are presented within a separate asset item, *Assets held for sale*, in the 2024 consolidated statement of financial position. In parallel, the liabilities of Sopra Banking Software are presented within *Liabilities held for sale* in the consolidated statement of financial position.
- The cash flow statement remains unchanged and does not distinguish between cash flows from continuing operations and discontinued operations. Information on the latter category is presented later in this note.

In addition, the value of Sopra Banking Software's assets is now recovered through a sale transaction rather than through continuing use. It is therefore measured at the lower of its carrying amount and fair value less costs to sell. This principle applies as from the date at which the conditions required for classification as *Assets held for sale* under *IFRS* 5 are met. That date was 21 February 2024, the date at which the Group's Board of Directors authorised the transaction. As these classification conditions have been met, the non-current assets held for sale are no longer systematically amortised as from that date. The favourable impact of discontinuing amortisation came to €7.0 million for *Operating profit on business activity* and €8.6 million for the net profit of Sopra Banking Software (including a €3.0 million tax charge)..

As Sopra Banking Software is now measured under *IFRS* 5, the Group reduced the carrying amount of the entity's book value to its fair value less costs to sell by recognising impairment of €27.6 million at 30 June 2024 recognized in other operating income expenses. This fair value amounted to €312.1 million at June 30, 2024. Costs to sell are recognised within *Other operating income and expenses* in the statement of net income from discontinued operations for Sopra Banking Software and amounted to €7.2 million.

In addition, the Axway Software shares that are planned to be sold to Sopra GMT and had not yet been transferred at 30 June 2024 will also be recognised within *Assets held for sale* for €98.2 million. Note 10, "Equity-accounted investments" presents the related impacts.

Detailed information on the impact of the Sopra Banking Software discontinued operation are presented below.

CONSOLIDATED STATEMENT OF NET INCOME FROM DISCONTINUED OPERATIONS

Net profit for the Sopra Banking Software discontinued operation broke down as follows in the first half of 2024 and the first half of 2023:

(in millions of euros)	H1 2024	H1 2023
Revenue	**171.9**	**163.5**
Operating expenses	-166.1	-162.2
Operating profit on business activity	**5.8**	**1.2**
as % of revenue	3.4%	0.7%
Other current operating income and expenses	0.6	-10.1
Profit from recurring operations	**6.4**	**-8.9**
as % of revenue	3.7%	-5.4%
Other operating income and expenses	-40.3	-2.6
Operating profit	**-33.9**	**-11.5**
as % of revenue	-19.7%	-7.0%
Financial income and expenses	-12.6	-9.9
Tax expense	0.4	5.1
Net income from discontinued operations	**-46.1**	**-16.3**
as % of revenue	-26.8%	-10.0%
Non-controlling interests	0.0	0.0
NET INCOME FROM DISCONTINUED OPERATIONS - ATTRIBUTABLE TO THE GROUP	**-46.1**	**-16.3**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets and liabilities held for sale for Sopra Banking Software broke down as follows in financial year 2024:

ASSETS *(in millions of euros)*	**30/06/2024**
Goodwill	246.1
Property, plant and equipment and intangible assets	83.2
Other non-current assets	39.8
Deferred tax assets	19.1
Non-current assets	**388.1**
Trade receivables and related accounts	110.5
Other current assets	32.3
Cash and cash equivalents	9.5
Current assets	**152.3**
TOTAL ASSETS	**540.4**

LIABILITIES AND EQUITY *(in millions of euros)*	**30/06/2024**
Equity	**312.1**
Financial debt – Non-current portion	-
Deferred tax liabilities	3.8
Retirement benefits and similar obligations	19.9
Other non-current liabilities	30.3
Non-current liabilities	**54.1**
Financial debt – Current portion	0.1
Other current liabilities	174.2
Current liabilities	**174.3**
TOTAL LIABILITIES AND EQUITY	**540.4**

CONSOLIDATED CASH FLOW STATEMENT

The impacts of the Sopra Banking Software discontinued operation on cash flow in 2024 and 2023 were as follows:

(in millions of euros)	**H1 2024**	**H1 2023**
Net cash from operating activities	**-12.0**	**45.2**
Net cash from/(used in) investing activities	**62.7**	**-11.4**
Net cash from/(used in) financing activities	**25.0**	**-34.6**
Impact of changes in foreign exchange rates	-1.7	-1.9
Impact of the presentation of Sopra Banking Software	-9.5	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	**64.5**	**-2.7**
Opening cash position	-64.4	-63.0
Closing cash position	0.0	-65.7

NOTE 3 SEGMENT INFORMATION

3.1. Results by reporting unit

As mentioned in Note 2.2, the sale of Sopra Banking Software was preceded in the first half of the year by the legal carve-out of those activities of Sopra Banking Software to be sold and the transfer to Group entities of those activities to be retained. As such, the "France" reporting unit now includes software integration activities. The "Other Europe" reporting unit now includes activities relating to a credit management solution in Belgium, solutions managed by the subsidiary previously held by Sopra Banking Software in Germany, and the service centre for projects contributed to the "France" reporting unit in Spain. Lastly, the activities of Sopra Solutions were combined and are now presented as part of the "Other Solutions" reporting unit.

Segment figures for the first half of 2023 were restated, in accordance with the requirements for classifying Sopra Banking Software as a discontinued operation. The Sopra Banking Software segment is no longer included in segment information.

a. France

(in millions of euros)	H1 2024		H1 2023	
Revenue	1,251.3		1,220.5	
Operating profit on business activity	119.2	9.5%	113.3	9.3%
Profit from recurring operations	106.6	8.5%	97.4	8.0%
Operating profit	99.4	7.9%	89.7	7.3%

b. United Kingdom

(in millions of euros)	H1 2024		H1 2023	
Revenue	487.3		461.0	
Operating profit on business activity	56.7	11.6%	52.4	11.4%
Profit from recurring operations	49.8	10.2%	45.5	9.9%
Operating profit	48.2	9.9%	38.2	8.3%

c. Europe

(in millions of euros)	H1 2024		H1 2023	
Revenue	1,050.5		834.8	
Operating profit on business activity	97.3	9.3%	73.1	8.8%
Profit from recurring operations	84.2	8.0%	66.0	7.9%
Operating profit	72.6	6.9%	53.3	6.4%

d. Solutions

(in millions of euros)	H1 2024		H1 2023	
Revenue	160.3		160.3	
Operating profit on business activity	12.2	7.6%	11.1	6.9%
Profit from recurring operations	10.6	6.6%	7.8	4.9%
Operating profit	9.5	5.9%	7.4	4.6%

e. Group

(in millions of euros)	H1 2024		H1 2023	
Revenue	2,949.4		2,676.7	
Operating profit on business activity	285.3	9.7%	249.9	9.3%
Profit from recurring operations	251.2	8.5%	216.7	8.1%
Operating profit	229.7	7.8%	188.5	7.0%

3.2. Revenue by geographic area

(in millions of euros)	France	Outside France	TOTAL
H1 2023	1,302.0	1,374.6	2,676.7
H1 2024	**1,346.0**	**1,603.9**	**2,949.9**

NOTE 4 OPERATING PROFIT

4.1. Revenue

(in millions of euros)	H1 2024		H1 2023	
France	1,251.3	42.4%	1,220.5	45.6%
United Kingdom	487.3	16.5%	461.0	17.2%
Europe	1,050.5	35.6%	834.8	31.2%
Solutions	160.3	5.4%	160.3	6.0%
TOTAL REVENUE	**2,949.4**	**100.0%**	**2,676.7**	**100.0%**

Revenue primarily consists of services recognised on a percentage-of-completion basis.

The 2023 period was restated in accordance with the application of *IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations* (see Note 2.2).

4.2. Other non-current operating income and expenses

(in millions of euros)	H1 2024	H1 2023
Expenses arising from business combinations (fees, commissions, etc.)	-	-3.6
Net restructuring and reorganisation costs	-17.7	-14.7
- *Separation costs*	-17.7	-14.3
- *Integration and reorganisation of activities*	-	-0.4
Asset impairment	-2.8	-1.2
Other operating expenses	-1.0	-9.0
Total other operating expenses	**-21.5**	**-28.5**
Other operating income	-	0.4
Total other operating income	**-**	**0.4**
TOTAL	**-21.5**	**-28.2**

The 2023 period was restated in accordance with the application of *IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations* (see Note 2.2).

Other operating income and expenses in the first half of 2024 mainly consisted of resource adaptation expenses in Germany, France and Belgium (amounting to -€5.7 million, -€8.0 million and -€1.3 million, respectively).

In the first half of 2023, *Other operating income and expenses* mainly consisted of resource adaptation expenses in Germany, France and Belgium (-€8.0 million, -€4.0 million and -€1.0 million, respectively) and other operating expenses related to shutdowns of low-margin activities (-€9.0 million).

NOTE 5 EMPLOYEE BENEFITS

5.1. Staff costs

(in millions of euros)	H1 2024	H1 2023
Wages and salaries	-1,404.6	-1,234.9
Social security contributions	-439.9	-383.2
Net expense for post-employment and similar benefit obligations	-18.4	-19.2
TOTAL	**-1,862.9**	**-1,637.3**

The 2023 period was restated in accordance with the application of *IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations* (see Note 2.2).

5.2. Workforce

Workforce at period-end	H1 2024	H1 2023
France	22,062	22,363
International	33,939	31,591
TOTAL	**56,001**	**53,954**

Workforce figures include staff of the held-for-sale activities of Sopra Banking Software at 30 June 2024 and 30 June 2023, amounting to 3,600 and 4,000 employees, respectively.

5.3. Retirement benefits and similar obligations

Retirement benefits and similar obligations break down as follows:

(in millions of euros)	30/06/2024	31/12/2023
Post-employment benefit assets	-47.0	-40.6
Post-employment benefit liabilities	185.7	208.5
NET POST-EMPLOYMENT BENEFITS	**138.8**	**167.8**
Other long-term employee benefits	16.3	17.7
TOTAL	155.1	185.5

Post-employment benefits mainly concern the Group's obligations towards its employees to provide retirement bonuses in France and defined-benefit pension plans in the United Kingdom and Germany. For marginal amounts, they also include end-of-contract bonuses in certain countries in Africa, as well as a defined-benefit plan in Belgium.

The net liability in respect of retirement benefits and similar obligations was calculated at the balance sheet date based on the most recent valuations available as at the close of the preceding financial year. A review of actuarial assumptions was performed to take into account any half-year changes or one-off impacts, in particular changes in discount rates at 30 June 2024. The market value of plan assets was updated as at the balance sheet date.

In the first half of 2024, net liabilities arising from the main post-employment benefit plans changed as follows:

(in millions of euros)	Defined-benefit pension funds – United Kingdom	Retirement bonuses – France	Defined-benefit pension funds – Germany	Other	Total
Net liability at 1 January 2024	**-32.4**	**156.0**	**42.1**	**2.1**	**167.8**
Net expense recognised in the income statement	-0.5	7.3	0.8	0.2	7.8
- Operating charges for service cost	0.7	4.9	0.1	0.1	5.8
- Net interest expense	-1.2	2.4	0.7	0.0	2.0
Net expense recognised in Other comprehensive income	-4.0	-1.8	-1.6	-0.2	-7.6
- Return on plan assets	60.7	0.0	-	-0.0	60.7
- Experience adjustments	5.6	6.6	-0.8	-0.0	11.5
- Impact of changes in financial assumptions	-66.2	-8.4	-0.8	-0.2	-75.7
- Impact of limits set on assets	-4.1	-	-	-	-4.1
Contributions	-6.1	-	-	-0.3	-6.4
- Employer contributions	-6.1	-	-	-0.3	-6.4
- Employee contributions	-	-	-	-	-
Benefits provided	-	-4.1	-1.1	-0.1	-5.3
Exchange differences	-1.0	-	-	0.0	-1.0
Changes in scope	-	-	-	-	-
Other movements	-	-15.9	0.0	-0.6	-16.5
NET LIABILITY/(ASSET) AT 30 JUNE 2024	**-44.0**	**141.6**	**40.2**	**1.0**	**138.8**

Other movements included, mainly in France, the reclassification within *Liabilities held for sale* of the liability for retirement bonuses of Sopra Banking Software, which amounted to €16.5 million.

The actuarial assumptions used to measure these liabilities are as follows at 30 June 2024:

	United Kingdom	France	Germany	Other
Discount rate	5.29%	3.62%	3.66% to 4.05%	3.51% to 10.00%
Rate of inflation or salary increase	3.12%	2.50%	2.00% to 2.75%	3.00% to 10.00%

At 31 December 2023, they were as follows:

	United Kingdom	France	Germany	Other
Discount rate	4.78%	3.42% to 3.59%	3.59% to 3.63%	3.42% to 10.00%
Rate of inflation or salary increase	3.03%	2.50%	2.00% to 2.75%	3.00% to 10.00%

5.4. Expenses related to stock options and related items

5.4.1. Free performance share plan

The expense recognised in the first half of 2024 in respect of the various long-term incentive (LTI) plans in force broke down as follows:

- 2023 plan: -€2.3 million;
- 2022 plan: -€3.6 million;
- 2021 plan: -€4.2 million.

No new plans were set up in 2024.

5.4.2. Employee share ownership plan

No new employee share ownership plans were set up in 2024.

Furthermore, the Share Incentive Plan – a specific plan in place in the United Kingdom – continued and incurred an expense of €0.6 million in the first half of 2024.

NOTE 6 CORPORATE INCOME TAX EXPENSE

(in millions of euros)	H1 2024	H1 2023
Current tax	-47.2	-38.2
Deferred tax	13.9	-9.5
TOTAL	**-33.3**	**-47.6**

The 2023 period was restated in accordance with the application of *IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations* (see Note 2.2).

In the first half of 2024, the Group's effective tax rate was 15.7%, compared with an effective tax rate of 25.6% recognised in the first half of 2023. In 2024, the deferred tax expense included in particular a positive one-off impact of €13.5 million recognised in the United Kingdom.

In addition, the international tax reform and Pillar Two model did not have an impact on the tax expense for the period.

NOTE 7 COMPONENTS OF THE WORKING CAPITAL REQUIREMENT AND OTHER FINANCIAL ASSETS AND LIABILITIES

These items include other non-current financial assets, trade receivables and related accounts, other current assets, other non-current liabilities, trade payables and other current liabilities.

7.1. Other non-current financial assets

(in millions of euros)	30/06/2024	31/12/2023
Non-consolidated securities	19.9	26.8
Other loans and receivables	27.7	42.7
Derivatives	9.0	4.4
TOTAL	**56.5**	**73.8**

7.2. Trade receivables and related accounts

(in millions of euros)	30/06/2024	31/12/2023
Trade receivables – Gross value	684.2	851.9
Impairment of trade receivables	-8.0	-16.6
Trade receivables – Net value	**676.2**	**835.3**
Customer contract assets	682.8	537.1
TOTAL	**1,359.0**	**1,372.4**

7.3. Other current assets

No significant events other than the effects of the changes in the scope of consolidation described in Note 2 had an impact on *Other current assets* at 30 June 2024.

7.4. Other non-current liabilities

(in millions of euros)	30/06/2024	31/12/2023
Other liabilities – Non-current portion	14.6	13.3
Derivatives	3.1	8.3
TOTAL	**17.6**	**21.6**

Other non-current liabilities included the Group's funding requirements in corporate venture funds, for €10.2 million.

7.5. Other current liabilities

No significant events other than the effects of the changes in the scope of consolidation described in Note 2 had an impact on Other current liabilities at 30 June 2024.

NOTE 8 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

8.1. Goodwill

8.1.1. Statement of changes in goodwill

Movements in the first half of 2024 were as follows:

(in millions of euros)	01/01/2024	Acquisitions	Impairment	Translation adjustments	Other movements	30/06/2024
France	859.6	3.0	-	-	-	862.6
United Kingdom	594.6	-	-	15.9	-	610.5
Europe (1)	830.4	-	-	-3.7	-	826.7
Banking	267.3	3.5	-27.6	2.9	-246.1	0.0
Solutions (2)	34.4	-	-	-	-	34.4
TOTAL	**2,586.2**	**6.5**	**-27.6**	**15.1**	**-246.1**	**2,334.2**

(1) "Other Europe" comprises the following CGUs, which are tested separately: Germany, Scandinavia, Spain, Italy, Switzerland, Belgium, Luxembourg and Sopra Financial Technology.

(2) "Other Solutions" comprises the following CGUs, which are tested separately: HR Software and Sopra Solutions.

Other movements included the reclassification within *Assets held for sale* of the goodwill of Sopra Banking Software, which amounted to €246.1 million, and its impairment of €27.6 million, as described in Note 2.2.

8.1.2. Impairment testing

The Group performs impairment tests annually or where there is an indication of impairment. At 30 June 2024, no indication of impairment had been identified.

8.2. Property, plant and equipment and intangible assets

The main changes in property, plant and equipment and intangible assets outside of ordinary activities primarily arose from the reclassification within *Assets held for sale* of Sopra Banking Software (see Note 2.2) and the recognition of the Ordina customer relationship (see Note 2.1).

NOTE 9 LEASES

Changes in right-of-use assets mainly arose from the classification within *Assets held for sale* of Sopra Banking Software, which had a negative €36.5 million impact (see Note 2.2).

NOTE 10 EQUITY-ACCOUNTED INVESTMENTS

The sale of most of the activities of Sopra Banking Software will involve the transfer by the Group to Sopra GMT of 3.619 million of the 6.914 million Axway shares it currently holds at 30 June 2024. This sale will take place after 30 June 2024 and prior to the sale of Sopra Banking Software shares. It will bring the Group's stake in Axway Software to around 15%. In addition, the Group will sell to Sopra GMT all its pre-emptive subscription rights to Axway shares. As the latter is funding the acquisition of Sopra Banking Software, in particular through a capital increase in the end of July, the Group's stake will be diluted and will only amount to around 11% following this transaction. Following these transactions, the Group will no longer exert significant influence over Axway, and the Axway shares will be reclassified under Non-consolidated securities as financial assets measured at fair value through other comprehensive income.

At 30 June 2024, 3.619 million Axway shares were recognised within *Assets held for sale*. As they now fall within the scope of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, they are no longer measured using the equity method. No profit from Axway associated with these shares was recognised. Their carrying amount came to €98.2 million at 30 June 2024.

The 3.294 million Axway shares to be retained by the Group are measured using the equity method and recognised within Equity-accounted investments. Their value came to €92.4 million at 30 June 2024. No impairment risk has been identified for Axway Software shares at June 30, 2024.

(in millions of euros)	**Carrying amount**
31 December 2022	**183.5**
Changes in scope	0.2
Retail	-2.7
Profit for the period	6.7
Translation adjustments	-2.3
Other comprehensive income	-0.4
Other movements	0.8
31 December 2023	**185.9**
Changes in scope	0.4
Retail	0.0
Profit for the period	-1.4
Translation adjustments	2.2
Other comprehensive income	0.0
Other movements	-90.0
30 JUNE 2024	**97.0**

Other movements in the table above include the classification of Axway Software shares as "assets held for sale".

At 31 December 2023, the carrying amount of investments in associates consisted mainly of the value of Axway Software shares, which came to €187.6 million.

NOTE 11 PROVISIONS AND CONTINGENT LIABILITIES

11.1. Current and non-current provisions

(in millions of euros)	01/01/2024	Changes in scope	Charges	Reversals (used)	Reversals (not used)	Other	Translation adjustments	30/06/2024	Non-current portion	Current portion
Disputes	11.1	-	1.0	-5.3	-0.4	-0.6	0.0	5.8	3.3	2.5
Losses on contracts	35.6	-	3.2	-9.3	-	-5.1	0.1	24.5	18.0	6.5
Tax risks other than income tax	20.3	-	0.3	-1.3	-0.1	-0.8	0.0	18.6	17.7	0.9
Restructuring	3.2	-	1.1	-1.0	-0.0	-	0.0	3.4	1.1	2.3
Cost of renovating premises	15.8	-	0.8	-0.4	-0.3	-1.3	0.3	14.9	7.6	7.3
Other contingencies	27.2	-0.0	3.5	-5.2	-0.4	5.0	0.3	30.4	5.3	25.2
TOTAL	**113.3**	**-0.0**	**9.9**	**-22.5**	**-1.1**	**-2.9**	**0.8**	**97.5**	**52.8**	**44.7**

Provisions for disputes cover disputes before employment tribunals and severance payments for employees (€4.8 million), and commercial disputes with customers (€1.6 million).

Provisions for tax risks other than income tax mainly concern risks relating to the R&D tax credit in France.

Provisions for restructuring mainly correspond to the cost of one-off restructuring measures in Germany (€1.3 million) and in France (€2.0 million).

Other provisions for contingencies mainly cover risks relating to clients and projects in the amount of €18.7 million (including €9.5 million in the United Kingdom, €4.7 million in Germany and €2.8 million in France), contractual risks (€5.4 million) and employee-related risks (€2.3 million).

Lastly, other movements mainly concerned the reclassification within *Liabilities held for sale* of Sopra Banking Software, which amounted to €2.9 million.

11.2. Contingent liabilities

There was no material change in the amount of contingent liabilities with respect to 31/12/2023, as described in Chapter 5, Note 11.2 of the 2023 Universal Registration Document.

NOTE 12 FINANCING AND FINANCIAL RISK MANAGEMENT

12.1. Financial income and expenses

12.1.1. Cost of net financial debt

(in millions of euros)	H1 2024	H1 2023
Interest income	3.4	2.9
Income from cash and cash equivalents	**3.4**	**2.9**
Interest expenses	-14.6	-1.8
Gains and losses on hedges of gross financial debt	2.4	1.2
Cost of gross financial debt	**-12.2**	**-0.6**
COST OF NET FINANCIAL DEBT	**-8.8**	**2.4**

The increase in the cost of net financial debt resulted from the combined effect of the rise in both average debt and interest rates.

The average cost of borrowing after hedging was 3.96% in the first half of 2024, compared with 2.47% in the first half of 2023.

12.1.2. Other financial income and expenses

(in millions of euros)	H1 2024	H1 2023
Foreign exchange gains and losses	**0.5**	**-0.1**
Other financial income	**7.9**	**0.5**
Net interest expense on lease liabilities	-6.3	-4.1
Net interest expense on retirement benefit obligations	-0.7	-1.3
Expense on unwinding of discounted non-current liabilities	-0.2	-0.3
Change in the value of derivatives	0.2	0.3
Gain or loss on disposal of financial assets	-0.4	-0.0
Other financial expenses	-10.5	0.1
Total other financial expenses	**-17.8**	**-5.3**
TOTAL OTHER FINANCIAL INCOME AND EXPENSES	**-9.4**	**-4.9**

12.2. Net financial debt

(in millions of euros)	Current	Non-current	30/06/2024	31/12/2023
Bonds	4.6	249.8	254.4	252.0
Bank borrowings	58.7	407.3	465.9	479.9
Other sundry financial debt	451.7	22.9	474.6	405.5
Current bank overdrafts	0.1	-	0.1	0.2
FINANCIAL DEBT	**515.1**	**679.9**	**1,195.0**	**1,137.7**
Cash equivalents	-27.2	-	-27.2	-24.9
Cash	-110.7	-	-110.7	-166.8
NET FINANCIAL DEBT EXCLUDING ACTIVITIES HELD FOR SALE	**377.1**	**679.9**	**1,057.0**	**946.0**
Impact of classification within activities held for sale	-9.5	-	-9.5	-
TOTAL NET FINANCIAL DEBT	**367.7**	**679.9**	**1,047.6**	**946.0**

Cash and cash equivalents

Cash equivalents include money-market holdings, short-term deposits and advances under the liquidity agreement. The risk of a change in value on these investments is negligible. They are managed by the Group's Finance Department, and comply with internally defined principles of prudence.

Of the €137.9 million in cash and cash equivalents (excluding current bank overdrafts) at 30 June 2024, €43.9 million was held by the parent company and €94.0 million by the subsidiaries. Among the subsidiaries, entities in India contributed €27.7 million to net cash and cash equivalents at 30 June 2024 (versus €25.5 million at 31 December 2023).

Other financial debt

The sources of financing available to the Group are presented in Note 12.3.1, "Management of liquidity".

12.3. Financial risk management

12.3.1. Management of liquidity risk

The Group's policy is to have credit facilities at its disposal that are much larger than its needs and to manage cash centrally at Group level where permitted by local law. Subsidiaries' cash surpluses or borrowing requirements are thus managed centrally, being invested or met by the Sopra Steria Group parent company, which carries the bulk of the Group's borrowings and bank credit facilities.

On 22 February 2022, the Group signed an agreement with its partner banks consisting of a €1,100 million non-amortising multi-currency credit facility tied to the achievement of environmental goals. Its ESG component does not constitute an embedded derivative. It is based on achieving a reduction in greenhouse gas emissions on a straight-line basis of 7% per year for Scope 1 and 2 emissions, and part of Scope 3, aligned with a 1.5°C temperature increase scenario validated by SBTi. The carbon target is to reduce greenhouse gas emissions from its activities by 68% per employee in 2028 with respect to their 2015 baseline level. It is measured for each financial year and, if the target is met, will result in a 0.04% reduction per year in the applicable margin to be invested as a contribution to sustainable projects. If, on the other hand, emissions exceed the target, the margin will be increased and used to make a financial contribution to sustainable projects.

This agreement, with an initial term of five years, included two options to extend the expiry date by one year each. These two options of requesting an extension were exercised and received favourable responses from lenders, setting the expiry date of this credit facility at 22 February 2029.

On 19 December 2023, the Group signed a contract with the same partner banks for a bank credit facility, drawn in the amount of €400 million, with a term of five years, comprised of a €280 million amortising tranche and a €120 million non-amortising tranche. This bank credit facility does not include an ESG component.

The Group also has several non-amortising bilateral bank facilities: some drawn to €67 million and others undrawn for €75 million, maturing from 2024 to 2028.

As part of its efforts to diversify its borrowings, the Group has a €300 million NEU MTN programme and a €700 million NEU CP programme. During the first half of 2024, the Group repaid a €10 million NEU MTN issue and was active in its NEU CP programme. At 30 June 2024, the outstanding amount under the NEU MTN programme was nil (€10.0 million at 31 December 2023) and the NEU CP programme had €445.0 million outstanding (€366.0 million at 31 December 2023).

At 30 June 2024, the Group had credit facilities totalling €2,091.0 million (€2,099.3 million at 31 December 2023), 35.0% of which was drawn down (35.9% at 31 December 2023).

Undrawn available credit lines amounted to €1,351 million, including €1,100 million in RCFs and €75 million in bilateral credit facilities (versus €1,100 million and €75 million, respectively, at 31 December 2023), in addition to undrawn overdraft facilities for €176.0 million at 30 June 2024 (versus €171.5 million at 31 December 2023).

Aside from the syndicated loan, bilateral credit facilities and bonds, the Group's financing essentially consists of issues under NEU CP (short-term commercial paper) and NEU MTN programmes. These financing sources break down as shown below:

	Amount authorised at 30/06/2024		Drawdown at 30/06/2024		Drawdown	Repayment terms	Interest rate at 30/06/2024
	€m	£m	€m	£m			
Available credit facilities							
Bond	250.0	-0	250.0	-0	100%	At maturity €130m 07/2026 €120m 07/2027	1.87%
Syndicated loan							
Multi-currency revolving credit facility	1,100.0			-0	0%	02/2029 *	
Bank borrowings	400.0		400.0	-0	100%	Amortising tranche of €280m & tranche due at maturity of €120m, maturing 12/2028	5.00%
Bilateral credit facilities	142.0		67.0		47%	2024 to 2028	5.13%
Other	22.5		22.5	-0	100%	2024 to 2026	2.35%
Overdraft	176.5	-0	0.1			N/A	
Total credit facilities authorised per currency	**2,091.0**	**-0**	**739.5**	**-0**			
TOTAL CREDIT FACILITIES AUTHORISED (€ EQUIVALENT)		**2,091.0**		**739.5**	**35%**		**3.87%**
Other types of financing used							
NEU CP & NEU MTN			445.0			2024	4.13%
Other			10.5			2027	
Total financing per currency			**1,195.0**	**-0**			
TOTAL FINANCING (€ EQUIVALENT)				**1,195.0**			**3.94%**

* The two one-year extension options were exercised and unanimously approved by lenders in February 2023 and December 2023.

Interest rates payable on the syndicated loan equal the interbank rate of the currency concerned at the time of drawdown (minimum 0%), plus a margin set for a period of twelve months based on the leverage ratio.

The €250 million bond issued on 5 July 2019 has an effective interest rate of 1.749% for the €130 million tranche and 2% for the €120 million tranche.

The syndicated loan and bond issue are subject to contractual conditions, particularly the commitment to respect financial covenants. At 30 June 2024, these financial covenants were respected.

The maturity schedule for the Group's financial debt at 30 June 2024 was as follows:

(in millions of euros)	Carrying amount	Total contractual flows	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Bond	254.4	265.0	4.6	4.5	134.6	121.3	-	-
Bank borrowings	465.9	549.5	82.6	75.8	138.6	68.6	184.0	-
NEU CP & MTN	445.0	449.5	449.5	-	-	-	-	-
Other sundry financial debt	29.6	29.6	6.7	22.9	-	-	-	-
Current bank overdrafts	0.1	0.1	0.1	-	-	-	-	-
Financial debt	**1,195.0**	**1,293.7**	**543.5**	**103.2**	**273.2**	**189.9**	**184.0**	**-**
Cash equivalents	-27.2	-27.2	-27.2	-	-	-	-	-
Cash	-110.7	-110.7	-110.7	-	-	-	-	-
NET FINANCIAL DEBT EXCLUDING ACTIVITIES HELD FOR SALE	**1,057.0**	**1,155.7**	**405.5**	**103.2**	**273.2**	**189.9**	**184.0**	**-**
Impact of classification within activities held for sale	-9.5	-9.5	-9.5	-	-	-	-	-
TOTAL CONSOLIDATED NET FINANCIAL DEBT	**1,047.6**	**1,146.3**	**396.0**	**103.2**	**273.2**	**189.9**	**184.0**	**-**

12.3.2. Management of interest rate risk

The Group hedges against interest rate fluctuations by swapping part of its floating-rate debt for fixed rates.

At 30 June 2024, the Group had taken out a number of interest rate swaps. The notional amount of those swaps was €400 million and their fair value was €1.8 million.

The nominal value of interest rate derivatives designated as cash flow hedges came to €400 million. The nominal amount of interest rate derivatives not eligible for hedge accounting was nil.

The total amount of gross borrowings subject to interest rate risk was €922 million.

Interest rate hedges in force at 30 June 2024 reduced this exposure.

12.3.3. Management of foreign exchange risk

As part of its general risk management policy, the Group systematically hedges against foreign currency transaction risks that constitute material risks for the Group as a whole.

Centralised management of foreign currency transaction risk is in place with the Group's main entities (apart from India). Sopra Steria Group acts as the centralising entity, granting exchange rate guarantees to subsidiaries and, after netting internal exposures, hedges the residual exposure through the use of derivatives.

Foreign exchange risk hedging mainly relates to transaction exposures involving the Group's production platforms in India, Poland and Tunisia, and certain commercial contracts denominated in US dollars and in Norwegian kroner. These hedges cover both invoiced items and future cash flows: changes in fair value corresponding to these hedges are taken to profit or loss for invoiced items and to equity for future cash flows.

Their fair value at 30 June 2024 was €8.7 million, for a total notional amount of €458 million.

NOTE 13 CASH FLOWS

13.1. Change in net financial debt

(in millions of euros)	31/12/2023	Proceeds from/ (Payments on)	Changes in scope	Translation adjustments	Other movements	30/06/2024
Bonds excluding accrued interest	250.0	-	-	-	-	250.0
Bank borrowings excluding accrued interest	483.2	-13.9	0.3	0.0	-0.0	469.6
Other sundry financial debt excluding current accounts and accrued interest	405.3	68.7	-	0.2	-0.0	474.2
Financial debt in the cash flow statement	**1,138.6**	**54.8**	**0.3**	**0.2**	**-0.0**	**1,193.9**
Current accounts	0.0	-0.6	0.0	0.6	0.0	-0.0
Accrued interest on financial debt	-1.1	2.2	-	-	-	1.1
Financial debt excluding current bank overdrafts	**1,137.5**	**56.4**	**0.3**	**0.7**	**0.0**	**1,195.0**
Current bank overdrafts	-0.2	-4.7	-0.0	4.8	0.1	-0.1
Short-term investment securities	24.9	6.3	-	0.8	-4.7	27.2
Cash and cash equivalents	166.8	-43.6	-0.0	-7.6	-4.8	110.7
Net cash in the cash flow statement	**191.5**	**-41.9**	**-0.1**	**-2.1**	**-9.5**	**137.9**
NET FINANCIAL DEBT	**946.0**	**98.3**	**0.4**	**2.8**	**9.5**	**1,057.0**
Change in net financial debt			**111.0**			

Other movements included in particular the reclassification within *Assets held for sale* and *Liabilities held for sale* of Sopra Banking Software for €9.5 million.

Net cash from operations is measured using *Operating profit on business activity*, after adjusting for the depreciation, amortisation and provisions it includes, which gives *EBITDA*, and other non-cash items adjusted for tax paid, restructuring and integration costs, and the change in the working capital requirement. It differs from *Net cash from operating activities* as shown in the consolidated cash flow statement presented in the financial statements on page 14, in that the first caption does not include the cash impact of *Other financial income and expenses* (see Note 12.1.2), unlike the second caption.

Free cash flow is defined as *Net cash from operations* adjusted for the impact of purchases (net of disposals) of property, plant and equipment and intangible assets during the period; lease payments; financial income and expenses payable or receivable; and additional contributions paid to cover any deficits in certain defined-benefit pension plans.

Adjusted for net cash generated by financing activities, the impact of exchange rate fluctuations on net debt, and the impact of changes in accounting policies, this explains the change in net financial debt.

The generation of net cash flow in the table below is presented excluding Sopra Banking Software, then reconciled with the change in the Group's total net financial debt.

(in millions of euros)	H1 2024	H1 2023
Operating profit on business activity	**285.3**	**249.9**
Depreciation, amortisation and provisions (excluding allocated intangible assets)	74.1	59.4
EBITDA	**359.4**	**309.2**
Non-cash items	-4.4	3.9
Tax paid	-35.2	-41.8
Impairment of current assets	0.3	1.4
Change in current operating WCR	-152.3	-61.9
Non-recurring costs, including reorganisation and restructuring costs	-18.1	-27.2
Net cash from operations	**149.7**	**183.6**
Purchase of property, plant and equipment and intangible assets	-28.3	-35.9
Proceeds from sale of property, plant and equipment and intangible assets	0.3	0.0
Net change from investing activities involving property, plant and equipment and intangible assets	**-28.0**	**-35.8**
Lease payments	-62.7	-41.8
Net interest (excluding interest on lease liabilities)	-9.4	3.1
Additional contributions related to defined-benefit pension plans	-5.7	-6.9
Free cash flow	**44.0**	**102.2**
Impact of changes in scope	-91.8	-435.9
Impact of payments relating to financial assets	6.0	-7.5
Impact of receipts relating to financial assets	6.9	0.9
Dividends paid	-93.9	-87.5
Dividends received	0.3	2.7
Capital increases	-180.0	-0.5
Purchase and sale of treasury shares	-13.4	-3.1
Other cash flows relating to investing activities	-	-
Net cash flow	**-322.0**	**-428.8**
Impact of changes in foreign exchange rates	-0.7	-4.5
Impact of the presentation of Sopra Banking Software	211.7	26.4
CHANGE IN NET FINANCIAL DEBT	**-111.0**	**-406.9**
Cash and cash equivalents – Beginning of period	191.5	356.2
Non-current financial debt – Beginning of period	-619.5	-320.1
Current financial debt – Beginning of period	-518.0	-188.0
Net financial debt – Beginning of period	**-946.0**	**-152.0**
Cash and cash equivalents – End of period	137.9	271.6
Non-current financial debt – End of period	-679.9	-284.7
Current financial debt – End of period	-515.1	-545.8
Net financial debt – End of period	**-1,057.0**	**-558.9**
CHANGE IN NET FINANCIAL DEBT	**-111.0**	**-406.9**

Free cash flow amounted to €44.8 million in the first half of 2024, compared with €102.2 million in the first half of 2023. EBITDA improved significantly, but the negative impact of the working capital requirement cancelled out this growth.

Cash flows from investing activities reflected outflows relating to purchases of property, plant and equipment and intangible assets for €28.0 million and lease payments for €62.7 million.

Free cash flow also included the additional contributions paid in the amount of €5.5 million to reduce the deficit of defined-benefit pension plans in the United Kingdom.

The change in net financial debt included in particular disbursements made relating to business combinations for the period, net of net financial debt acquired, as well as the acquisition of activities from Sopra Banking Software as part of its legal carve-out (see Note 2). It also reflected the capital increase of €180.0 million for Sopra Banking Software in the first half of 2024.

Lastly, during the first half of the year the Group distributed an ordinary dividend of €4.65 per share, leading to a disbursement of €93.9 million.

13.2. Other cash flows in the consolidated cash flow statement

In addition to the changes described in the table presenting the change in net financial debt, the consolidated cash flow statement was affected by movements related to financing activities. The latter essentially comprised proceeds from and payments on borrowings of €54.8 million, mainly arising from the change in NEU CP (see Note 12.3.1).

NOTE 14 EQUITY AND EARNINGS PER SHARE

14.1. Equity

The consolidated statement of changes in equity is presented on page 13 of this document.

14.1.1. Changes in share capital

At 30 June 2024, Sopra Steria Group had a share capital of €20,547,701. It was made up of 20,547,701 fully paid-up shares with a par value of €1 each.

14.1.2. Transactions in treasury shares

At 30 June 2024, the value of treasury shares recognised as a deduction from consolidated equity was €96.1 million. It mainly consists of 437,652 shares, including 216,487 shares held by UK trusts falling within the consolidation scope, and 221,165 shares acquired by Sopra Steria Group, 29,789 under the liquidity agreement, the balance will be able to be used for any share-based payments.

14.1.3. Dividends

At Sopra Steria Group's General Meeting of 21 May 2024, the shareholders approved the distribution of an ordinary dividend of €95.5 million in respect of financial year 2023, equating to €4.65 per share. The dividend was paid on 31 May 2023 for a total of €93.9 million, net of the dividend on treasury shares.

14.1.4. Non-controlling interests

The amount of non-controlling interests on the balance sheet mainly relates to the UK Department of Health's share in the net assets of NHS SBS (€54.0 million), and Sopra Financial Technology GmbH in Germany (€3.6 million).

In the income statement, amounts attributable to non-controlling interests comprised €4.2 million for NHS SBS in the United Kingdom and €3.4 million for Sopra Financial Technology GmbH in Germany.

14.2. Earnings per share

The method used to calculate earnings per share is set out in Chapter 5, Note 14.2 of the 2023 Universal Registration Document.

Treasury shares are detailed in Note 14.1.2.

Potentially dilutive instruments are presented in Note 5.4.1.

14.2.1. Earnings per share from continuing operations

	H1 2024	H1 2023
Profit from continuing operations *(in millions of euros)* (a)	169.3	128.8
Weighted average number of ordinary shares outstanding (b)	20,547,701	20,547,701
Weighted average number of treasury shares (c)	389,426	345,601
Weighted average number of shares outstanding excluding treasury shares (d) = (b) - (c)	20,158,275	20,202,100
BASIC EARNINGS PER SHARE *(IN EUROS)* (a / d)	**8.40**	**6.37**

	H1 2024	H1 2023
Profit from continuing operations *(in millions of euros)* (a)	169.3	128.8
Weighted average number of shares outstanding excluding treasury shares (d)	20,158,275	20,202,100
Dilutive effect of instruments that give rise to potential ordinary shares (e)	329,522	193,960
Theoretical weighted average number of equity instruments (f) = (d) + (e)	20,487,797	20,396,060
DILUTED EARNINGS PER SHARE *(IN EUROS)* (a / f)	**8.26**	**6.31**

14.2.2. Earnings per share from discontinued operations

	H1 2024	H1 2023
Profit from discontinued operations *(in millions of euros)* (a)	-46.1	-16.3
Weighted average number of ordinary shares outstanding (b)	20,547,701	20,547,701
Weighted average number of treasury shares (c)	389,426	345,601
Weighted average number of shares outstanding excluding treasury shares (d) = (b) - (c)	20,158,275	20,202,100
BASIC EARNINGS PER SHARE ***(IN EUROS)*** **(a / d)**	**-2.29**	**-0.81**

	H1 2024	H1 2023
Profit from discontinued operations *(in millions of euros)* (a)	-46.1	-16.3
Weighted average number of shares outstanding excluding treasury shares (d)	20,158,275	20,202,100
Dilutive effect of instruments that give rise to potential ordinary shares (e)	329,522	193,960
Theoretical weighted average number of equity instruments (f) = (d) + (e)	20,487,797	20,396,060
DILUTED EARNINGS PER SHARE ***(IN EUROS)*** **(a / f)**	**-2.25**	**-0.80**

NOTE 15 RELATED-PARTY TRANSACTIONS

Agreements entered into with parties related to Sopra Steria Group were presented in the 2023 Universal Registration Document filed with the Autorité des Marchés Financiers on 15 March 2024, in Chapter 5, Note 15, "Related-party transactions".

No new agreements were entered into with parties related to Sopra Steria Group during the first half of 2024, other than those set out in the 2023 Universal Registration Document.

NOTE 16 OFF-BALANCE SHEET COMMITMENTS

The Group's off-balance sheet commitments are those granted or received by Sopra Steria Group and its subsidiaries. They have not undergone any material change relative to those presented at 31 December 2023 in Chapter 5, Note 16, "Off-balance sheet commitments" of the 2023 Universal Registration Document.

NOTE 17 SUBSEQUENT EVENTS

On 19 July 2024, the Group sold to Sopra GMT 3.619 million of the 6.914 million Axway Software shares it held, at the price of €26.50 per share, for a total sale price of €95.9 million. The Group will then sell to Sopra GMT all its pre-emptive subscription rights to Axway Software shares.

Statutory Auditors' report on the 2024 interim financial information

Period from 1 January 2024 to 30 June 2024

To the Shareholders,

In compliance with the assignment entrusted to us at your General Meetings and in accordance with Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we have:

- Conducted a limited review of the accompanying the condensed interim consolidated financial statements of Sopra Steria Group Company for the period from 1 January 2024 to 30 June 2024;
- Verified the disclosures provided in the business review for the six-month period.

These condensed interim consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express 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 the professional standards applicable in France.

A limited review consists essentially of inquiries with the management personnel responsible for financial and accounting matters, and of analytical procedures. The work performed is lesser in scope than an audit conducted in accordance with the professional standards applicable in France. Consequently, a limited review provides only limited assurance that the financial statements taken as a whole are free from material misstatement, as opposed to the higher level of assurance provided by an audit.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying the condensed interim consolidated financial statements were not prepared, in all material respects, in accordance with *IAS* 34, one of the *IFRSs*, as adopted by the European Union applicable to interim financial reporting.

II – Specific verifications

We also verified the disclosures provided in the business review for the six-month period on the condensed interim consolidated financial statements that were the focus of our limited review.

We have no matters to report as to their fair presentation and their consistency with the condensed interim consolidated financial statements.

Paris La Défense, 24 July 2024

The Statutory Auditors

French original signed by

KPMG SA		ACA Nexia SAS
Xavier Niffle	**Eric Lefebvre**	**Sandrine Gimat**
Partner	Partner	Partner

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statement by the person responsible for the Half-Year Financial Report

I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements for the half-year period 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 Steria Group and of all the entities included in the scope of consolidation; that the business review for the six-month period provided on pages 1 to 8 gives a fair view of the main events that occurred in the first six months of the financial year, their impact on the financial statements and the main transactions between related parties; and that it describes the main risks and uncertainties for the remaining six months of the financial year.

Paris, 26 July 2024

Cyril Malargé

Chief Executive Officer

Design & Production: POMELO-PARADIGM

For more information:
www.soprasteria.com

Société Anonyme with share capital of €20,547,701 - 326 820 065 RCS Annecy
Registered office: PAE les Glaisins - Annecy-le-Vieux — FR 74940 Annecy - France
Head office: 6 Avenue Kleber — FR 75116 Paris - France

Sopra Steria Group

Head office
6 avenue Kleber
FR 75116 Paris
Phone: +33(0)1 40 67 29 29
Fax: +33(0)1 40 67 29 30

contact-corp@soprasteria.com
www.soprasteria.com