

Press release

Sopra Steria signs acquisition agreement with Sodifrance to create a French leader in digital services for insurers and social security providers

Paris, 9 July 2020 – Sopra Steria (Euronext Paris: SOP), a European leader in digital transformation, has signed an acquisition agreement with a view to acquiring a controlling interest in Sodifrance SA, corresponding to 94.03% of its share capital.

Following the 21 February 2020 press release announcing that they had entered into exclusive negotiations, Sopra Steria and Sodifrance's majority shareholders have announced that they have signed an agreement for the indirect acquisition by Sopra Steria (via the acquisition of HP2M SAS and STRATEG'e.BOSS SAS) of a controlling interest in Sodifrance SA, corresponding to 94.03% of its share capital, for an overall fixed price equivalent to €62.8 million¹ for 100 % of the share capital.

The acquisition of this controlling interest would be paid entirely in cash. In accordance with applicable regulations, following the acquisition of the controlling interest, Sopra Steria will file a proposed delisting offer (*offre publique de retrait*) with the AMF (France's financial markets regulator) followed by a mandatory delisting procedure for the remaining shares not tendered to the offer, at a price of €17.99 per share.

Pursuant to Article 261-1-I-1° and 2°, and Article 261-1-II of the AMF's General Regulation, an independent expert will be appointed by Sodifrance's Supervisory Board to assess the fairness of the financial conditions of Sopra Steria Group's delisting offer.

Founded in 1986, Sodifrance is a French digital services company with 2019 revenue of €106.5 million and an operating margin of 6.4%. It has substantial expertise in the insurance and pensions/social security/health sector (50% of revenue) for key accounts. It also has a strong presence in the banking sector (21% of revenue), and offers very high-quality application modernisation, data migration and cybersecurity services.

The transaction with Sodifrance will allow Sopra Steria to attain leadership in the insurance and social security sector in France, with a business volume of about €200 million, while acquiring new clients and strengthening existing client relationships. It will expand the Group's offering in this sector (consulting, solutions, technological and digital expertise), which will enable it to accelerate the modernisation of legacy applications used by key accounts. Cost synergies are estimated at €4.6 million on an annual basis starting in the second year, for an implementation cost of €3.8 million.

The acquisition of the controlling interest is expected to take place in September 2020 and lead to the filing of a proposed delisting offer in late September 2020. The offer could be finalised in October 2020 and the mandatory delisting procedure could take place in November 2020.

The transaction remains subject to approval by the competition authorities.

¹ A block of shares would be acquired indirectly by Sopra Steria from the main shareholders of HP2M and STRATEG'e.BOSS, corresponding to a *prix par transparence* (transparency-based price) of €17.16 per Sodifrance share, and two other blocks of shares would be acquired from two HP2M shareholders at a higher price, pursuant to pre-existing contractual agreements, corresponding to a *prix par transparence* of €17.92 and €17.99 per Sodifrance share, respectively.

About Sopra Steria

Sopra Steria, a European leader in consulting, digital services and software development, helps its clients drive their digital transformation and obtain tangible and sustainable benefits. It provides end-to-end solutions to make large companies and organisations more competitive by combining in-depth knowledge of a wide range of business sectors and innovative technologies with a fully collaborative approach. Sopra Steria places people at the heart of everything it does and is committed to making the most of digital technology to build a positive future for its clients. With 46,000 employees in 25 countries, the Group generated revenue of €4.4 billion in 2019.

The world is how we shape it.

Sopra Steria (SOP) is listed on Euronext Paris (Compartment A) – ISIN: FR0000050809

For more information, visit us at www.soprasteria.com

About Sodifrance

Sodifrance is a digital services company founded in 1986, with 1,160 employees. Its strategic positioning is reflected in its slogan, **IT transformation to digital**: IT services for applications and infrastructures are coupled with recognised expertise in modernising legacy information systems and data migration, driven by proprietary software assets. New expertise in digital transformation and cybersecurity has boosted the group's value proposition. All services are available under consulting contracts, fixed-price contracts or through local service centres at 11 locations in France. With its software development centre operated by its Nantes-based R&D team since 1993, Sodifrance has completed nearly 200 legacy IS modernisation projects, enabling major companies to achieve their digital strategy. Its software is also distributed by its subsidiary Mia-Software. Listed on Euronext Paris – Compartment C (Ticker symbol: SOA)

Sodifrance: www.sodifrance.fr

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