Press Release

Paris, July 28, 2011

Organic revenue growth of 5.6% in the second quarter of 2011

15.5% increase in underlying attributable net income in the first half of 2011

- **Like-for-like revenue increased by 3.4% in the first half of 2011 relative to the first half of 2010.**
- **Revenue growth saw a marked acceleration during the second quarter to +5.6% compared with +1.3% during the first quarter thanks to a continued positive dynamic in Continental Europe and a return to growth in the United Kingdom.**
- **The operating margin[1] was stable versus the first half of 2010, leading to an operating margin rate of 6.7%.**
- **First half 2011 attributable net income increased by 15.5% to €38.3 million.**
- **The pipeline, measured as a multiple of revenues, saw growth across all regions and stood at 2.5 times versus 2.2 times at the end of June 2010.**

On July 28, 2011, the Supervisory Board of Groupe Steria SCA examined the consolidated financial statements submitted by the General Management.

First half 2011 consolidated results[2]

First half		2010	2011	Total growth	Organic growth At constant perimeter and currency
Revenue	€m	832.1	**865.1**	**+4.0%**	**+3.4%**
Operating margin[1]	€m	*57.1*	***57.6***	**+0.8%**	
% of revenue	*%*	*6.9%*	***6.7%***	**-**	
Operating income[3]	€m	46.1	**34.5**	**-25.1%**	
Attributable net income	€m	25.2	**22.0**	**-12.7%**	
Underlying attributable net income[4]	€m	33.2	**38.3**	**+15.5%**	
Underlying diluted earnings per share[4]	€	1.02	**1.17**	**+13.8%**	
Shareholders' equity	€m	729.8	**696.3**		
Net financial debt	€m	209.9	**200.0**		

[1] Before amortisation of intangible assets arising from business combinations. The operating margin is the Group's key indicator. It is defined as the difference between revenue and operating expenses, the latter being equal to the total cost of services rendered (costs necessary for the implementation of projects), sales costs and general and administrative expenses.
[2] Limited auditors' report published.
[3] Operating income includes restructuring costs, capital gains on disposals, expenses linked to share-based schemes granted to employees and other operating income and expenses.
[4] Attributable net income restated, after tax, for other operating income and expenses, amortisation of intangible assets and unrecognised deferred tax assets.

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Revenue

First half 2011 consolidated revenue

In € million	H1 2010	**H1 2011**	**Growth**
Revenue	832.1	**865.1**	**4.0%**
Change in consolidation scope	-		
Change due to currency effect	4.4		
Pro-forma revenue	836.5	**865.1**	**3.4%**

First half 2011 revenue by geographic region

In € million	H1 2010*	**H1 2011**	**Organic growth**
United Kingdom	327.7	**327.5**	**-0.1%**
France	258.2	**270.2**	**4.7%**
Germany	115.2	**119.9**	**4.0%**
Other Europe	135.4	**147.5**	**9.0%**
Total	836.5	**865.1**	**3.4%**

*Like-for-like revenue (2011 base)

First half 2011 revenue by business line

In € million	H1 2010**	**H1 2011**	**Organic growth**
Infrastructure Management and Business Process Outsourcing	319.3	**332.2**	**4.0%**
Consulting and Systems Integration	517.1	**532.9**	**3.1%**

** Revenue on a like-for-like perimeter, currency and organisational structure basis (2011 base)

Second quarter 2011 revenue by geographical region

In € million	Q2 2010*	**Q2 2011**	**Organic growth**
United Kingdom	158.4	**163.8**	**3.4%**
France	127.7	**132.6**	**3.8%**
Germany	57.6	**60.0**	**4.3%**
Other Europe	69.5	**79.6**	**14.7%**
Total	413.1	**436.1**	**5.6%**

*Like-for-like revenue (2011 base)

Second quarter 2011 activity

During the second quarter 2011, the Group enjoyed a good commercial dynamic which continued in the month of June despite an unsettled European environment.

On a like-for-like basis, revenue growth in second quarter 2011 revenues saw a marked acceleration to +5.6% compared with +1.3% during the first quarter of 2011. This increase was mainly explained by a return to revenue growth in the United Kingdom and an acceleration in the revenue growth of the Other Europe zone.

At the end of the first half 2011, the book to bill ratio stood at **1.03** (compared with 1.13 at June 30, 2010, a figure that had been significantly inflated during June 2010 by the Cleveland Police contract amounting to €200 million).

At June 30, 2011, the pipeline, measured as a multiple of revenue, was up across all the Group's geographic areas and stood at 2.5 times versus 2.2 times in the previous year.

- **In the United Kingdom**, excluding currency impact, revenue growth was in line with expectations, returning to positive territory during the second quarter with growth of 3.4% versus the second quarter of 2010. A significant highlight of the quarter was the first contract extension with the Cleveland Police Authority increasing the scope of activities. This extension to the original contract illustrates both the Group's effectiveness in terms of service execution and the potential scope for generating cost savings in the UK public sector via Business Process Outsourcing services. It should also be noted that NHS SBS, Steria's joint venture with the NHS, recorded 20.5% revenue growth for the first half[5]. At June 30 2011, the book to bill ratio stood at 0.94 with the pipeline increasing to 2.6 times revenue versus 2.3 times at June 30, 2010.

- **In France**, organic revenue growth amounted to 3.8%. Second quarter activity remained dynamic and was notably characterised by a strong trend in the public and financial sectors. At June 30, 2011, the book to bill ratio was similar to that of the previous year at 1.05.

- **In Germany**, organic revenue growth was 4.3% driven by a strong dynamic in the public sector. New orders saw a significant increase enabling the book to bill ratio to reach 1.16 at June 30, 2011 versus 0.98 in the previous year.

- **The Other Europe region** made strong progress during the first half 2011 with like-for-like revenue growth of 14.7%. Scandinavia, Belgium/Luxembourg and Switzerland all posted double-digit growth rates whilst revenue in Spain decreased during the quarter. At June 30, 2011, the book to bill ratio for the region stood at 1.09 versus 0.99 at June 30, 2010.

[5] NHS SBS is a joint venture 50% owned by Steria which generated revenue of €62 million in 2010. It is reported using the equity method and its performance is therefore not fully consolidated in either Group revenue or operating margin but only 50% in net income.

Results for the first half 2011

For the first half of 2011, the Group's operating margin[1] amounted to €57.6 million versus €57.1 million in 2010, leading to an operating margin rate of 6.7%.

The other income and operating expenses for the half year notably included €7.8 million of non-recurring costs linked to the rationalisation and optimisation of premises during 2011 in France and India within the framework of the transformation programmes implemented by the Group.

Net financial expense saw a significant improvement to -€1.7 million (versus -€9.7 million in the first half 2010) mainly due to a marked reduction in the net cost of financing.

Attributable net income amounted to €22.0 million during the first half 2011 compared with €25.2 million in 2010. Excluding non-recurring items including those linked to the rationalisation of buildings, attributable net income rose by 15.5% to €38.3 million.

Outlook

The Group confirms its full year 2011 guidance for organic revenue growth of between 3% and 4% and an operating margin rate[1] at least equal to that of 2010.

An information meeting on the first half 2011 results will take place on July 29, 2011 at 9:00am CET by webcast at www.steria.com (investors section).

Next publication: third quarter 2011 revenue on Wednesday November 2, 2011 after market close

Appendices: Consolidated income statement, consolidated balance sheet, summary cash flow statement and operating margin rate[1] by geographical region at June 30, 2011.

A video interview with François Enaud, General Manager of Steria SCA can be viewed at www.steria.com

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Consolidated income statement at June 30, 2011

In thousands of euros	30/06/2011	30/06/2010
Revenue	865,124	832,062
Cost of sales and sub-contracting costs	(151,931)	(149,891)
Personnel costs	(520,237)	(492,253)
Bought-in costs	(120,249)	(125,200)
Taxes (excluding income taxes)	(10,121)	(8,991)
Change in inventories	30	36
Other current operating income and expenses	4,630	10,870
Net charges for depreciation and amortisation	(14,210)	(15,848)
Net charges for provisions	3,678	4,543
Net charges for current asset impairment	(1,480)	(525)
Operating margin (*)	**55,234**	**54,803**
% of revenue	**6.4%**	**6.6%**
Other operating income and expenses	(20,704)	**(8,677)**
Operating income	**34,530**	**46,126**
Cost of net borrowings	715	**(5,801)**
Other financial income and expenses	(2,427)	**(3,908)**
Net financial expense	**(1,713)**	**(9,709)**
Income tax expense	(10,940)	**(11,036)**
Share of profit/(loss) of associates	364	**(150)**
Net income from continuing operations	**22,241**	**25,231**
Net income/(loss) from operations held for sale		
Net income for the year	**22,241**	**25,231**
Attributable net income	**21,966**	**25,161**
Attributable to minority interests	**275**	**70**

Underlying[4] diluted earnings per share (in euros)	**1.17**	**1.02**

(*) After amortisation of the customer relationships recognised on the acquisition of Xansa and amounting to **€2.335 million** at June 30, 2011 and **€2.330 million** at June 30, 2010.

Consolidated balance sheet at June 30, 2011

In thousands of euros	30/06/2011	31/12/2010	30/06/2010
Goodwill	701,082	727,977	757,440
Other intangible assets	63,953	67,041	69,154
Property, plant and equipment	49,912	70,365	75,906
Investments in associates	7,962	7,941	6,485
Available-for-sale financial assets	1,808	1,808	1,809
Other financial assets	3,323	3,234	2,238
Retirement benefit assets	48,132	44,592	46,342
Deferred tax assets	21,010	14,149	10,971
Other non-current assets	3,655	3,524	2,987
Non-current assets	**900,837**	**940,632**	**973,332**
Inventories	7,409	8,165	9,704
Net trade receivables and similar accounts	290,786	271,031	287,716
Amounts due from customers	224,123	167,164	212,081
Other current assets	32,918	31,731	48,588
Current portion of non-current assets	3,538	3,743	3,174
Current tax assets	31,558	28,160	24,905
Prepaid expenses	31,041	24,043	31,602
Cash and cash equivalents	122,675	177,246	148,628
Current assets	**744,049**	**711,283**	**766,398**
Non-current assets classified as held for sale	23,507	0	
Total assets	**1,668,393**	**1,651,915**	**1,739,730**

Shareholders' equity	**694,285**	**721,357**	**728,236**
Minority interests	2,052	1,897	1,542
Total equity	**696,337**	**723,254**	**729,778**
Long-term borrowings	277,667	204,110	276,094
Retirement benefit obligations	35,838	35,052	34,245
Provision for non-current liabilities and charges	16,709	17,936	18,282
Deferred tax liabilities	18,228	17,780	20,964
Other non-current liabilities	6,201	5,313	5,763
Non-current liabilities	**354,643**	**280,190**	**355,348**
Short-term borrowings	44,972	74,332	82,459
Provisions for current liabilities and charges	31,789	34,763	27,147
Net trade payables and similar accounts	159,399	145,719	145,441
Gross amounts due to customers and advances and payments on account received	74,639	80,587	92,797
Current tax liabilities	48,425	43,197	35,041
Other current liabilities	253,757	269,874	271,719
Current liabilities	**612,981**	**648,471**	**654,604**
Liabilities directly associated with non-current assets classified as held for sale	4,432	0	0
Total equity and liabilities	**1,668,393**	**1,651,915**	**1,739,730**

Summary cash flow statement at June 30, 2011

In € million	30/06/11	30/06/10
EBITDA	**67.0**	**64.3**
Non-cash adjustments	3.0	-0.2
Net financial costs	-0.4	-4.0
Cash flow before tax	**69.6**	**60.1**
Income tax	-9.3	-7.6
Change in WCR (cash elements)	-107.7	-48.2
Operating cash flow	**-47.5**	**4.2**
Net industrial investment	-14.9	-14.1
Restructuring	-12.6	-6.0
Operating free cash flow	**-75.0**	**-15.9**
Dividends[6]	-8.7	-8.7
Net financial investment	-0.5	-0.1
Capital increase	0.0	0.7
Change in consolidation scope	0.0	0.0
Additional contribution to pension fund	-9.6	-8.5
Other	-5.0	9.6
Free cash flow	**-98.8**	**-22.9**

Operating margin[7] in the first half by geographical region

In € million	**H1 2011**	H1 2010 Reported
United Kingdom	9.1%	10.0%
France	6.8%	6.7%
Germany	6.5%	5.7%
Other Europe	4.2%	5.0%
Group costs	-0.5%	-0.7%
Group	6.7%	6.9%

[6] Of which coupon on the hybrid convertible bond: €8.7 million at June 30, 2011 and at June 30, 2010
[7] Before amortisation of intangible assets linked to business combinations