



Press Release

First quarter of 2011

Growth confirmed: Revenues up 9.8% to 260.1 million euros

Paris, 27 April 2011. During the first quarter of 2011, Ipsos continued the growth that had begun a year earlier.

- Organic growth was 6.2%, fully in line with the full year target of “over 5%” already announced by the Group; this was despite the persistent downturn in the UK opinion research market – which had been expected – and the effects of the crises in the Middle East and Japan – which had not.
- Exchange rate effects contributed 3.5% to growth at Ipsos, reflecting the strengthening of several emerging economy currencies against the euro as well as that of the Australian and Canadian dollars.
- Scope effects related to the integration of the Survey division of TMG (Panama and Costa-Rica) account for 0.1%.

Consolidated revenues (millions of Euros)	2011	2010	2009
1st quarter	260.1	236.9	207.3
2nd quarter	-	291.9	240.5
3rd quarter	-	283.6	221.8
4th quarter	-	328.4	274.1
Full year	-	1,140.8	943.7

Trends in business volumes by geographic area

In the first quarter of 2011, growth at Ipsos was spread across all of the three major regions that now comprise the structure of the company since the simplification of its organisation introduced in early 2010 and fully implemented by 1 January 2011.



Press Release - continued - 27 April 2011

In each region growth was driven by emerging economies, which saw average growth of 14%, despite weak growth of just 2% in the Middle East.

In Europe, the effects of budget cuts in the British public sector were felt with full force, as the contraction in revenue was greatest following the election on 6 May 2010.

In the Americas, the published figures include from March onwards the survey division of TMG, now part of the Ipsos network in Central America that, as a result, becomes the leading Group in its sector in the region.

In the Asia Pacific region, Japan, which accounts for less than 2% of Group revenues, saw an abrupt drop in revenue following the earthquake on 11 March 2011, with revenue for the month of March being less than half that in a normal month. A slow recovery is envisaged.

Consolidated revenues by geographic area (millions of Euros)	Q1 2011	Q1 2010	% change	Organic growth
EMEA	116.9	113.3	+3%	+1,5%
Americas	115.1	101.8	+13%	+9%
Asia-Pacific	28.1	21.8	+29%	+19%
Quarterly revenues	260.1	236.9	+9.8%	+6.2%

Trends in business volumes by business line

The Opinion and Social Research business line saw a considerable impact from the decline in business volumes in the UK. Over the year as a whole, the impact of this slowdown is likely to lessen and to cost Ipsos around 1.5 points of organic growth as previously announced. Business volumes in other business lines were satisfactory.

Consolidated revenues by business line (millions of Euros)	Q1 2011	Q1 2010	% change	Organic growth
Advertising Research	57.5	52.4	+10%	+6,5%
Marketing Research	119.4	102.8	+16%	+12,5%
Media Research	29.5	25.3	+16,5%	+13%
Opinion and Social Research	29.1	33.0	-12%	-15%
Customer and Employee Relationship Management	24.7	23.4	+6%	+2%
Quarterly revenues	260.1	236.9	+9.8%	+6.2%

Other information about business activity over the first quarter of 2011

Operating margin was in line with the targets announced for the whole of 2011. Gearing stood at 27.5% at 31 March 2011, from 29.5% at 31 December 2010.



Outlook for 2011

The first quarter of 2011 was an eventful period. On the one hand, companies continued to pursue strategies based on increasing market share and to rationalise their marketing spending. Meanwhile, there was no shortage of questions as to the stability of current growth. We have entered a period of rebalancing and of global transformation when, even though the long-term trends are very positive – who would not want to see the prosperity enjoyed in the West extended everywhere? – the setbacks and upheavals are multiplying and creating real challenges for political leaders and economic agents alike. Xenophobia is leading some to turn inwards and to increased protectionism. The structuring of industry on a global basis creates disruption in global economic activity when, as was the case recently following the events in North-Eastern Japan, one of the links in the chain breaks. The development of sources of abundant, low-cost energy increases the risks for public health and safety; whether these risks are manageable or not is a matter of opinion. Lastly, it is far from clear how the West is going to pay off its growing debts.

Despite all this, global growth is likely to remain strong over the next few years, but as we have seen since the beginning of the year it is unlikely to be serene. These twin observations highlight an historic opportunity for research companies. The need for structured, validated and analysed information communicated in a relevant and convincing manner is growing both globally and locally. Satisfying this need, which is expressed by institutions and companies alike, requires the deployment of powerful and specialised resources. Thousands of people must be accessed, questioned and listened to. Sophisticated and precise tools of measurement and analysis must be developed. Innovative and understandable channels of communication must be pressed into use. This, of course, is what Ipsos is working on and what makes us confident in our ability to generate future growth.

Today, and with the standard caveat of assuming that the environment in which Ipsos operates is not – for one reason or another – further destabilised, we believe that we are in a position to confirm our targets for 2011 both in terms of organic growth – greater than that of the market as a whole, which is estimated to be over 5% – and operating margin, which we expect to beat the record level of 2010 and to be at least 11%.

Upcoming release: 27 July 2011, first half results

Nobody's Unpredictable

'Nobody's Unpredictable' is the Ipsos signature.

Our clients' clients are increasingly demanding. They change direction, change their views and preferences often and easily. We at Ipsos anticipate and meet those changes. We help our clients to understand their clients, to bring focus and clarity to even the most difficult situations. We understand the dynamics of their markets and we deliver the insight needed to give them the leading edge.

Listed on Eurolist by NYSE - Euronext Paris,
Ipsos is part of the SBF 120 and the Mid-100 Index and is eligible to the Differed Settlement System.

Isin FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP
www.ipsos.com