



## Press Release

### First quarter 2008 Ipsos' expansion better than anticipated

**Organic growth: 9.6%**  
**Revenues up 6.2% to 217.3 million euros**

**Paris, 14 May 2008.** Ipsos first-quarter 2008 revenues came to 217.3 million euros, up 6.2% compared with the same period of 2007.

Organic growth reached 9.6%, exceeding its full-year targets and representing a remarkable achievement since the performance of the first quarter of 2007 was itself very good (organic growth of 10.3%).

Currency effects had a negative impact of 6.4% owing to the average euro/US dollar exchange rate of USD1.4989 compared with the first-quarter 2007 average of USD1.3103, and the average euro/sterling exchange rate of GBP0.7573 compared with the first-quarter 2007 average of GBP0.6705.

Consolidation effects had an impact of 3% on first-quarter 2008 revenues resulting from the first-time consolidation of Eureka (Australia), Indica Research (India), Markinor (South Africa), ResearchPartner (Norway) and Forward Research (United States). Monroe Mendelsohn, which now operates under the Ipsos Mendelsohn brand and the acquisition of which was announced on 18 March, will be consolidated for the first time from 1 April 2008.

Consolidated revenues (millions of euros)	2008	2007	2006
1st quarter	217.3	204.7	188.0
2nd quarter	-	238.4	219.7
3rd quarter	-	221.1	205.5
4th quarter	-	263.0	244.1
<b>Full year</b>	-	<b>927.2</b>	<b>857.3</b>

#### Growth by area

Growth rates vary from one region to the next, with these fluctuations being amplified by the modest volume of revenues traditionally recognised during the first quarter (barely 20% of annual revenues).



- As anticipated, North America recorded weak growth notably due to uncertainties concerning trends in the US economy. This said, business picked up during March, April was excellent and as a result a far better performance is expected during the second quarter.
- After a disappointing year in 2006, Europe continues the recovery that it began in 2007. Central and Eastern Europe contributed to this trend, but most Western European markets also posted a strong improvement. Even if its pace slows, this highly positive trend is set to continue during the second quarter.
- Lastly, other developing countries maintained their strong momentum, bearing in mind that the growth rate in the Asia-Pacific zone, where business is always limited during the first quarter, will again exceed 10% during the second quarter.

<b>Consolidated revenues by geographic area (millions of euros)</b>	<b>Q1 2008</b>	<b>Q1 2007</b>	<b>% change</b>	<b>Organic growth</b>
Europe	111.9	100.6	11.3%	13%
North America	64.9	67.8	(4.3%)	2.75%
Latin America	20.7	17.9	15.5%	19%
Asia-Pacific / Middle East	19.8	18.4	7.9%	7.5%
<b>Quarterly revenues</b>	<b>217.3</b>	<b>204.7</b>	<b>6.2%</b>	<b>9.6%</b>

### Growth by business line

Business volumes also varied significantly from one business line to another. This data also needs to be interpreted cautiously, taking into account once again the weight of the first quarter in annual revenues.

It is worth noting the good start to the year made by Ipsos ASI – Ipsos' division specialised in advertising research – which again recorded double-digit organic growth, and Ipsos Public Affairs driven, admittedly, by the elections in France, Italy and Spain, but above all by excellent performance in North America and the United Kingdom in corporate research (conducted for private companies) and social research (for public institutions).

Ipsos Marketing continued to achieve robust development, notably in services but also with most of the global and regional large accounts.

Ipsos MediaCT, Ipsos' new specialist unit that combines research conducted for the conventional major media and their new competitors and partners from digital media (telecoms and technology), continued to roll out its operations. Its growth rate should increase throughout the year.

Lastly, Ipsos Loyalty (quality and client relationship management) recorded a good first quarter in line with the previous quarters.



Consolidated revenues by business line (millions of euros)	Q1 2008	Q1 2007	% change	Organic growth
Advertising Research	48.5	45.5	6.7%	11%
Marketing Research	98.9	96.6	2.3%	7%*
Media Research	16.1	13.7	16.9%	3%*
Opinion and Social Research	34.6	29.8	16.5%	22%
Customer Relationship Management	19.2	19.1	0.4%	9%
<b>Quarterly revenues</b>	<b>217.3</b>	<b>204.7</b>	<b>6.2%</b>	<b>9.6%</b>

\* The creation of Ipsos MediaCT implies the transfer of about 20 million euros of annual revenues from the Ipsos Marketing division to the Ipsos MediaCT division. 2007 figures are those that have been released in 2007 (before transfers) and the 2008 figures take into account these transfers. Nevertheless, the organic growth of these two business lines is calculated pro forma before transfer effects.

### Overview of business conditions in first-quarter 2008

Other than the Forward Research and Monroe Mendelsohn acquisitions in the United States – see 18 March press release – there were no significant event during the quarter. Ipsos continued to improve its financial position over the period in terms of both equity and debt.

In the first quarter, operating margin and net profit are in line with the Group's full-year 2008 target of improving the operating margin.

### Environment in 2008

2008 is characterised by a paradoxical picture. On the one hand, an unprecedented financial crisis, record hikes in a very large number of commodity prices, inflationary resurgence driving down the value of financial and property assets and uncertainty among economic players and the population at large represent negative factors. On the other hand, developed countries are not in recession, and emerging countries are experiencing a rate of growth in their economies still close to the peaks seen in 2006 and 2007. The majority of businesses, especially those that have successfully expanded outside their domestic market, are continuing to grow and improve their margins. This applies to Ipsos' main clients.

And this explains that. Ipsos recorded growth during the first quarter of 2008 double that of its principal rivals. At end-April, its order backlog was over 10% higher, excluding currency and consolidation effects, its level at the same point of 2007.

It has been using the same approach for several years: an expanding network, core specialisations that are gaining momentum and provide genuine expertise in key areas, strong territorial organization leading to very close relationships with clients and, lastly, a special mindset, which comes from being part of a strong and independent business, which is managed and controlled by industry professionals. It is the only one of the leading international research companies that can say this. The situation in which TNS, GfK, WPP and perhaps several others currently find themselves is unlikely to prompt Ipsos to deviate from its strategic course.



## Outlook for 2008

Management has reiterated its objectives for 2008, i.e. organic growth of at least 8%, revenues of over 1 billion euros and USD1.5 billion, and an improvement in its operating margin.

## Upcoming releases

13 August 2008: First Half of 2008 Consolidated Revenue Release  
27 August 2008: 2008 Mid-year Results Release

## 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.*

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