



## Press Release

### **1st half 2003 : Organic growth of 10.1%** **Strong increase despite unfavourable exchange rate trends**

**Paris, August 18, 2003.** Ipsos reported revenues for the first half of 2003 of 264.3 million euros, an 8.1% increase over the same period in 2002.

Growth was driven by three factors:

- Strongly negative exchange rate effects arising from the conversion into euros of Ipsos' revenues in the UK, North and South America, Asia and the Middle East. On the basis of the exchange rates observed during the first half of 2002, Ipsos' revenues would have risen 23% to 301 million euros. Thus exchange rate effects reduced revenues by 15% in the first half of 2003.
- The contribution from companies newly integrated within the scope of consolidation, mostly in the second half of 2002, which generated 13% revenue growth.
- Most importantly, particularly strong organic growth of 10,1%, which was significantly higher than for the market as a whole and for other international research groups. This performance confirms Ipsos' considerable strengths in its main business areas.

<b>Consolidated revenues</b> (million euros)	<b>2003</b>	<b>2002</b>	<b>2001</b>
Q1	118.6	108.4	95.0
Q2	145.7	136.1	122.0
<i>1<sup>st</sup> semester</i>	<i>264.3</i>	<i>244.5</i>	<i>217.0</i>
Q3	-	129.1	115.9
Q4	-	164.9	147.3
<i>2<sup>nd</sup> semester</i>	-	<i>294.0</i>	<i>263.2</i>
<b>Total</b>	-	<b>538.5</b>	<b>480.2</b>

The increase in the rate of organic growth at Ipsos, which was over 10% for the first time in more than two years, reflects continued growth in the group' s key specialisation of advertising research, as well as solid performances in other business lines. The media research division saw a return to growth in both regions - Europe and Latin America – where Ipsos is active.



## Press release (continued) – August 18 2003

Similarly, the geographical analysis of revenues at Ipsos shows growth in all regions:

- There was spectacular organic growth in Latin America, as the result of Ipsos' leading position in a region which, whilst it remains unstable, is in a better condition than last year.
- Growth remained very strong in North America, both in Canada and the USA, where Ipsos was, for the second year running, identified by Inside Research as the research company enjoying the strongest growth rates over five years.
- The company saw a return to positive growth in Europe, despite depressed market conditions, notably due to strong performances in Central and Southern Europe.

<b>Contribution to consolidated revenues by specialisation (million euros)</b>	<b>1<sup>st</sup> semester 2003</b>	<b>1<sup>st</sup> semester 2002</b>	<b>Change 2003/2002</b>	<b>Organic growth 2003/2002</b>
Advertising Research	60.5	55.1	10%	21%
Marketing Research	138.7	129.5	7%	8%
Media Research	24.1	24.1	0%	5%
Customer Satisfaction	19.8	18.6	7%	10%
Opinion & Social Research	18.7	14.1	32%	8%
Other	2.5	3.1	-	-
<b>Revenues for 1<sup>st</sup> half</b>	<b>264.3</b>	<b>244.5</b>	<b>8.1%</b>	<b>10.1%</b>

<b>Contribution to consolidated revenues by geographic area (million euros)</b>	<b>1<sup>st</sup> semester 2003</b>	<b>1<sup>st</sup> semester 2002</b>	<b>Change 2003/2002</b>	<b>Organic growth 2003/2002</b>
Europe	134.4	107.3	25%	1%
North America	101.6	106.5	(5%)	14%
Latin America	19.6	23.9	(18%)	26%
Asia -Pacific / Middle East	8.7	6.8	31%	39%
<b>Revenues for 1<sup>st</sup> half</b>	<b>264.3</b>	<b>244.5</b>	<b>8.1%</b>	<b>10.1%</b>

The market research market grew by an average of 9% per year over the 1990s. Growth has slowed markedly since 2001, and for the third consecutive year is likely to grow by less than 5% in 2003. This said, even during this difficult period, the market has not declined. This remarkable resilience has been based on the growing need felt by companies and institutions of all sorts properly to assess and anticipate the behaviour of the individuals – whether consumers, clients or citizens – whom they serve.



## Press release (continued) – August 18 2003

Over the coming months, Ipsos will continue to pursue a policy of both organic growth and acquisitions, guided by the following priorities:

- Extending its network in key countries, notably in the USA, which accounts for 40% of the world market, and in the Asia -Pacific region where it remains under -represented with the notable exception of China.
- Developing a service offering which is ever more specific and well -suited to emerging client needs, particularly in areas where clients are seek ing high added value services such as marketing modelling, which helps predict future consumer behaviour and thus ensure the optimisation of marketing expenditure, and customer relationship management, which draws on a detailed marketing understanding of customer databases to ensure that they are used efficiently and intelligently. These two specialisations are examples of activities in which Ipsos, by early 2004, will be more incisive by relying on increasingly international organisations and renewed servi ce offerings.
- Continuing to strengthen relationships with major global clients who, naturally, represent a growing share of our business each year.
- Consolidating online research resources, particularly in North America, but also in Europe, to enable a reduction in production leadtimes and thus allow clients to make better use of survey data.

### Prospects for the remainder of 2003

Ipsos will continue to grow rapidly over the second half of this year. However, it should be noted that the second half of 200 2 was better than the first, and it is not certain that Ipsos will be able to maintain organic growth of above 10% for the whole of 2003. In any event, growth will be above the target of 8% initially set by the group. Lastly, and as anticipated, the group' s operating margin will be higher than the level recorded in 2002, both in the first half and over the full year.

**Note : Consolidated results for the first semester of 2003 will be released September 22, 2003.**

### Nobody's unpredictable

'Nobody' s unpredictable' is the new Ipsos signature.

*Our clients' clients are increasingly demanding. They change direction, cha nge their views and preferences often an 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 deliver the insight needed to give them the leading edge.*

Ipsos, listed on the Premier Marché of the Euronext Paris Stock Exchange, is part of the SBF 120 Index, adheres to the Next Prime segment and is eligible to the Differed Settlement System.

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