

2005 ANNUAL REPORT



WHAT DO WE SEE?

1- A KID'S MESSY ROOM? OR A PORTRAIT OF CHE GUEVARA?

2- DON QUIXOTE AND HIS FAITHFUL COMPANION SANCHO PANZA? OR DON QUIXOTE WITHOUT HIS FAITHFUL COMPANION SANCHO PANZA?

3- THE INGREDIENTS FOR A HEARTY STEW? OR THE PORTRAIT OF A GARDENER?



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Artists: Bernard Pras, Octavio O Campo, Archibaldo



29 MAY 2006

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This is a free translation of the Ipsos reference document filed with the Autorité des Marchés Financiers on 29 May 2006 in conformity with article 212-13 of the General Regulations of the Autorité des Marchés Financiers. The French version of this document may be used in support of a financial transaction, provided it is accompanied by a transaction note approved by the Autorité des Marchés Financiers.

Copies of this reference document are available from Ipsos' registered office (35, rue du Val de Marne, 75013 Paris) or from the Ipsos website www.ipsos.com and Autorité des Marchés Financiers website www.amf-france.org



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OFFICERS RESPONSIBLE FOR THE REFERENCE DOCUMENT AND PERSONS RESPONSIBLE FOR THE AUDIT OF FINANCIAL STATEMENTS

1.1 OFFICERS RESPONSIBLE FOR THE REFERENCE DOCUMENT

Mr Didier Truchot and Mr Jean-Marc Lech, Co-Chairmen of Ipsos.

1.2 STATEMENT FROM THE OFFICERS RESPONSIBLE FOR THE REFERENCE DOCUMENT

"To the best of our knowledge, and having taken all reasonable measures to ensure that this is the case, we hereby confirm that the information contained in this reference document is correct and that there is no omission that would affect its bearing.

We have received from the statutory auditors a letter confirming the completion of their work, in which they indicate that they have reviewed the information regarding the Group's financial position and accounts contained in this reference document and have scrutinised the entire reference document. This letter does not contain any observation.

Lastly,

- (a) consolidated financial statements for the financial years to 31 December 2003, 31 December 2004 and 31 December 2005 have been certified without reserve or observation by the Statutory Auditors, whose reports are included respectively in sections 4.1.1 of the 2003 reference document, submitted on 9 June 2004, as document number D.04-0893, 4.1.1 of the 2004 reference document submitted on 29 April 2005 as document number D.05-0592 and 3.2 of the present document;
- (b) parent company financial statements for the financial years to 31 December 2003 and 31 December 2004 have been certified without reserve or observation by the Statutory Auditors, whose reports are included respectively in sections 4.2.1 of the 2003 reference document, submitted on 9 June 2004, as document number D.04-0893 and 4.2.1 of the 2004 reference document submitted on 29 April 2005 as document number D.05-0592. Financial statements for the financial year to 31 December 2005 have been certified without reserve and with an observation drawing the reader's attention to note 1 of the appendices which details the changes in accounting methods resulting from the first-time application from 1 January 2005 of rules 2002-10 and 2004-06 of the Comité de la Réglementation Comptable regarding respectively amortisation and depreciation of assets and the definition, recognition and valuation of assets. This report is included as section 3.3 of the present document; and
- (c) forward looking financial information presented in the present reference document is covered by a report from the Statutory Auditors, which is included as section 2.10.4 of the present document."

Mr Didier Truchot and Mr Jean-Marc Lech
Co-Chairmen

1.3 AUDITORS

1.3.1 STATUTORY AUDITORS

Ernst & Young Audit

represented by Mr François Villard,

Faubourg de l'Arche - 11, allée de l'Arche - 92037 Paris La Défense Cedex.

First appointed: 17 December 1998; reappointed 23 June 2004.

Appointment expires: at the Ordinary General Meeting held to approve the accounts for the year to 31 December 2009.

Deloitte & Associés

represented by Mr Michel Sellier,

185, avenue Charles de Gaulle - 92200 Neuilly-sur-Seine.

First appointed: 23 February 1988 (as Cogercos-Flipo, which has since merged with Deloitte & Associés); reappointed 29 June 1993 (as Cogercos-Flipo, which has since merged with Deloitte & Associés), 31 May 1999 (as Cogercos-Flipo, which has since merged with Deloitte & Associés) and 18 May 2005.

Appointment expires: at the Ordinary General Meeting held to approve accounts for the year to 31 December 2010.

1.3.2 SUBSTITUTE AUDITORS

M. Bruno Perrin,

100, rue Raymond Losserand -- 75014 Paris.

First appointed: 17 December 1998; reappointed 23 June 2004.

Appointment expires: at the Ordinary General Meeting held to approve accounts for the year to 31 December 2009.

BEAS,

7-9, Villa Houssay - 92200 Neuilly-sur-Seine

First appointed: 18 May 2005.

Appointment expires: at the Ordinary General Meeting held to approve accounts for the year to 31 December 2010.

1.3.3 NEW AUDITORS

Following a profound disagreement between the Company and its Auditors regarding the latter's fees, the Statutory Auditors, Ernst & Young Audit and Deloitte & Associés, and their substitutes, Mr Bruno Perrin and BEAS, resigned their mandates in letters dated 23 January 2006. These resignations will be effective from the Ordinary General Meeting held to approve accounts for the year to 31 December 2005.

Under the auspices of the Chief Financial Officer and the Chairman of the Audit Committee, the Company invited bids to replace the Auditors and their Substitutes, with seven audit practices invited to tender.

At its meeting of 26 April 2006, the Board of Directors accepted the proposal of the Audit Committee that a resolution should be put before the General Meeting of Shareholders called for 31 May 2006 to appoint PricewaterhouseCoopers Audit as Statutory Auditors to replace Ernst & Young Audit and Mr Etienne Boris as Substitute Auditor to replace Mr Bruno Perrin, for the remainder of their current appointments, that is until the Ordinary General Meeting held to approve accounts for the year to 31 December 2009, and to appoint Grant Thornton as Statutory Auditors to replace Deloitte & Associés and Institut de Gestion et d'Expertise Comptable (IGEC) as Substitute Auditors to replace BEAS, for the remainder of their current mandates, that is until the Ordinary General Meeting held to approve accounts for the year to 31 December 2010.

Signatory partners for PricewaterhouseCoopers Audit will be Mrs Florence Pestie and Mr Jean-François Châtel. The signatory partner for Grant Thornton will be Mr Vincent Papazian, and the signatory partner for IGEC will be Mr Victor Amselem.

1.3.4 AUDITORS' REPORTS

This reference document includes:

- the general report on full-year financial statements, in which the Auditors provide a justification of their assessments, pursuant to the terms of Article L.225-235 of the French Commercial Code (page 98 of this reference document);
- the report on the consolidated financial statements, in which the Auditors also provide a justification of their assessments, pursuant to the terms of Article L.225-235 of the French Commercial Code (page 48 of this reference document);
- the special Auditors' report on regulated agreements, pursuant to the terms of Article L.225-40 of the French Commercial Code (page 79 of this reference document);
- in accordance with the final paragraph of Article L. 225-235 of the French Commercial Code, the Auditors' report on the Chairman of the Board's report regarding the company's internal control procedures for preparing and processing accounting and financial information (page 155 of this reference document).
- the Auditors' report on the forward looking financial information contained in this reference document (page 43 of this reference document).

1.4 OFFICER RESPONSIBLE FOR INFORMATION

Mrs Laurence Stoclet, Chief Financial Officer (tel.: 01 41 98 90 20),

35, rue du Val de Marne, 75013 Paris.

INFORMATION ABOUT IPSOS' BUSINESS ACTIVITIES

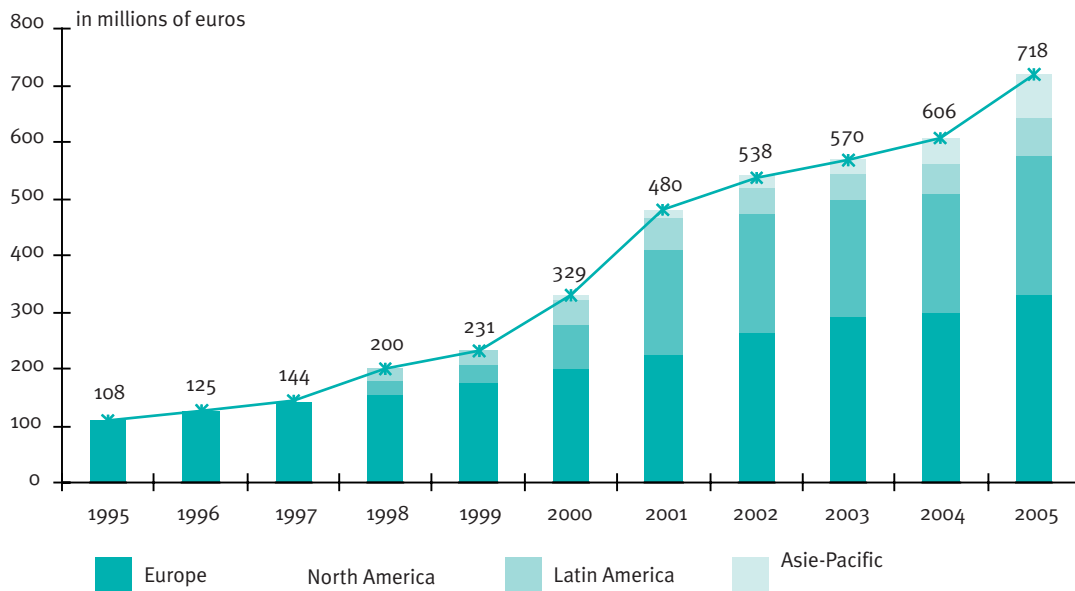
2.1 GENERAL OVERVIEW OF IPSOS

Ipsos is the world's third largest survey-based research group and focuses exclusively on a single activity, namely the production, interpretation and distribution of information gathered from individuals about their opinions, desires, attitudes and behaviour. To meet its clients' expectations as closely as possible, Ipsos has organised its business into five areas of specialisation: advertising research, marketing research, media research, opinion polls & social research, and quality & customer relationship management (CRM) research.

Since 1975, Ipsos experts have been analysing the subtle differences between individuals to produce accurate pictures of their expectations, motivations and intentions as citizen-consumers. This unique approach, which Ipsos calls "Nobody's Unpredictable", enables its clients to understand their markets, their customers and the world they live in.

With an effective presence in 44 countries, Ipsos carries out research for its clients in more than 100 countries. Ipsos' consolidated revenues totalled 718 million in 2005, up 18.8% on 2004, with organic growth of 8.6%

In 2005, Ipsos derived 46% of its revenues from Europe, 34% from North America and 10% from Latin America. Lastly, the Asia-Pacific region and the Middle East together accounted for 10% of revenues.



Over the past ten years, Ipsos has posted strong and steady organic growth, averaging 9.5% a year (see 'The Global Research Market'), thus outperforming the market and other international research groups.

	Total revenue growth	Organic growth ⁽ⁱ⁾
1994 - 1995	+ 8.3%	+ 10.6%
1995 - 1996	+ 15.8%	+ 10.0%
1996 - 1997	+ 15.5%	+ 7.1%
1997 - 1998	+ 38.2%	+ 10.9%
1998 - 1999	+ 15.8%	+ 12.7%
1999 - 2000	+ 42.8%	+ 13.0%
2000 - 2001	+ 46.0%	+ 8.0%
2001 - 2002	+12.1%	+8.0%
2002 - 2003	+6.0%	+9.4%
2003 - 2004	+6.3%	+7.5%
2004 - 2005	+18.8%	+8.6%

(i) Revenue growth on a comparable scope of consolidation and exchange rates

2.1.1 HISTORY

1975 - 1981: Ipsos has always been different

Ipsos was founded in Paris in 1975 by Didier Truchot, who brought a fresh approach to the research industry. His objective was to offer clients high quality information adding significant value, i.e. information that is both thorough and reliable, along with explanations and advice so it can be used immediately.

In a French market dominated by Sofres and Ifop, Ipsos made its presence felt with three innovations:

- standardised evaluation instruments for advertising research for each medium;
- a targeted approach to the measurement of mass media audiences, starting with the business press and soon followed by similar research on other groups, such as high-income households, financial decision-makers, and IT decision-makers;
- a method of syndicated financing for major studies of this type. For instance, the 'France des Cadres Actifs' survey was financed by almost the entire French press.

As a result, Ipsos became one of the most influential companies, achieving revenues of FRF5 million in 1981.

1982 - 1989: Success in France

The 1980s saw the Group's first period of strong growth. The start of this period coincided with the arrival of Jean-Marc Lech, formerly Chairman of Ifop, who became Co-Chairman alongside Didier Truchot.

France in the 1980s was the setting for a tremendous explosion in communications, which was influenced by several factors:

- a remarkably buoyant advertising industry;
- the development of the business press (economic and trade publications);
- a period of alternating governments, accompanied by the emergence of political communication and growing awareness by politicians of the challenges of managing their public image.

In such favourable conditions, Ipsos grew very fast. The Group built up strong positions in its chosen fields and acquired an image of excellence, particularly in:

- the media;
- advertising research;
- public opinion and social research.

At the end of 1989, Ipsos achieved revenues of FRF100 million (€15 million) and was fifth in the French market after Nielsen, Secodip, Sofres and BVA.

At the same time, the Co-Chairmen noticed a change in the market: large multinational groups, keen to globalise their approach across all their markets, wanted to work with the same research companies worldwide, in order to have consistent and comparable data from one country to the next. Ipsos therefore had to expand outside France in order to meet its clients' needs abroad.

1990 - 1997: Expansion in Europe

The first half of the 1990s saw a third phase in the development of Ipsos, which built up positions in the major European countries, first of all in Southern Europe and then in Germany, the UK and Central Europe.

This expansion was achieved through acquisitions, with the Group selecting its targets based on clearly defined criteria:

- the companies approached had to be prepared to sell all their capital, as Ipsos' objective was to set up a truly integrated group;
- the target companies had to be major players in their markets (i.e. in the top three or four);
- the management had to understand the Ipsos plan and endorse it: the takeovers were friendly and the directors were expected to stay at the helm of the new subsidiaries;
- the company's activity had to be related to at least one of the Group's three main activities, i.e. media, advertising research, and opinion polls & social research.

Meanwhile, the Group continued to expand in France, where in 1993 it took over the leading qualitative research company, Insight, while maintaining a high level of organic growth. Ipsos also made its first foray outside Europe, in the Middle East, Latin America and the United States, where it opened its first office in 1997.

This rapid development, achieved through a combination of acquisitions and organic growth, required large amounts of capital and an increase in the Group's equity base. Up to that point, Ipsos had been owned two-thirds by the two Co-Chairmen and one-third by its managers. However, in July 1992 it brought in several investors. They were replaced in turn during September 1997 by the Artemis group (Mr François Pinault), through his Kurun fund, and the Amstar fund (Mr Walter Butler).

By the end of 1997, Ipsos had become a pan-European player with revenues of FRF946 million (€144 million). However, the Group continued its international expansion, as its clients were continually extending their geographical coverage and wanted to work with suppliers with global reach.

1998 - 1999: Formation of a world-class group and IPO

In late 1997 and early 1998, Ipsos made its first two major acquisitions outside Europe:

- It linked up with the South American network Novaction, comprising three companies in Argentina, Brazil and Mexico, with strong positions in marketing research. Ipsos acquired 33% of the capital of the three companies, with an option to purchase the remainder within five years. Ipsos now holds 100% of the capital of these companies.
- The Group acquired the world leader in copytesting, US-based ASI (now Ipsos ASI).

These acquisitions improved the Group's position in advertising research, a business in which Ipsos is now one of the world's leading players, as well as in high value-added marketing research.

Nonetheless, to gain access to the resources needed to build up a world-class group while retaining their independence, the Co-Chairmen of Ipsos decided to list the company on the stock exchange.

Its flotation on the Nouveau Marché of the Paris Stock Exchange was carried out successfully on 1 July 1999. In total, 2,539,533 Ipsos shares were issued at a price of €33.50 through a Fixed Price Offer and a Guaranteed Placement. The operation was over-subscribed 12.6 times. This transaction also strengthened the Group's position vis-à-vis its major international clients and competitors that were already listed.

1999 also saw a number of major initiatives:

- a new generation of advertising research products (Ipsos ASI Next*TV) was launched;
- Ipsos acquired NFO Worldwide's shares in the four subsidiaries specialising in the development of access panels in Europe, formerly jointly controlled by Ipsos and NFO Worldwide;
- operations in the Asia-Pacific region were launched, with the establishment of an office in Hong Kong and the acquisition of Marketing for Change (now Ipsos Australia) in Australia.

2000 - 2005: Ipsos steps up its acquisition policy in all major markets

North America

- Acquisition of Angus Reid, Canada's leading research company (2000).

Canada's leading research company, the Angus Reid Group (now Ipsos Reid Corp.) also has a strong presence in the United States, where one third of its activities are conducted. Since 1979, the company has offered a complete range of marketing and public opinion research to companies in the public and private sectors. It caters for more than 1,200 clients worldwide from its offices in Canada (Calgary, Edmonton, Milton, Montreal, Ottawa, Toronto, Vancouver and Winnipeg) and in the United States (New York, Minneapolis, San Francisco and Washington DC).

- Acquisition of Tandemar, Canada's market leader in advertising research (2000).

Tandemar Research Inc., which has offices in Montreal and Toronto, is Canada's market leader in advertising research. More than 80% of its activity derives from tracking the impact of advertising campaigns on sales and brand equity. Now known as Ipsos ASI Ltd, the company has been integrated with Ipsos ASI The Advertising Research Company, the Group's global brand name for advertising research.

- Acquisition of the Marketing Research division of NPD (January 2001).

In January 2001, Ipsos acquired the assets of the Marketing Research division of NPD in the United States and Canada. Originally integrated within the Ipsos Group as Ipsos NPD, the business is now one of the leaders in marketing research in the United States. It has powerful resources, which are particularly suited to this activity, such as access panels for postal or telephone research and online access panels.

- Acquisition of the assets of Riehle Research and launch of the Public Opinion business in the United States (2001).

Under the Ipsos Public Affairs brand, Riehle Research, which is based in Washington DC, offers clients its expertise in food safety, housing, economics and finance, and internal company research, alongside specialist know-how in political studies.

- Acquisition of the assets of AC Nielsen Vantis (2002).

The Group bolstered its position in North America in spring 2002 by acquiring the assets of AC Nielsen Vantis, a division of AC Nielsen BASES, which specialises in marketing research and consultancy in the development of consumer durables and services.

- Acquisition of the assets of US company Marketing Metrics (2003).

Ipsos acquired the assets of US company Marketing Metrics and bolstered its position in quality research and customer satisfaction. The Group is now able to offer a broad range of services ranging from advertising research, marketing research (including modelling research) and CRM-related research to public opinion research right across North America.

- US marketing research activities combined under a single brand (2003).

To define their offering as clearly as possible, Ipsos Reid and Ipsos NPD, which operate in the US marketing research sector, adopted a unified structure and brand, namely Ipsos Insight, during early 2003.

- Acquisition in 2005 of Descaries & Complices (Montreal), Shifrin Research (New York) and Understanding UnLtd (Cincinnati).

These three specialist companies – the first in French-speaking Canada, the second in high added value marketing research and the third in qualitative research – have helped fill out Ipsos' coverage of the marketing research sector. In addition, Ipsos opened a new West Coast office in Seattle.

Latin America

Following the acquisition of Mexican market leader Bimsa in 2000, the Group expanded into Chile in 2001 with Search Marketing (marketing and media research) and bolstered its presence in Argentina with the acquisition of Mora y Araujo (opinion polls) and in Brazil with the acquisition of Marplan (media research).

In 2004, Ipsos acquired Hispania Research Corporation (Puerto Rico) thus significantly enhancing its presence in Central America and the Caribbean (it is also active in Costa Rica and the Dominican Republic).

En 2005 Ipsos agreed to acquire a majority stake in Colombian company Napoléon Franco, giving Ipsos a leading position in this country, which is one of the fastest growing in the region.

Ipsos is now the market leader in survey-based research in Latin America.

In Europe

In 2000, the Group's selective acquisition strategy led to a bid for Research in Focus, a UK company specialising in ad hoc qualitative and quantitative research and model building, as well as high value-added consultancy. Ipsos acquired a 50% stake in Focus in 2000, followed by the remainder of its capital in summer 2002.

In 2001, Ipsos acquired all the shares of Novaction, a company specialising in high value-added marketing research and consultancy, which operates both in Europe and in the Asia-Pacific region. Also in 2001, Ipsos acquired a 59% stake in Polish company Demoskop, now wholly-owned by Ipsos.

Ipsos made several acquisitions in Northern and Eastern Europe in 2002. It purchased Imri, Eureka and Intervjubolaget in Sweden, as well as F.Squared, which is based in Russia, Ukraine and Poland.

The Group also acquired German company Sample-INRA which has since merged with Ipsos Deutschland. Ipsos now ranks fourth in the German market.

In October 2005, Ipsos acquired MORI, the UK's largest independent research company. A leader in the opinion polling sector, MORI is well-known and has a very strong reputation. MORI's expertise, which also extends to media and CRM research, provided an excellent fit with that of Ipsos UK. The two entities merged on 1 January 2006, creating the new Ipsos MORI brand, which ranks third in survey-based research in the UK.

Asia

In 2000, Ipsos laid the foundations for expansion in the Asian market by acquiring a 40% interest in Link Survey in China. This purchase was rounded out in 2002 by the acquisition of a shareholding in the share capital of Feng & Associates Marketing Services (FAMS) in China, which has offices in Beijing, Shanghai and Guangzhou (Canton). Specialising in marketing research (strategic research into brands and product development), FAMS has the capacity to operate in 30 regions across the country, including Hong Kong. After merging with Ipsos Link, FAMS now operates as Ipsos China, a 60%-owned subsidiary of the Group, which ranks third in this very fast-growing market.

In 2005, Ipsos acquired Guangdong General Marketing Research Company Ltd (GDMR), a marketing research specialist.

In 2003, Ipsos acquired Partner Market Research in Taiwan and made two selective acquisitions in Australia: NCS Pearson (data gathering and processing – this activity is now offered under the I.view brand) and The Mackay Report (opinion polling). These businesses have been brought under the Ipsos Australia banner and were further enhanced by the 2004 acquisition of TQA Research in Melbourne.

Ipsos' 2004 acquisition of Japan Statistics and Research Co Ltd, now Ipsos JSR, rounded out the range of research products offered in Japan by Ipsos Novaction & Vantis (modelling research and sales forecasting). This company specialises predominantly in market research, particularly access panels. Based on the combined revenues of the two companies, Ipsos now ranks among the top five survey-based research companies in Japan.

Ipsos also acquired Active Insights in Korea, now Ipsos Korea Inc. This company caters for key local clients based in this country, which accounts for 6.5% of research expenditure in Asia.

In 2005, Ipsos relaunched its Hong Kong office and opened two new offices: in Manila and Bangkok.

Middle East

The Group has increased its holding in its Lebanese subsidiary Stat, whose activities have seen strong growth in media and advertising. Through this subsidiary, Ipsos is currently developing an integrated network covering the whole of the Middle East, where markets harbour significant potential for growth. Apart from Lebanon, Ipsos also has a presence in Syria, Jordan, the United Arab Emirates (Dubai), Kuwait, Saudi Arabia and Bahrain.

2006

In early 2006, Ipsos acquired Canadian company Camelford Graham, a Toronto-based specialist in high value added qualitative research.

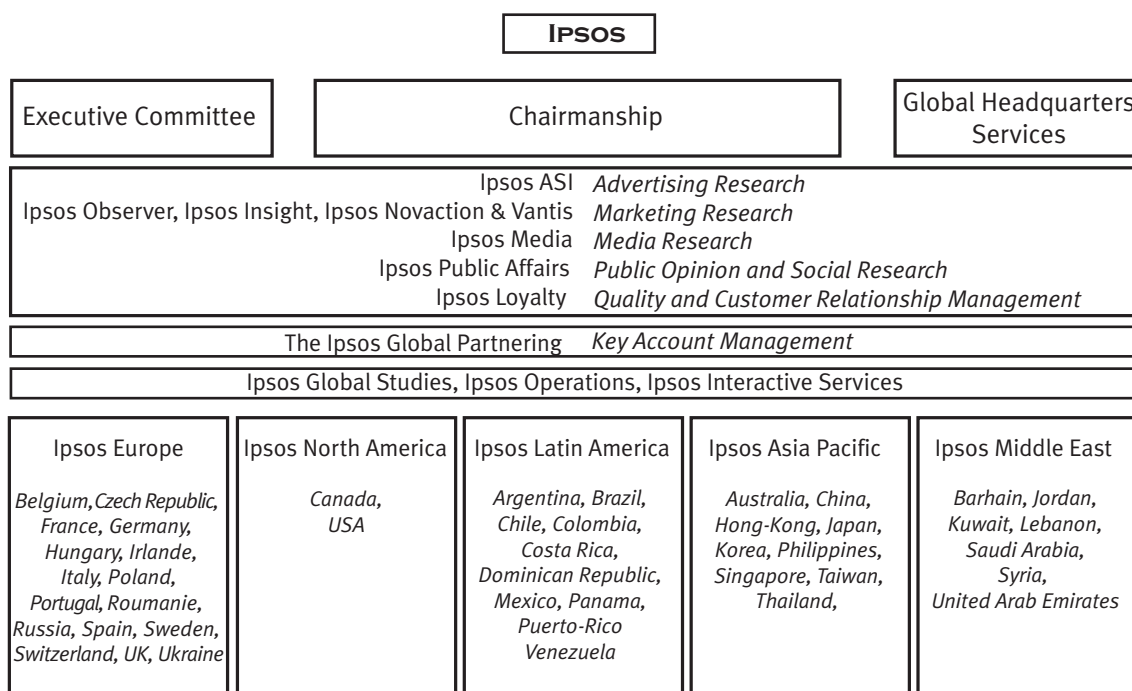
The Group has also opened an office in Geneva, transferring significant human resources to this new branch: on 3 April 2006, 35 employees, from eight different countries, started work in their new posts.

2.1.2 GROUP ORGANISATION

2.1.2.1 Business organisation chart

At 1 January 2006, Ipsos was present in 44 countries. Its subsidiaries either operate in a given country, or have specific skills in one of the Group's five areas of specialisation. Locally, they all report to their regional head office.

The following chart shows the Group's business organisation, including both regional location and areas of specialisation.



The Global Headquarters Services in Paris encompass the following functions, which support the Co-Chairmen:

- Corporate Communications
- Corporate Development
- Corporate Secretariat
- Finance, Management Control & Budgeting
- Human Resources
- Innovation & Technology
- Key Account Management
- Legal Affairs

A more detailed version of this chart can be seen on pages xx and xx (§ 4.6).

2.1.2.2 Business organisation

One business, five specialisations: an unparalleled organisation

Ipsos' survey-based research business encompasses five areas of specialisation:

- Advertising research;
- Marketing research;
- Media research;
- Public opinion and social research;
- Quality and Customer Relationship Management (CRM) research.

In each of these specialist areas, the Group has set up an international organisation, with dedicated staff to coordinate the development of the various activities in the regions concerned. For each specialisation, Ipsos organises its offering around common brands in order to clarify and harmonise the services on offer worldwide.

1) **Ipsos ASI The Advertising Research Company** Company is the Group brand dedicated to advertising research.

It has an integrated organisation and unified management based on a regional organisation with subsidiaries in more than 23 countries. Its fully dedicated teams implement the Group's copytesting, brand tracking and brand equity services worldwide.

2) The Group's marketing research activities operate under three brands, namely **Ipsos Observer** for raw marketing data, **Ipsos Insight** for high value-added services, and **Ipsos Novaction & Vantis** for modelling sales volumes based on simulated test markets.

3) **Ipsos Media** is the benchmark for this specialisation. The media research market is fragmented more often than not at the local level, but Ipsos markets its major international studies under this banner.

4) The **Ipsos Public Affairs** brand name is used by Group companies offering research into public opinion, company strategies and social issues. In the UK this specialist area is provided under the **Ipsos MORI** brand, and in Canada by **Ipsos Reid**.

5) Under the **Ipsos Loyalty** brand name, Ipsos offers a consistent range of services in CRM (Customer Relationship Management) and employee satisfaction measurement.

In 2004, Ipsos Novaction & Vantis and Ipsos Loyalty adopted a fully integrated global organisation.

Irrespective of their specialisation, Ipsos companies can call upon shared services:

- **Ipsos Operations:** Ipsos companies organise data gathering and processing activities under this brand name (see section 2.6: Research resources, p. 31).
- **Ipsos Interactive Services:** the Group uses this name as an umbrella for all the initiatives and resources implemented for both quantitative and qualitative research carried out via the internet. It also coordinates the development of online access panels in Europe and North America.
- **Ipsos Global Studies:** this service, which was set up in 2004, is intended to coordinate international research (see section 2.6.3: International research p. 33).

A dedicated programme for major clients

Ipsos Global PartneRing is a specific programme dedicated to our key client accounts that helps us coordinate and galvanise our relationships with them (see § 2.5 Key Account Management structures, p. 30).

A regional organisation

Ipsos has a regional organisation, complementing its matrix-based organisation built around its business lines.

In North America, the head office has restructured the business activities of four companies – Ipsos ASI, Ipsos Insight, Ipsos Reid and Ipsos Novaction & Vantis – by consolidating its operational and management resources (finance, human resources, communication, etc.). Regional integration was achieved through the optimisation of resources, generating savings, particularly with the transfer of Ipsos ASI's telephone activities to Ipsos Reid Corp. in Canada, where the related costs are significantly lower. Increased commercial coordination has enabled the Group to tap into synergies between the Canadian and American markets and between the services offered by the various teams (advertising research, CRM studies via Ipsos Loyalty, and marketing research, in particular).

With 2005 revenues of €242.6 million (8.5% organic growth), the Group bolstered its leading position in the North American market.

In Latin America, the regional head office, led by its Executive Committee, aims to harness more synergies between the subsidiaries operating in ten countries. With revenues of €69.4 million in 2005, Ipsos achieved one of its best contributions from this region (19.5% organic growth in 2005 in line with that in 2004).

In Europe, the regional management coordinates client relationship programmes and provides a single infrastructure for operations, data processing and pricing for international studies (particularly those under the Ipsos Interactive Services brand). In 2005, Europe generated revenues of €331.2 million in Europe, up 4.5% on 2004.

In the Middle East, the Lebanon-based regional management coordinates the development of activities throughout this region.

In the **Asia-Pacific** region, the regional director appointed in 2002 has been responsible for pursuing the acquisition programme and for building an effective network. As a result, Ipsos now has a solid presence enabling it to cater for major clients in China, Australia and Taiwan, as well as in Japan, Korea, the Philippines, Singapore and Thailand. In 2005, Ipsos generated very strong revenue growth in this region, which accounted for 10% of total revenues, from 6% in 2004.

2.1.2.3 : Relations between the parent company and subsidiaries

The parent company, Ipsos SA, manages the Group's equity interests and provides services and technical support to its subsidiaries. In particular, Ipsos SA manages the Ipsos brand, logo and products. It grants permission for their use to its subsidiaries under licence. The corresponding fees amounted to €13.2 million in 2005.

In addition, the parent company arranges the vast majority of the Group's financing and then provides loans to certain subsidiaries. These loans bear interest at market rates (total interest received in 2005 was €5.2 million).

2.1.3 KEY FIGURES

Consolidated revenues at Ipsos came to €718.0 million in 2005, an increase of 18.8% on 2004.

On a like-for-like basis and at constant exchange rates, revenues at Ipsos grew by 8.6%, meaning that for the seventh consecutive year, the Group's revenue growth outpaced that of other major international research companies and the market as a whole.

As forecast, operating profits have grown faster than revenues.

- Operating profit came to €63.9 million, up 25% on 2004 corresponding to 8.9% of the revenues. This reflected the Group's innovation policy in its product offering and the harmonisation of its working practices worldwide. This increase was also the result of synergies achieved through Group acquisitions. By extending its geographical reach, the Group managed to increase its business volumes by responding to clients' global requirements, while reducing its operating costs by streamlining its production facilities.
- Net profit attributable to the Group came to €32.7 million, up 44.1% over 2004.

Key profit and loss figures

In millions of euros	2005 IFRS	2004 IFRS
Revenues	718.0	604.6
Gross profit	431.9	355.5
Operating profit	63.9	50.9
Net profit before minority interests	37.5	26.0
Net profit attributable to the Group	32.7	22.7
Average workforce	5.442	4.660

Revenue breakdown by region

In millions of euros	2005 IFRS	2004 IFRS
France	103.0	96.0
Rest of Europe	228.2	203.3
North America	242.6	210.1
Latin America	69.4	51.3
Asia-Pacific and Middle East	74.8	43.9
TOTAL	718.0	604.6

In %	2005 % contrib.	2005 Total growth	2005 Org. growth	2004 % contrib.	2004 Total growth	2004 Org. growth
France	14	7	5	16	6	6
Rest of Europe	32	12	4	33	3	6
North America	34	15	9	35	(0.1)	6
Latin America	10	36	20	9	14	22
Asia-Pacific and Middle East	10	69	26	7	80	17
TOTAL	100	18.7	8.6	100	6.3	7.5

Revenue breakdown by business

In millions of euros	2005 IFRS	2004 IFRS
Advertising research	163.6	138.5
Marketing research	388.6	325.8
Media research	50.2	49.0
CRM	61.2	53.2
Public opinion and social research	51.3	35.1
Others	3.1	3.0
TOTAL	718.0	604.6

In %	2005 % contrib.	2005 Total growth	2005 Org. growth	2004 % contrib.	2004 Total growth	2004 Org. growth
Advertising research	23	18	15.5	23	8	13
Marketing research	54	19	7	54	8	7
Media research	7	2	0	8	1	2
CRM	9	15	7.5	9	16	9
Public opinion and social research	7	46	11	6	14	5
Others	-	3	-	-	11	-
TOTAL	100	18.7	8.6	100	6.3	7.5

Key balance sheet items

In millions of euros	2005 IFRS	2004 IFRS
Total shareholders' equity	414.9	233.4
Borrowings	268.9	191.6
Cash and equivalent	82.1	32.4
Net debt	186.8	159.2
Net gearing (%)	45%	68%
Total assets	997.9	677.8

At 31 December 2005, consolidated shareholders' equity stood at €414.9 million, from €233.4 million at 31 December 2004. Financing for operating investments (€11.9 million) and for acquisitions of companies and goodwill (€172.5 million) came from the cash surplus from operations (€54 million), the Ipsos SA share issue (€121 million) and long-term borrowings (net change of €74.8 million). Based on these items, net debt stood at €186.8 million at 31 December 2005, giving gearing of 45%.

2.2 RISK FACTORS

Risks relating to the company

Sensitivity to macro-economic trends

The various markets in which Ipsos operates are sensitive to changes in the economic climate. However, the economic turbulence witnessed in the 1990s did not have a lasting effect on the research industry. This is because economic uncertainty often generates a greater need for information to assist the decision-making process. This strong underlying trend, coupled with economic globalisation and the need for information on all the major markets, has contributed significantly to the growth in demand for market research.

Ipsos believes that the geographical spread of its operations and its positioning as a multi-specialist will give Ipsos a good capacity to withstand any deterioration in local economic conditions.

A significant share of Ipsos' revenue is generated by one-year contracts or short-term work orders. In the event of a deterioration in economic conditions and a move amongst Ipsos' clients to reduce variable costs, some projects allocated to Ipsos could be delayed or cancelled and there might be fewer orders for new projects than predicted. The level of revenue Ipsos generates from any given client varies from one year to the next, and these fluctuations could lead to a decline, or contribute to fluctuations of operating profit and net profit at Ipsos.

Seasonality of revenues and earnings

Traditionally, as is the case with most research companies, Ipsos posts higher revenues in the second half of the financial year. Interim figures generally represent less than 50% of full-year revenues and operating profit. As a result, operating profit and cash flow at Ipsos can vary significantly over the course of any given financial year.

The integration of companies acquired by Ipsos could entail costs and difficulties

In recent years, Ipsos has made a number of acquisitions, the most recent being those of MORI, Understanding UnLtd and Camelford Graham, and growth through acquisitions remains a key element in the Group's strategy. The integration of recently acquired companies or business assets generates the costs inherent to this type of process and carries with it uncertainties. These include uncertainty regarding the effects on the acquired company or business of its integration within Ipsos' structure and business culture, and the availability of sufficient management resources to cover the efforts required to supervise the integration and management of the acquired companies. During preliminary discussions regarding acquisitions, Ipsos pays particularly close attention to the preparation of the company for integration within Ipsos and its compatibility with Ipsos' business culture. The organisation and supervision of the integration of companies acquired is the responsibility of regional management teams.

Whilst Ipsos has, in the past, successfully integrated the companies it has acquired, it is not certain that future integrations will not produce greater difficulties or higher costs than expected. In the event that an existing or future integration process is delayed or fails, Ipsos may incur additional costs and the value of its investment in the company acquired may decrease significantly. Any significant delays, unexpected costs or other problems encountered as part of the integration of companies or businesses acquired could have a negative impact on revenues and margins at Ipsos.

Risks relating to industry specific regulations

All Ipsos companies focus exclusively on research. Their staff have detailed knowledge of the regulations governing their business, particularly as concerns data protection and distribution of opinion polls. Ipsos is not aware of any circumstance where it may be in breach of the regulations applicable to its business activities. However, there can be no assurance that the procedures introduced by Ipsos companies will prevent these companies from committing such a breach in future.

In future, Ipsos businesses could also be affected by the introduction of privacy legislation allowing consumers to protect themselves from all unsolicited telemarketing calls. Such legislation has been introduced in the USA (the "Do Not Call List") and is being developed in Italy. Whilst in general these regulations do not cover market research calls, new laws or regulations could remove current exemptions, or might not include such exemptions. In the event that such regulations were extended to market research calls, there could be a negative impact on operating profit at Ipsos.

Risks linked to rapid technological changes in the research and polling market

Some of the market segments in which Ipsos is active are highly competitive. The company's continued success will depend on its ability to enhance the performance and reliability of its services in such segments. Ipsos could encounter difficulties that may delay or prevent the successful development, launch or marketing of new services and could also face higher than expected costs if its services and infrastructures needed to be adapted to technological changes more quickly than planned.

Risk of revenue loss linked to the departure of key managers

Like all business-to-business service providers, Ipsos' commercial relations with its customers depend primarily on the quality of the relationships developed between its managers and their contacts at client companies. Ipsos could lose certain clients from its portfolio if a key manager or account director were to leave the company. However, Ipsos believes this risk is minimised by the following factors:

- Ipsos' revenues come from a diversified client base, with no single account representing more than 10% of consolidated revenues, generally resulting from contracts in several countries;
- Ipsos' managers benefit from an attractive remuneration package and the existence of long-term incentive schemes for certain key employees and the existence of non-competition clauses in key managers employment contracts;
- The majority of clients are loyal and make use of Ipsos' services year after year;
- As well as providing close contact with its specialist teams, Ipsos offers its clients a reputable brand, powerful resources backed by leading-edge technologies, and databases guaranteeing consistent results that are comparable over time and between different countries.

Risk of changes in employment law

Ipsos employs a large number of temporary workers to administer its questionnaires. In some countries, depending on the local employment legislation, these staff may be considered as employees on the payroll, although this situation remains rare. Currently, in a number of countries (e.g. Germany, the United Kingdom, Italy, and Belgium) there is a trend towards providing more protection for casual staff, as a result of employment law or its interpretation. This exposes the Group to two risks:

- a risk of legal penalties, if the Group does not offer its temporary workers the same benefits it currently provides to permanent employees only, thus breaching the law. In France, the status of interviewers is defined in a national collective bargaining agreement which already takes account of these developments and therefore the risk is small;
- financial risk, since these developments could lead to spiralling labour costs if Ipsos were unable to pass on these increases in its prices. Ipsos believes that this risk should be kept in perspective since it applies to the entire industry and would not undermine the Group's competitive position.

IT risks

Ipsos' business is heavily reliant on information systems. As a result, a system failure could have a severe impact on its operations (loss of survey results, inability to access databases, etc.). In practice, this risk is minimised by the use of standard commercially-available systems and software. In addition, these systems are distributed over several sites and procedures have been implemented to back up or replicate crucial databases. If a problem occurs on a given system or at a given site, Ipsos has made arrangements to transfer operations to its other sites.

Ipsos has introduced a policy of automatic security and antivirus software updates on all its computers. In addition, each internet access point at Ipsos sites is protected by a firewall.

The Ipsos network uses security equipment from first-tier suppliers based on Cisco technologies. This hardware ensures that our network remains coherent and minimises the risks of intrusion. The majority of our sites are hooked up to the Ipsos data centre using encrypted communications protocols over the internet based on Virtual Private Network (VPN) technology. This programme is currently being extended to all Ipsos companies worldwide.

Insurance

Ipsos' business activities do not give rise to any industrial or environmental hazards. The Group companies take out insurance policies in conformity with local standards in each of the countries and markets in which they operate. In particular, these companies are usually covered by professional liability insurance.

Ipsos has also taken out a policy designed to insure the Group, its managers and directors against any damages arising from the professional negligence or malpractice of these managers and directors in the course of their duties.

Given the number of subsidiaries, their geographical spread and the wide range of sizes, Ipsos has chosen not to take out uniform world-wide insurance cover for its businesses. Instead coverage is negotiated on the basis of local needs and requirements. As a result of this diversity, it is not possible to present a consolidated picture of insurance coverage at Ipsos.

In 2005 the total cost of insurance premiums for the group was €1.52 million (figures extracted from internal reporting).

Market risks

Interest rate risks

Around 68.7% of the €261.2 million in bank borrowings outstanding at 31 December 2005 (including the May 2003 bond issue) were floating rate loans. A 1% change in short-term interest rates would have a €1.95 million impact on the Group's financial expense (after taking account of swap contracts), equivalent to an 18.78% change in net financial expense for 2005. As part of the May 2003 bond issue and the October 2005 syndicated loan, interest rate swaps were entered into. Interest rate risks are managed centrally by the Group Treasurer at head office.

Interest rate risk (at 31 December 2005)

	within 1 year*	1 to 5 years	Over 5 years
Financial liabilities	189,723	46,566	32,626
Financial assets	(82,162)		
Net position before hedging	107,561	46,566	32,626
Off balance sheet**	16,108	4,400	-20,508
Net position after hedging	123,669	50,966	12,118

* Including variable rate loans.

** Swaps covering the May 2003 bond issue and October 2005 syndicated loan, not treated as as hedging instruments for accounting purposes under IFRS.

Exchange rate risk

The Group has operations in 44 countries and conducts research in more than 100 countries. Ipsos records its financial position and its income in the relevant local currency, and then converts these figures into euros at the applicable exchange rates for the purposes of consolidation in the Group's financial statements. As a result of its international expansion, a significant and growing share of Ipsos' revenues and operating expenses are recorded in currencies other than the euro. Changes in exchange rates can thus have a negative impact on the financial position of Ipsos and its operating income over the course of a given year and can make it difficult to compare financial statements from one year to the next.

Given that Ipsos' subsidiaries almost always invoice in their local currency and that their operating costs are also in local currencies, the Group does not systematically make use of currency hedging agreements or other contracts with the intention of reducing its exposure to fluctuations in exchange rates.

Exchange rate risks (at 31 December 2005)

	USD	Euros	JPY	GBP	Other currencies
Financial liabilities	102,742	100,807	15,428	37,591	12,347
Financial assets	19,178	29,410	6,621	13,896	13,057
Net position before hedging	83,564	71,397	8,807	23,695	-710
Off balance sheet items					
Net position after hedging	83,564	71,397	8,807	23,695	-710

Liquidity risk

As part of its financing, in November 2004 Ipsos entered into a syndicated five-year multi-currency revolving credit agreement which refinanced an earlier syndicated loan, and in October 2005 took out a syndicated term loan to help finance its external growth, including the acquisition of MORI. In addition, in May 2003, Ipsos carried out a private placing in the USA of a USD90 million notes issue.

The Group has undertaken to meet various financial ratios (consolidated net debt/consolidated EBITDA, consolidated EBIT/consolidated net interest expense and consolidated net debt/consolidated shareholders' equity). At 31 December 2005 and 30 June 2005, Ipsos met these undertakings.

The Group had access to credit facilities of around €148 million at 31 December 2005.

Liquidity risk (31 December 2005)

Nature of security/loan	Fixed rate/ taux variable	Total amount	Due	Hedged variable rate
USD				
Bond issue	Fixed (5.88)	75,858	2013	
Syndicated loan	Variable (EURIBOR + 0.35 to 0.90)	23,735	1 to 5 years	N/A
Accrued interest		1,034		N/A
Credit lines	Variable	123	less than 1 year	N/A
Leasing and other financial debts	Fixed	837		N/A
Euros				
Syndicated loan	Variable (EURIBOR + 0.35 to 0.90)	96,045	1 to 7 years	N/A
Borrowings from lending establishments	Fixed	955	1 to 5 years	N/A
Accrued interest		403		N/A
Credit lines	Variable (EURIBOR)	2,179	less than 1 year	N/A
Leasing and other financial debts	Fixed	1,225		N/A
Other currencies				
Syndicated loan	Variable (LIBOR + 0.75) (EURIBOR + 0.35 to 0.90)	59,747	1 to 5 years	N/A
Borrowings from lending establishments	Fixed	4,822	1 to 5 years	N/A
Accrued interest		243		N/A
Credit lines	Variable	460	less than 1 year	N/A
Leasing and other financial debts	Fixed	94		N/A

Stock options

Ipsos grants stock options to its employees and directors. At 31 December 2005, options for a maximum of 316,735 shares were outstanding at prices ranging from €20.6 to €120 and a maximum of 441,750 shares at a price of €69. If all or part of the shares were outstanding acquired through these options were sold on the market within a short period of time, Ipsos' share price could fall as the market may be unable to absorb such a volume of shares at the market price at the time.

Securities risk

As far as possible the Group optimizes management of its cash holdings. Where appropriate free cash is invested in money market or bond assets.

As indicated in paragraph 4.1.13, the Company has either immediate or future ownership of some of its own shares. In addition, in 2002 the Company granted options to purchase Ipsos shares to the managers and employees of the Group. These options are fully covered by shares in the Company already owned by the company itself and which it acquired at a price equal to the exercise price of these options.

2.3 IPSOS' ACTIVITIES

Ipsos' business activities are focused exclusively on survey-based research. Its core business consists of gathering, processing and analysing information about the expectations and opinions of individuals, whether consumers, customers or citizens, and understanding their behaviour and motivations.

The information is gathered exclusively by surveys among individuals.

Ipsos' research is therefore distinct from research based on automatic data collection (such as analysing data from cash registers as with retailer panels), or research based on systematic follow up (e.g. media monitoring). In this type of research, the information gathered is essentially descriptive and is unable on its own to provide information about individual motivations. This distinction is fundamental to any understanding of the Group's activities. Ipsos is positioned firmly in survey-based research.

Before examining Ipsos' five areas of specialisation, we would like to look briefly at the principal methods of gathering data.

PRINCIPAL METHODS OF GATHERING DATA

Traditionally a distinction is made between:

- quantitative research, which involves creating and questioning large samples and uses statistical techniques;
- qualitative research, which uses much smaller samples, but produces much richer and more detailed information.

Nowadays, qualitative and quantitative research is usually standardised so that it can be carried out again and again.

Quantitative research

Quantitative research involves creating and questioning representative samples of the target population, through individual interviews. Ipsos provides its clients with proven expertise and organisation at all stages of the research process by:

- defining and setting up the sample to be questioned;
- drafting questions, whose relevance and clarity will determine the quality of responses;
- selecting the most suitable type of data gathering technique (face-to-face, telephone, postal or internet) and administering the questionnaires in accordance with rigorous procedures;
- drawing conclusions from and interpreting the results.

Ipsos guides its clients through all stages of the process and helps them choose the most relevant methodologies and techniques. At the final stage, it helps them analyse the results in order to bring out their operational significance.

Qualitative research

Qualitative research is based on in-depth investigation, which involves interviewing groups or individuals either face-to-face, or via the internet. Meetings are conducted by experts with a background in psychology or social psychology. Ipsos experts organise more than 10,000 meetings of this type each year worldwide.

Qualitative methods are frequently used in marketing, communications and media research, and more and more commonly to gauge public opinion. This type of investigation can be used alone or to complement quantitative techniques. It allows for investigative hypotheses to be validated, before being explored systematically with larger samples.

Through the Insight brand, Ipsos has expertise that has been well-established for more than ten years. The company is breaking new ground and extending its expertise in the qualitative research area: Ipsos' experts have opened up a new avenue offering, alongside so-called forward-looking methods, a research protocol using a conflictual rather than consensual approach. This new approach, named Krisis, is now offered to our clients and has been introduced right across the Group thanks in particular to a training programme for the various qualitative research teams.

2.3.1 MARKETING RESEARCH

Marketing research is Ipsos' most important activity in terms of revenues, contributing 54% of the Group total. This expertise helps satisfy client companies' growing need for strategic information about markets and brands, whether for launching new products, studying consumer behaviour or analysing and tracking brand performances in a given market.

Ipsos now offers a complete range of research solutions, which enables it to work with its clients at every stage in a brand's

or product's lifecycle. Ipsos products combine quantitative and qualitative research, making it possible to understand markets, identify development opportunities and provide clients with useful guidance on action to be taken. The range is rounded out by modelling research to anticipate sales volumes.

Ipsos draws a distinction between three business segments in this specialisation, for which it has introduced three distinct brands:

2.3.1.1 Ipsos Observer to supply raw marketing data

Raw marketing data, i.e. without any advice or recommendations, is offered to clients who want access for one-off and rapid campaigns to high-quality production resources at an affordable price.

Through Ipsos Observer, our clients have access to an extensive range of research tools, such as regional platforms for multi-country telephone surveys, omnibus surveys and offline and online consumer panels.

2.3.1.2 Ipsos Insight for high value-added services

Launching or repositioning a product or business represents both a major investment and a major risk for clients. In order to reduce the risk factor and optimise R&D investment, Ipsos offers its clients a complete range of research and advice, making it possible:

- to validate concepts and new products before they are marketed or relaunched. This is achieved through so-called marketing mix assessment surveys (price, packaging, etc.);
- to monitor the performance of brands in their competitive environment. The main aim of this type of research, which is used once products have been launched on the market, is to help clients gain deeper insight into their markets, learn more about consumer behaviour and attitudes in the various market segments and monitor the performances of their product line.

This know-how, which encompasses qualitative and quantitative expertise, is now marketed under the Ipsos Insight brand name in all the Group's key markets.

2.3.1.3 Ipsos Novaction & Vantis for modelling expected sales volumes based on simulated market tests

The experts employed by Ipsos Novaction & Vantis have developed highly accurate market simulation models to help companies develop effective strategies. These models combine market potential assessments, marketing mix tests, sales volume modelling and performance forecasting.

In 2004, Ipsos introduced an integrated organisation and global management structure for the Ipsos Novaction & Vantis brand. The two sections offer specialised research, tuned to address the needs of major consumer goods companies in the case of Novaction, and services industries (IT, financial services, healthcare) and the automotive industry for Vantis.

2.3.2 ADVERTISING RESEARCH

Building strong brands and developing local or international communications strategies represent key objectives for advertisers. To help them choose their communications concepts, to measure and anticipate the effectiveness of advertising campaigns, and to provide them with a precise diagnosis that will guarantee a return on their media spending, Ipsos has developed a global organisation dedicated exclusively to this activity, which operates under the Ipsos ASI brand name.

Its objective is to develop and distribute the same methods of assessment to all Ipsos subsidiaries, to give clients consistent information and comparable results, regardless of the country in which their campaigns take place.

Advertising research contributed 23% of Group revenues in 2005, with organic growth of 13%. This is the most buoyant sector, which benefits from its integrated organisation with a well-established, single brand name.

2.3.2.1 Post-tests

Originally, Ipsos developed research products designed to assess the effectiveness of campaigns after the event, i.e. after they are broadcast. These products ('Baromètre Affichage', 'Suivi Télévision Cinéma' and 'Suivi Impact Presse'), which were developed and marketed in France, are now available in Italy, Spain, Latin America, China and the Middle East. 'Baromètre Affichage', the first Ipsos product, launched in 1977, is now managed online.

In English-speaking countries, companies prefer to track their brands in order to keep a regular check on changes in the brand image and profile, measuring the effects of advertising campaigns in this way.

2.3.2.2 Pre-tests

The higher cost of mass media space, especially television, means that the effectiveness of communications campaigns needs to be tested prior to their launch. Ipsos has been active in this field since the beginning of the 1990s, and has now become the world leader thanks to its acquisition of ASI, the US leader in copytesting, in 1998.

Using expertise that was developed in the US market, Ipsos has developed a global business line dedicated to copytesting, which is run by Ipsos ASI. Its range of products, including the flagship product Ipsos ASI Next*TV, which is offered in 23 countries, satisfies companies' demand for global products that can measure the effects of their campaigns in all markets with consistent data, and optimise their creative work.

A number of innovations have since been introduced to the range of Ipsos ASI pre-tests:

- pre-tests developed for the first stages of the creative process (Next*Idea, a system of online copytesting using animatics or story-boards);
- pre-tests geared to each medium or target (Next*Print to pre-test press advertisements, Next*Kid for children);
- measures suitable for gathering data online (Ipsos ASI tests the effectiveness of television and press advertising online, in countries and on targets with an adequate level of equipment);
- more accurate benchmarking using our high-performance databases: in four years, more than 1,000 films have been tested.

The Next*online range was initially launched in the US and is becoming more widespread in Europe. This range has been enhanced with innovations such as Emoti*Scape (to measure emotional responses to advertising) and Emoti*Trace (interviewees point out the strengths and weaknesses of a film directly on the screen).

2.3.2.3 Tracking and brand evaluation

In addition to pre and post-testing, Ipsos ASI develops high value-added research solutions to track the fortunes of campaigns and brands, as well as conducting in-depth brand equity assessments. The purpose of this research is to understand and explain how advertisements work and what contribution they make to the brand. This research is increasingly conducted online.

For example, Ipsos ASI Brand*Graph is a tracking system that delivers "in market" information, not only on brand health and advertising performance, but also on the effectiveness of the media plan used. Thanks to its databases and an exclusive media model, Ipsos ASI Brand*Graph is a useful decision-making aid in brand strategy and creative and media planning.

2.3.3 MEDIA RESEARCH

Media research was one of the Group's original activities. It made an important contribution to its reputation for quality and innovation. Ipsos' expertise, which was initially confined to Europe, is now also available in Latin America and the Middle East. In 2005, this business contributed 7% of total Group revenues.

Ipsos has organised this activity around two functions:

- informing editorial and media marketing decision makers of the expectations, tastes and behaviours of readers, listeners and viewers (editorial marketing);
- providing advertisers and their agencies with precise knowledge of the media they use to reach their target audiences (audience research).

Dedicated teams handle each of these challenges.

2.3.3.1 Media marketing research

Ipsos carries out ad hoc research for the marketing of the mass media. This research, for example, makes it possible to position (or reposition) a publication or television programme, or to create a new format. It also helps to better define in the market the place of a particular publication or family of publications, or even a whole medium.

This type of research is carried out on the audiences or readership of the various media wishing to test their proposals and learn about the expectations and reactions of their audiences, or with advertisers and players in the advertising market to conduct further research into media marketing.

The research is usually ad hoc, qualitative and quantitative, but some may also be standardised and renewed periodically in the form of indices.

2.3.3.2 Measuring media audiences

Ipsos was one of the first companies to use targeted audience research. Its "What managers read" survey, which was launched in France at a time when there were few publications aimed specifically at these readers, quickly aroused the interest of various press groups. Now, La France des Cadres Actifs (French Survey of Businessmen and Women), its successor, has become a multimedia survey providing valuable insight into the behaviour and attitudes of this audience towards the media and also about aspects of their professional lives, even their consumption of goods and services (financial services, real estate, etc.). The Ipsos range has since been extended by the addition of other targeted surveys, including La France des Hauts Revenus (High Income Survey) and Les Décideurs Financiers (Financial Decision Makers).

With these surveys, which were all initiated by the Group (rather than in response to calls for tenders), Ipsos introduced the technique of syndicated financing for research work in France, i.e. carrying out the same piece of research for several clients, who share the cost. This method is also used to finance media audience measurement surveys, which are commissioned by the various media, i.e. press, radio and TV.

Initially in Europe, and also in the major Latin American markets (Argentina, Brazil, Chile and Mexico), the Ipsos companies are all involved in audience measurement surveys for the mass media, i.e. the written press, radio and television. Given the specific nature of the offerings, this research is usually carried out at national level under long-term contracts (three to five years). However, Ipsos also uses its British media research subsidiary to conduct international audience research, like the Asian Business Readership Survey (ABRS), which measures the distribution of the business press in eight Asian countries.

Main surveys conducted after calls for tenders

- Survey of magazine readership (France);
- NRS - National Readership Survey (UK);
- NRS - National Readership Survey (Hungary);
- The British Business Survey (UK);
- QRS - Quality of Reading Survey (UK);
- Audipress (Italy);
- Media Analysis (Germany);
- Media Analysis (Hungary);
- EGM - Estudio General de Medios (Spain, Argentina, Mexico, Brazil, Chile);
- EGM Kids (Spain, Argentina, Mexico, Brazil);
- Radio Joint Audience Research (UK);
- BARB - Broadcasters' Audience Reaction Barometer (UK);
- Young View (UK);
- Audience Reaction Tracker (UK);
- Teachers' TV (UK);
- S4C Audience Reaction (UK);
- DART - Digital Audience Research Tracker TV (UK);
- TV Audience Measurement Survey (Lebanon).

Main Ipsos surveys

- La France des Cadres Actifs (French Survey of Businessmen and Women) (France);
- La France des Hauts Revenus (High Income Survey) (France);
- Les Professionnels des Marchés Financiers (Survey of Financial Market Professionals) (France);
- Les Investisseurs Individuels des Marchés Financiers (Survey of Individual Investors in Financial Markets) (France);

- L'Audience de la Presse Pharmaceutique (Pharmaceutical Press Readership Survey) (France);
- L'Audience de la Presse Médicale (Medical Press Readership Survey) (France);
- Ipsos IT;
- Profiling (France);
- Europe 2005;
- European Business Readership Survey;
- Asian Business Readership Survey;
- Japan Business Readership Survey;
- Australian Business Readership Survey (2005);
- US Business Readership Survey (2005/2006);
- Estudos Marplan (Brazil);
- Multimedia Branding Study (Mexico);
- Media Max (Mexico);
- ImpART (UK).

2.3.4 PUBLIC OPINION AND SOCIAL RESEARCH

Ipsos stands out, among the world-class groups, by offering research that aims to inform decision-makers, whether politicians or businessmen, about the challenges facing society and the attitudes and behaviour of citizen-consumers. As there is a strong correlation between voter confidence, employee confidence and consumer morale, Ipsos considers that public opinion surveys and corporate surveys complement marketing research.

This business line now comes under the banner of Ipsos Public Affairs, Ipsos Reid in Canada and, since the acquisition of MORI, under the Ipsos MORI brand in the UK. In 2005, it contributed 7% of Group revenues.

2.3.4.1 Political surveys and public opinion measurement

In Europe, North America, Latin America and Australia, Ipsos' specialist teams survey the political climate. Ipsos also measures changes in public opinion on social matters such as employment, security and education, and provides research of strategic interest for both the decision-making process and image-related issues.

Ipsos produces vote forecasting information, and takes part in election-night media coverage in many countries including the UK, USA, Canada, France, Spain, Italy, Hungary, Brazil, Mexico and Australia.

In addition, Ipsos has pursued active partnerships with the mass media making it possible to produce numerous analyses of current events. Examples include the partnership between Ipsos and Associated Press in the USA, Ipsos and Le Point in France and Ipsos and Expansion in Spain;

3.3.4.2 Corporate research

For companies, Ipsos develops research programmes to evaluate the corporate image of large groups and analyse crisis management issues.

3.3.4.3 International research

Ipsos offers multinational research, which has identified the emergence of worldwide public concern about the issues of food safety, health and the management of natural resources. Two examples of this type of work are The International Trends Observer, which reviews the state of public opinion in the US, France, Japan and the UK, and World Monitor, a survey carried out worldwide.

2.3.5 CUSTOMER RELATIONSHIP MANAGEMENT RESEARCH

Customer relationships are crucially important in marketing strategies, particularly for service companies. The growing proportion of the economy accounted for by services and the development of relational marketing strategies have fuel-

led increasing demand for the measurement of quality, customer satisfaction and customer loyalty.

To meet these various challenges, Ipsos has developed a structured offering built around five priorities with distinctive and innovative products helping to:

- understand consumers and customers' expectations and lifestyles;
- measure the quality of the service offered;
- measure and understand customer satisfaction drivers, particularly using the Satisfactor tool;
- measure and understand the drivers of customer loyalty, which depends on both quality of service and satisfaction, as well as attachment to the brand and the product, and the psychological characteristics of the various consumer categories (particularly thanks to the Loyalty Optimizer product);
- maximise the value of customers by synthesising the CRM data acquired from transactions, call centres and loyalty cards and combining them with the results of surveys and data analyses.

Ipsos believes that employee motivation is an integral part of relational marketing strategies, and offers specialist expertise to give employers an insight into the expectations and performance of their in-house staff.

This business area, operating under the Ipsos Loyalty brand, generated 9% of the Group's total revenues in 2005. As at Ipsos ASI and Ipsos Novaction & Vantis, it benefits from an integrated management structure and a consistent offering throughout all major markets.

2.4 IPSOS' MARKETS AND COMPETITORS

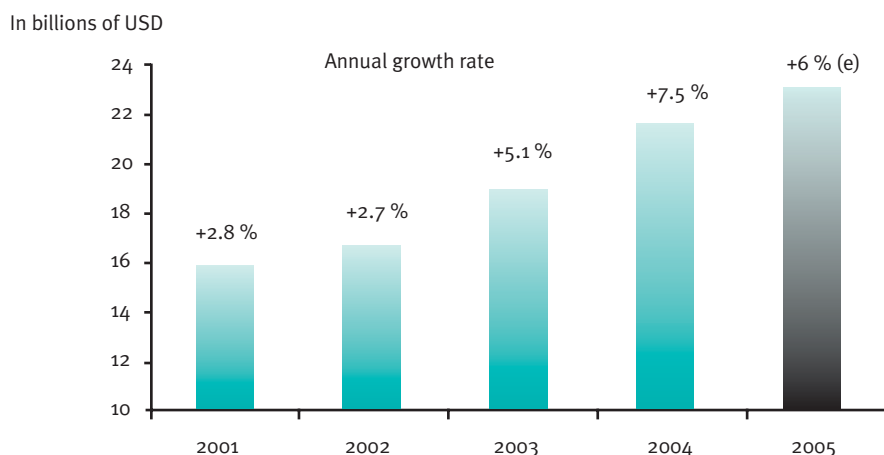
2.4.1 THE GLOBAL RESEARCH MARKET

The global market

In 2004, the global market for market research was worth USD21.5 billion, a 7.5% increase on 2003.

Ipsos estimates that strong growth continued into 2005, with an increase of around 6%.

A USD23 billion global market

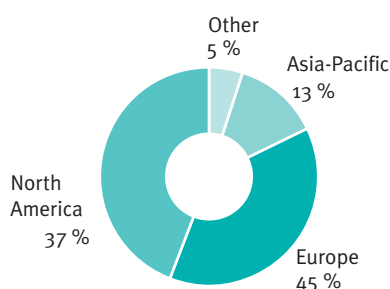


Source: Esomar 2005 for 2004 data and before; Ipsos estimate for 2005.

The research market is dominated by Europe and North America, which represent 41% and 37% respectively of global spending. However, the fastest growth regions are Latin America and the emerging markets of Asia, Central Europe and Northern Europe.

It is worth noting that the research market in the USA has benefited from the country's very strong economic performances. Esomar estimates that this market grew by 10% in 2004, whilst Ipsos estimates growth in 2005 at above 8%.

The world market research market in 2004



Source: Esomar

Demand for research has remained very strong. This is particularly true in certain sectors, such as financial services, new media, telecoms, IT and technology, and for specific research areas, most notably those relating to:

- brand communication, including advertising,
- optimising of expenditure and return on investment,
- Customer Relationship Management Research,
- sales volume forecasting.

2.4.2 COMPETITION

The market is largely dominated by the top ten players, which together account for 54% of the global market. These are multinational groups that can provide their key clients with a global service.

In 2005 as in 2004, most of these companies took part – with greater or lesser success – in the trend towards sector consolidation.

Rank	Company		2004 revenues In millions of euros
1	VNU Marketing Information	Netherlands	2,760
2	Taylor Nelson Sof.res Plc.	UK	1,385
3	IMS Health Inc.	USA	1,263
4	The Kantar Group (WPP)	UK	1,090
5	GfK Group + NOP ⁽¹⁾	Allemagne	1005
6	Ipsos Group	France	606
7	Information Resources Inc.	USA	461
8	Synovate (Aegis)	UK	402
9	Westat Inc.	USA	320
10	Arbitron Inc.	USA	239

(1) GfK acquired NOP in 2005

Source : Esomar 2005.

These rankings cover two types of company: those specialising in panel activities, which carry out systematic data gathering at the point of sale (retailer panels), in private homes (consumer panels, TV panels, etc.) or media monitoring (monitoring of advertising carried in the media); and, on the other hand, survey-based research companies, who gather infor-

mation directly through questioning individuals about their opinions, attitudes, wishes or intentions. Ipsos is involved solely in the second area.

Panels	Surveys
<p>One-third of the total research market Highly concentrated Sector profitable for monopolies Average growth Multi-client business</p> <p>Key players VNU (ACN, NMR), IMS Health, IRI, TNS, GfK, Observer Group</p>	<p>Two-thirds of the total research market Still relatively fragmented Sector profitable for market leaders Strong growth Mono or multi-client activity</p> <p>Key players WPP (Kantar), TNS, Ipsos, GfK, UIG, Westat</p>

Ipsos: a world leader in survey-based research

Rank	Company		2005 revenues In millions of euros
1	The Kantar Group (WPP)	UK	1,185
2	Taylor Nelson Sofres Plc	UK	1,096
3	Ipsos Group	France	718
4	GfK Group	Germany	563
5	Synovate (Aegis)	UK	483
6	VNU Marketing Information	NL	420
7	Westat Inc. ⁽¹⁾	USA	337
8	Arbitron Inc.	USA	249
9	Harris Interactive Inc.	UK	168
10	Maritz Research	USA	166

(1) Ipsos estimate based on company data.

2.4.3 THE MAIN RESEARCH GROUPS WORLDWIDE

VNU Marketing Information is the world's leading research group. It was formed from the merger between AC Nielsen (market research, information research and analysis of consumer behaviour) and Nielsen Media Research, which specialises in television audience measurement, mainly in the United States. In 2005, the VNU Group's research businesses had revenues of €2,842 million.

Taylor Nelson Sofres is the leading player in the European market, where it generates 66% of its revenues. TNS has strong positions in quantitative research and media research, particularly consumer and audience measurement panels. In 2005 it posted revenues of £999 million.

IMS Health is the leader in research for the pharmaceuticals industry. It had revenues of USD1,754.8 million in 2005.

The Kantar Group is the holding company managing the WPP subsidiaries in market research and information management. In 2005 it posted revenues of £810.4 million through its two specialist subsidiaries, Research International and Millward Brown (world leader in advertising research).

GfK Group is a major player in information systems for consumer durables and international market tracking. The 2005 acquisition of NOP expanded the German company's scope into the UK and USA and brought with it new areas of expertise – media research, automotive industry and pharmaceuticals industry research. GfK had 2005 revenues of €935.4 million.

Information Resources is a US-based company that specialises in the collection of marketing information based on scanner technology. It competes directly with AC Nielsen. In 2004, Information Resources had revenues of USD572.8 million.

Synovate is a subsidiary of the Aegis group, which operates in survey-based research and holds a significant position in North America and in the Asia-Pacific region. Synovate has expanded recently through a series of acquisitions. It had 2005 revenues of £330.5 million.

Westat is an American company whose share capital is owned by its employees. It originally specialised in statistical research, but has since developed know-how in research for government departments. In 2005 it posted revenues of USD420 million.

Arbitron is a US company specialising in media and marketing research, and primarily in radio audience measurement. It has 2005 revenues of USD310 million.

2.4.4 REGULATORY FRAMEWORK OF THE RESEARCH MARKET

From an international standpoint, the industry's activity is not regulated by any specific, clearly established legal norms. It is, however, governed by a code of professional conduct created by companies that have formed professional organisations, principally the ICC/ESOMAR (International Chamber of Commerce - European Society for Opinion and Marketing Research) International Code of Marketing and Social Research Practice.

This code stresses the principle of anonymity for interviewees and specifies the responsibilities of researchers and parties commissioning research. It also lays down rules to be respected when data is recorded.

In France, the following laws and regulations apply to market research companies and their activities:

- the French Data Protection Act of 6 January 1978;
- the Act of 19 February 2002 amending the Act of 19 July 1977 relating to the distribution and publication of certain opinion polls;
- the copyright regulations dated 11 March 1957, which protect all research work,
- the recommendations of the Bureau de Vérification de la Publicité (Office for the Verification of Advertising) regarding the use of polls for advertising purposes.

Ipsos companies are individually involved in the representative industry associations in each main market.

2.5 IPSOS GROUP CLIENTS

Ipsos serves a very broad client base of national and international companies and public bodies.

	2005	Sample clients
Mass markets	34%	Alberto Culver, Coca Cola, Colgate Palmolive, Danone, Kellogg's, InBev, Johnson & Johnson, Kraft, L'Oréal, Masterfood, Pfizer, Nestlé, Procter & Gamble, Reckitt Benckiser, SC Johnson, Unicharm, Unilever, Wrigley Chewing Gum Company Ltd.
Media	9%	Associated Press, BBC, Broadcasters Audience Research Board, Consuledit SRL, Fairfax, Lagardère Media, Media-Micro-Census GmbH, National Readership Survey (NRS), News Ltd, Radio Joint Audience Research limited, Vivendi Universal.
Information, Technology, Telecommunications	7%	AOL, AT&T, China Mobile, France Telecom, KTF, Lenovo, Microsoft, Nokia, SK Telecom, Sprint, T-Mobile International, Yahoo.
Consumer durables	3%	Epson Mexico, Groupe Legrand, Hewlett Packard, LG.Electronics, Philips, Siemens AG, Sony Ericsson, Whirlpool.
Automobiles	4%	Daimler Chrysler, General Motors, Fiat, Ford Motor Company, Groupe PSA, Volkswagen Group, Michelin, Mercedes-Benz, Nissan, Toyota.
Public sector	11%	American Association of School Administrators, British Columbia, European Commission, Department of Trade

		and Industry, Deutsche Post AG, Deutsche Telecom AG, European Opinion Research Group, Home Office, La Poste Luxembourgeoise, Ontario Ministry of Health.
Financial services	7%	Axa, Banca d'Italia, Bank of America, Barclays Bank, Capital One, Crédit Agricole, Credit Union Central, JP Morgan Chase, Morgan Stanley, Ping'an Insurance.
Pharmaceuticals & Healthcare	9%	Bayer, Glaxo-Smithkline, Merck, Novartis, Pfizer, Roche, Sanofi-Aventis, United Healthcare Wyeth.
Retail & distribution	3%	Asda/Walmart, British American Tobacco, British Gas, EDF, Gaz de France, Repsol, J Sainsbury plc, Shell, Tesco.
Agriculture	1%	BASF, Bayer Cropsciences, Elanco Animal Health, Merial, Michelin, Monsanto, Pfizer Animal Health, Pioneer Hi-Breeds, Syngenta.
Transport, tourism, sports, gaming	4%	Air Canada, Florida Lottery, La Française des Jeux, Mexicana De Aviación, Sky, SNCB, Star Alliance, Texas Lotteries, Lining, Nike.
Other	8%	Activision, communications agencies, research companies, audit firms

The sectoral breakdown of Ipsos' clients does not systematically match its own organisation by business line. For instance, marketing research and advertising research is mostly commissioned by companies selling mass market or B-to-B products and services, but media research, which is financed mostly by the media themselves, is also commissioned by communications and media agencies, and sometimes even by major advertisers. Public opinion and social research is usually of interest to government authorities; however, it may also appeal to large companies in the public and private sectors.

Demand for research stems from the desire to understand a world and markets whose relationships with politicians, the media, companies and brands are constantly changing.

As a result companies are more and more interested in social research, while banks are showing an interest in marketing research in order to bring their products into line with the expectations of individuals and new patterns of behaviour. Another result is that advertisers believe that media audience research should not be defined and conducted without their agreement—or even their financial contributions—as the research is used as a point of reference when advertising prices are set.

Every year, several thousand clients use Ipsos' national and international research capabilities. The client base is broadly spread, with no single client accounting for more than 10% of revenues. Revenue from the Group's largest client accounts for less than 10% of the consolidated total, that from the five largest clients 15.5% and that from the ten largest 22.0%.

A DEDICATED ORGANISATION FOR MANAGING KEY ACCOUNTS

Ipsos has developed the Global PartneRing programme specifically for key client accounts that the Group works with on an international basis.

This programme is designed to foster a full-scale partnership with a small number of clients that share various common characteristics:

- They implement major research and development programmes to refine their new products;
- They buy Ipsos products and services on a regular basis;
- They are customers in two or more of Ipsos' specialist areas;
- They are keen to maintain a strong relationship with Ipsos and work with dedicated teams that reflect their own internal structures.

This organisation is an effective tool for developing the Group's own business activities, both locally and internationally. In 2005, Ipsos posted revenues of €171 million under this programme, with growth of 16% on 2004.

RECURRING REVENUES AND REMUNERATION

The Group's business benefits from significant recurring revenues, especially in media, public opinion, social and customer satisfaction research. Satisfaction and image measurement, along with consumption monitoring and audience research, are usually delivered under multi-year contracts (three to four years). In its other areas of activity, Ipsos also enjoys a high degree of customer loyalty (more than 90%), even though clients prefer to negotiate one-year contracts or place orders as needs arise.

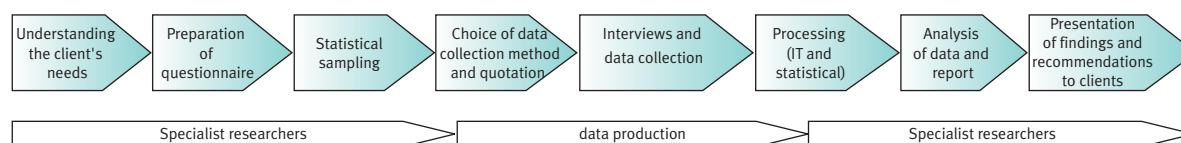
Traditionally, payment for research is made on delivery for projects that only require one or two months' work, or in several instalments, as sections of longer-term research are completed. Downpayments are always invoiced when contracts are signed.

2.6 RESEARCH RESOURCES EMPLOYED BY THE GROUP

Ipsos has implemented powerful and effective tools for collecting, processing and supplying data in order to deliver reliable, consistent and accurate information to its clients at a reasonable price and within short timescales. The Innovation and Technology division is responsible for harmonising production resources and methods, and ensuring that they are consistent and distributed according to clients' needs.

The development of online techniques, and their increasingly widespread use throughout the research process has been a key factor for improving speed, quality and cost. It requires the support of online specialists at every stage of this process, from questionnaire design and sampling plans right up to the delivery of results and their use by our clients.

As the following chart illustrates, the research process can be divided into several phases, involving teams of managers and specialist researchers working closely with the client, together with technical teams responsible for training interviewers, collecting research data and electronically processing the raw data gathered.



2.6.1 DATA COLLECTION

2.6.1.1 Interviewers and range of research techniques

Data collection requires the use of temporary staff to conduct face-to-face or telephone interviews. It also requires specialist consultants (typically psychologists or sociologists) who lead and interpret focus group meetings.

Contact with interviewees and the gathering of data demand special skills and adherence to a strict methodology. As a result the Group attaches particular importance to this category of staff, most of whom work regularly with the Group. The quality of research results depends not only on the design of questionnaires and the way answers are interpreted, but also on how carefully interviews are conducted.

In most countries, interviewers are employed and trained by the company that conducts research locally, through a dedicated entity responsible for producing information and managing researchers. In other countries, this activity is outsourced (particularly in Latin America). Additionally, in some regions, Ipsos has pooled its telephone survey operations (i.e. in Canada for the North American market, and in London for international research through the International CatiCentre).

Research techniques used by Ipsos

There are four methods of collecting information for quantitative research, depending on the type of survey involved:

- face-to-face: consumers are questioned individually and may be asked to respond to audiovisual materials;
- telephone interviews;
- focus group meetings: consumers are gathered by small groups and interviewed collectively;
- self-administered surveys, with no interviewer present, where the respondents complete a questionnaire sent to them by post or over the internet.

2.6.1.2 Major innovations

Ipsos was one of the market research companies to make widespread use of telephone surveys, including for electoral polling. The Group has been implementing IT tools for data collection since 1992: its Cati system uses predictive dialling for telephone surveys, while the Capi system supports face-to-face interviews, and the Cawi system handles online surveys via the internet.

IT tools have brought immediate benefits, both in terms of the reliability of results (as responses are validated as they are entered) and the speed with which results are processed and delivered to clients.

The use of interviewing software has enhanced the content of questionnaires and the intrinsic quality of the information collected. This software can vary the questions according to previous responses, without any input from the interviewer, and can automatically alternate items to eliminate bias. In addition, the computer continuously checks the consistency of interviewees' replies, prompting them to be more specific if two conflicting answers are given.

Using IT systems also helps improve research techniques, such as conjoint analysis, where interviewees react to a set of stimuli based on individual criteria. Through sophisticated programming, the stimuli can be adjusted according to the responses from each interviewee.

Lastly, multimedia technology can be used to test products, packaging and advertising messages by displaying them to interviewees in a realistic setting.

Cati: Computer Assisted Telephone Interviews

Ipsos has set up Cati centres in 30 countries, i.e. a total of over 3,300 research stations, two-thirds of which are equipped with predictive dialling systems. These facilities optimise the use of Cati technology and further speed up the research process.

The Group also has a multilingual telephone research centre, the International CatiCentre, based in Harrow in the UK. Team leaders, specially trained to carry out international research, are responsible for supervising interviewers, who work in their mother tongue, and for ensuring that questionnaires are efficiently coordinated and administered in a consistent way, regardless of the language used. In 2005, Ipsos conducted 1,100,000 interviews from the UK, in 38 different countries, with one-quarter of these forming part of multi-country research.

Ipsos' North American telephone research platforms are based in Canada and comprise 1,055 Cati stations, including 805 stations with predictive dialling. They enabled Ipsos to carry out 1,410,000 interviews in North America (516,000 from Canada and 894,000 from the USA).

Capi: Computer Assisted Personal Interviews

The use of IT tools in personal interviews has made the process faster and more reliable. This technology has been optimised with the advent of multimedia, which enables sounds and images to be played back during interviews, followed by the launch of the dual-screen Capi system and, more recently, the wireless dual-screen multimedia Capi system (where the interviewer and interviewee both use a laptop PC connected by a wireless link).

Lastly, for certain types of research, such as surveys on tourism patterns, which do not require excessively long questionnaires and only include closed questions, the Group has equipped its interviewers with PDAs (personal digital assistants), which make it easier to conduct interviews and send data back to our processing centres.

Capi technology is used consistently throughout Europe, where 3,600 interviewers have laptops, including 3,000 multimedia PCs. However, this technology is not used in the United States, where data is generally collected by telephone or mail, and increasingly via online systems (see section 2.6.1.3).

GPRS technology

Ipsos uses this technology to centralise data collected from the Capi stations in real time so that they can be processed faster.

2.6.1.3 Online data collection

Data collection requires a substantial workforce, which is costly, especially in Europe, where employment legislation can make it more expensive to hire temporary staff. This has an impact on Ipsos since most of its interviewers are temporary employees. For this reason, the development of online surveys offers two key advantages: it enhances productivity and cuts lead times.

Ipsos does not expect the internet to replace all other forms of data collection, in the same way that the telephone has not put an end to personal interviews. However, the interactive experience and multimedia capabilities provided by the

internet make it suitable for many types of survey. When using the internet, including for surveys carried out directly by clients from their own premises, research companies need to adopt an equally professional approach as for other types of surveys (e.g. when developing their questionnaires and samples, and analysing the information collected). They also need to develop new expertise in managing real-time interviews.

Since 2000, online data collection has taken off under the Ipsos Interactive Services brand which operates in North America and Europe. In North America one-third of interviews are conducted online, and the aim is that half of all interviews will be moved online by 2007. In Europe, 8% of revenues were generated by online surveys, conducted from the Bucharest-based regional platform which employs 330 people.

Originally used in marketing and advertising research, online techniques are now being extended into all areas of enquiry (internal surveys, CRM monitoring surveys, opinion polls). Online polling was used successfully in measuring voting intentions for the first time in Canada prior to the 23 January 2006 elections.

2.6.2 THE GROUP'S PRODUCTION TOOLS

Ipsos' added value resides in its technical expertise and the quality of the data and recommendations that it provides to its clients. Ipsos has also gained an edge thanks to the Group's innovations in the administration of surveys, having devised tools that provide information more rapidly and cost-effectively. They are offered worldwide under the Ipsos Observer brand name, with technical support from Ipsos Interactive Services.

Offline and online access panels

Access panels are a powerful research approach giving easier, and therefore cheaper, access to small target groups.

They are made up of selected individuals who agree to take part regularly in surveys, usually by completing questionnaires sent directly to their homes, by mail or online. This considerably reduces the cost of collecting information, as once the relatively high cost of recruiting the panel has been met, interviewers are no longer required. Furthermore, to enhance the productivity of its online surveys, Ipsos has invested in management software that extracts immediately-operational samples from its access panels.

In 2006, 3,220,000 individuals are available for Ipsos' offline access panels, with 4,355,000 internet users available for online panels. This capacity has been increased fourfold since 2001.

Omnibus surveys

These syndicated (or multi-client) surveys allow several clients to take part in the same wave of surveys, through which they can question a pre-defined sample of people. Data is gathered in face-to-face or telephone interviews or online or by post.

As part of its omnibus survey work, each year Ipsos interviews on a regular basis – weekly, monthly or quarterly – nearly 1,800,000 people face-to-face, by telephone, over the internet or by post.

2.6.3 INTERNATIONAL RESEARCH

The international research market is experiencing strong growth. To handle international research programs, Ipsos needs to have know-how specific to this type of survey as well as worldwide reach, enabling it to operate in all the major markets.

Ipsos has created a specialist structure for this activity, Ipsos Global Studies (IGS), which uses an international quoting system that is available online.

Ipsos Global Studies offers a standardised quoting system guaranteeing our clients proactive and competitive solutions. It can respond to each request for an international quotation within 48 hours. The country that oversees the contract is also responsible for coordination. In each country, international research specialists are in charge of setting up and monitoring each study.

This structure is now fully operational in North America and Europe, and quotes can be obtained regardless of country in Latin America, the Asia-Pacific region and the Middle East.

2.6.4 PROCESSING AND DISTRIBUTING DATA

2.6.4.1 Data processing

Data processing is a crucial phase involving dedicated teams and increasingly integrated tools to process the data, with tasks ranging from content validation and consistency checks to statistical analysis.

The creation of databases is, for Ipsos, an important factor in expanding and enhancing its offering of high value-added services. They enable Ipsos to maintain a history of results that can be used to compare the findings of a survey with benchmark levels and create forecasting models.

In addition, by automating various repetitive production tasks using database management systems, resources can be freed up to deliver finer-grained analyses more quickly.

2.6.4.2 Distributing data via the internet and extranets

Ipsos uses the internet to post the results of certain major studies for its clients. In France, the ipsos.fr website is used to provide fully secure subscriber access to the findings of the French Managers' Survey (France des Cadres Actifs). In North America, Ipsos ASI enables its clients to track their advertising performance via the internet.

Ipsos also develops dedicated extranets for some of its clients, enabling them to track their results during the different research phases and import data into their own management systems. This type of system is well suited to customer satisfaction surveys, which generate high volumes of data.

In management research, Ipsos uses the Archway technology offered by Ipsos Interactive Services. This user-friendly tool allows non-specialist users to display and analyse research results. It can distribute data within a company, delivering data to the staff who need it most. This technology was recently sold to Orange and Total.

2.7 INFORMATION SYSTEMS

All Ipsos' IT development initiatives are co-ordinated by the Systems & Technologies division which, in addition to harmonising methods, hardware and tools, is responsible for the overall IT upgrade strategy.

2.7.1 INFRASTRUCTURE

Ipsos has installed a global infrastructure that acts as the backbone of the Group's IT systems, allowing Group companies, employees and clients to communicate and exchange information. It also plays a key role in the integration of newly acquired companies and ensures the free flow of information.

This infrastructure is underpinned primarily by a worldwide private network based on VPN (Virtual Private Network) technology, which uses the internet to establish secure connections between the various Ipsos sites. In 2005, this network was extended to Thailand, China, Brazil and Chile. In Europe, MORI has also been integrated into the network. Redundancy of the main access points ensures 100% availability.

Using Microsoft's "Active Directory" technology, Ipsos ensures the authentication of network users and the management of resources, applying high-level security features.

Ipsos hosts its servers on standard Intel platforms, the use of which helps reduce management costs. The Group also increased its reliance on hosting companies for its mission-critical systems, including client applications and online data collection systems, with the aim of ensuring an enhanced quality of service, increased systems availability and improved platform security.

Two new applications were launched in 2005:

- a global online survey platform, to be fully operational from 2006;
- a platform for advertising research, that will enable automation and global harmonisation of brand tracking research, from data collection through to submission to the client. This platform will be fully operational from 2007.

2.7.2 THE ISIS INFORMATION SYSTEM

ISIS (Ipsos Secured Information System) is an information and management system that accurately forecasts changes in client demand and in the research market. This integrated information and management system gives shape to Ipsos' twin international structure by business line and by management system of key client accounts.

In both cases, the same rules are applied to all Group companies, thereby helping to deliver useful information rapidly to all users, from researchers to the Co-Chairmen.

An equivalent system, based on the same principles, was installed in North America in 2003.

2.7.3 THE IPSOS INTRANET

Ipsos has a global intranet, designed to share knowledge across the Group. Considered by 69% of Ipsos employees as a useful working tool (internal survey 2005), the Ipsos intranet gives Group staff from around the world access to up-to-date information on the five Ipsos business lines and on specific areas of expertise (qualitative research, collection and processing of quantitative data, conduct of international research, etc.). The intranet also acts as a platform for corporate information, as well as information on human resources, technology, business operations and finance.

The Ipsos intranet also carries an e-learning system, which offers training programmes in each of the Group's specialist business lines, together with programmes covering statistics, negotiation strategies and management of client relationships. In all, fifteen courses are available. Since its launch in 2003, 1,300 employees have studied more than 2,200 sessions, which can be accessed both from the office and from home, via the internet.

2.8 INVESTMENT IN EQUIPMENT AND SUPPLIERS

2.8.1 PREMISES

Ipsos' employees and facilities in the Paris region have now been brought together at a single site. In March 2004, Ipsos moved into its new premises at Porte de Gentilly, Paris. This building was developed and let by Bouygues Immobilier d'Entreprises and acquired by Commerz Grundbesitz Investment Gesellschaft mbH (CGI).

The Group rents the premises it uses in all countries where it operates, including its head offices, with the exception of buildings it owns in Japan, which have a value of €2.6 million. There is no significant charge or lien over these buildings.

Gross balance sheet value In millions of euros	2005	2004
Premises	34%	32%
Professional fees	11%	12%
IT costs	18%	17%
Travelling expenses	13%	15%
Communications	6%	6%
Advertising	4%	4%
Printing	1%	2%
Other overheads	13%	12%
	100 %	100 %

2.8.2 FIXED ASSETS

Gross balance sheet value In millions of euros	2005	2004	2003
Tangible assets	93.1	69.6	65.0
Intangible assets	43.4	35.3	30.8
Research & development expenditure	2.2	1.5	0.6
TOTAL	138.7	106.4	96.4

Tangible assets consist mainly of computer hardware and fixtures.

Intangible assets consist primarily of software purchases, as the surveying methods and technologies specific to Ipsos' business require the use of standard software and hardware configured to Ipsos' needs.

Ipsos also develops its own software, which is used by its researchers and some of which is sold to clients. Ipsos believes that this software adds substantial value to its research by enabling clients to import the data produced by Ipsos into their own management systems.

Tangible and intangible assets are financed either from the Group's own resources or under leasing agreements. Leasing agreements are restated in the Group's consolidated financial statements.

2.8.3 SUPPLIERS

Ipsos has a highly fragmented supplier base. Its main suppliers are: the telecoms operators in each country; the world-wide operators Colt and AT&T for its corporate network; Dell for PCs and servers; SPSS for Cati and Capi data collection software and certain statistical processes; and Microsoft for PC and server applications. In 2006, as part of its drive to improve operating margins, Ipsos will pursue its policy of signing global contracts with its suppliers.

In certain countries, notably Latin America, field data collection is outsourced to specialist companies. For international studies in countries where Ipsos does not operate, the Group also outsources tasks to local research companies.

The table below shows the average breakdown of the Group's operating expenses by category. It excludes the cost of interviewers and the payroll expenses incurred by research companies:

	2005	2004
Premises	34%	32%
Professional fees	11%	12%
IT costs	18%	17%
Travelling expense	13%	15%
Communications	6%	6%
Advertising	4%	4%
Printing	1%	2%
Other overheads	13%	12%
	100%	100 %

2.9 MANAGEMENT AND HUMAN RESOURCES

2.9.1 MANAGEMENT

2.9.1.1 Two Co-Chairmen

Ipsos is the only market research company of its size that is still controlled by its founders, Didier Truchot and Jean-Marc Lech. Driven by the same strategic vision, they have contributed complementary capabilities to the Group. With his background as an economist, Didier Truchot initiated the policy of standardising products and expanding into media and advertising research. Jean-Marc Lech, a graduate in philosophy, sociology and political science, steered the Group's expansion into social research.

2.9.1.2 Management Board

The two Co-Chairmen are assisted by a Management Board, which sets the Group's strategic goals and tracks the progress of its projects. It consists of the Group's key executives and meets at least once every quarter.

The Executive Committee comprises some of the members of this Management Board and meets twice or three times every quarter.

At 1st January 2006, the Executive Committee had seven members:

- Didier Truchot, Co-Chairman of Ipsos and founder of the Group in 1975;
- Jean-Marc Lech, Co-Chairman of Ipsos since he joined the Group in 1982 and formerly Chairman & CEO of the Institut Français d'Opinion Publique (Ifop);
- Carlos Harding, CEO of Ipsos, in charge of corporate development and acquisitions. He also oversees the Group's Latin American operations, and modelling and sales forecasting activities (Ipsos Novaction & Vantis);
- Pierre Le Manh, CEO of Ipsos Europe, who joined the Group in September 2004 and was previously CEO of Consodata, a world leader in marketing databases;
- Gustavo Lohfeldt, Director of Innovation and Talent Management since July 2005. Formerly CEO of Ipsos Latin America;
- Jim Smith, Chairman and CEO of Ipsos North America, who joined Ipsos in July 2005. He was previously Chairman and CEO of Delve, a marketing research company;
- Laurence Stoclet, Group Chief Financial Officer;
- Henri Wallard, CEO of Ipsos, with global responsibility for Ipsos Loyalty (CRM activities) and for the Group's Asian operations. Prior to joining Ipsos in October 2002 he worked for the French government and then for several years for the TNS Group.

The other standing members of the Management Board at 1 April 2006 were:

- Marie-Christine Bardon, Managing Director of Ipsos Global PartneRING (Ipsos' key account management programme);
- Enrique Biancotti, CEO Ipsos Latin America;
- Darrell Bricker, Co-head of Global Opinion Research;
- Pierre Giacometti, Co-head of Global Opinion Research and CEO of Ipsos France;
- Brian Gosschalk, CEO of Ipsos MORI;
- François Lapeyronie, Group General Controller;
- Richard Mecchi, CEO of Ipsos Asia;
- Richard Silman, Head of Global Media Research and Executive Chairman of Ipsos MORI;
- Jim Thompson, CEO of Ipsos ASI Worldwide;
- Mark Turim, President Ipsos ASI worldwide Project Management.

An extended Management Board also meets regularly. It includes co-opted members and other invited Group executives.

2.9.2 HUMAN RESOURCES AND EMPLOYMENT

At end-2005, Ipsos employed 6,100 people worldwide, with 48% based in Europe, 23% in North America, 12% in Latin America, 12% in the Asia-Pacific region and 4% in the Middle East. Ipsos has an active recruitment policy. It seeks experienced managers who have strong potential, specialise in its core business lines or offer particular skills (e.g. finance or technology). It also hires more junior managers, who are trained in Ipsos methods and techniques (see also the section headed "The Ipsos intranet").

The Group has also introduced a policy aimed at diversifying the profiles of its senior executives. Experience gained by working for major clients or providing services to these clients (for example, in a communications agency) is a highly prized asset for the effective management and leadership of our business and for developing lasting and constructive relationships with our clients at the highest level.

Employee breakdown by job category

Category	2005
Researchers and customer relations	52%
Production/data processing/field supervision	31%
Administration and Management	17%

Annual staff turnover currently ranges between 14% and 23% depending on the country and region. Ipsos' workforce is generally young, predominantly female and highly stable, due to the Group's appeal.

In addition to permanent staff, Ipsos employs some 30,000 temporary workers. In certain countries, these temporary staff may be classified as employees on fixed-term contracts under the local legislation. Most temporary workers are employed by the Group for less than six months a year.

Each company, or group of companies, in every country has employee representative bodies. There is no employee representative body for the Group as a whole.

In France, Ipsos publishes annual employee reports ('bilans sociaux'), as required by law. Copies of these reports are provided to managers and employee representatives of the relevant subsidiaries.

Ipsos employees benefit from an annual performance-related bonus scheme, which is based mainly on profit margins per business unit and individual performance.

Employee profit-sharing is a key principle behind Ipsos' human resources policy. In 1999, when it was floated on the stock exchange, and subsequently in 2000, when it increased its share capital, the Group offered employees the opportunity to invest in the Company's shares.

Similarly, in 1998, a stock option scheme was introduced to retain and motivate the Group's directors and senior executives. In 2000 and 2001, a broader stock option scheme was introduced to bolster the loyalty of all Ipsos employees.

In 2002, the Group launched a new loyalty and motivation scheme, IPF (Ipsos Partnership Fund), which is aimed at around 80 of the Group's directors and senior executives. This scheme is based on personal investment in a leveraged fund that at 31 December 2005 held 4.77% of Ipsos' shares and 7.15% of voting rights together with an allocation of Ipsos stock purchase options. It enables participants to benefit from any rise in Ipsos' share price. The leverage on their personal contribution could potentially amount to a factor of 15x by the end of the scheme's five-year period. This initiative has created a genuine "community of interests" between the Group's directors and senior executives, and all Ipsos shareholders.

For other key executives within the Group, this scheme was extended by the allocation of stock options. Stock options were allocated in 2004 and 2005 to employees showing both excellent performance and high potential for future development.

A new performance-related pay scheme has been introduced covering 2005 to 2007, and the Group plans to introduce a bonus scheme, based on a free allocation of shares, in 2006.

2.9.3 POLICIES APPLICABLE TO ALL EMPLOYEES

The Ipsos group applies an equal opportunities policy with regard to its employees, stating that no employee should be discriminated against on the basis of his or her marital status, sex, race, religion, nationality, ethnic origin or age, either in terms of lack of promotion or threats of termination of his or her employment contract, physical or verbal attacks, or abuse of a sexual or racist nature.

In addition, the Ipsos group complies with all the international regulations applicable to employees and, more generally, with all the rules relating to the protection of human rights.

Each of these policies is outlined in the 'Green Book', which is supplied to all Ipsos employees and describes the Group's constitution, values and organisation. Extracts of this publication are also available at www.ipsos.com.

2.10 RECENT TRENDS AND OUTLOOK

2.10.1 GROUP STRATEGY

Ipsos has established itself as a global leader in the market research industry. By adopting a clear strategy that anticipates industry and market trends, and by stepping up its acquisition policy since 2000, Ipsos has now become the world's No.3 survey-based market research firm.

The Group's strategy is now to strengthen its leading position in each of its five core businesses. This will be achieved by a continuation of the acquisitions programme, enhancing the Group's expertise and improving profitability. The Co-Chairmen have confirmed their desire to make Ipsos a global brand that is synonymous with excellence in its core businesses and areas of expertise.

2.10.1.1 A stronger presence in major markets



2.10.1.2 Enhancing expertise in core businesses

The Group will continue to expand resources in its five areas of specialisation: marketing research, advertising research, media research, public opinion and social research and quality and customer satisfaction research. This multi-specialist approach is the keystone of a strategy that involves tightly targeted investment both internally, in the form of sustained research and development efforts, and in acquisitions. It also presupposes an active policy of combining know-how with strong global brands, and a strategy for managing key accounts on a global scale.

Harmonising services and developing global brands

Ipsos has created global business lines in each of its five areas of specialisation so that it may offer its clients, through all of its national subsidiaries, a standardised range of services at both the global and the local level (see section 2.1.2.2: "Business Organisation", p. 13).

Stronger partnerships with key accounts

Through its 'Ipsos Global PartneRing' programme, Ipsos offers its major international clients a high quality service provided by a dedicated global coordination unit for each client, managed by a highly qualified executive who is responsible for all professional, commercial and financial relations with this client.

Internet initiatives: Ipsos Interactive Services

Under the umbrella brand of Ipsos Interactive Services, Ipsos is continuing to develop ways of using online technology to gather data (especially online access panels) and distribute research results to clients via secure sites.

2.10.1.3 Improving Group profitability

Optimising the cost structure

Optimising the cost structure is a key way of improving Group profitability. For this reason, Ipsos continually strives to enhance its services so that it can offer its clients the best solutions at the most affordable price. This quest for competitiveness is being pursued on several fronts:

- Ipsos has introduced Group-wide research techniques that offer the best value for money for our clients;
- Through effective use of first-class research techniques, backed by multimedia and internet technologies, the Group can reduce its cost structure while enhancing the quality of its services, mainly by speeding up data collection and distribution. The investment the Group has made in state-of-the-art technologies will enable it to concentrate on its real source of added value, namely its expertise in markets, brands and public opinion;

- From the very outset, Ipsos has been a pioneer in offering a range of standardised research products. These products deliver information that can be compared over time and between different sectors, offering substantial added value for our clients. Using recurring survey and analysis methodologies, these products save time during the design and development phases, freeing up the sales teams, who can focus exclusively on customer relations.

Similarly, by pooling its production resources (multi-client research) and offering syndicated funding options for major indicator surveys ('barometers') or multi-country studies, Ipsos can make its products more easily accessible to a larger selection of clients. These commercial arrangements are particularly well-suited to large-scale audience surveys or multi-country observational research. They also enable the Group to generate high margins once each study has reached break-even point.

Strengthening management structures

Ipsos has created management structures at both a central and a regional level and put in place structures to monitor the performance of its subsidiaries.

The main purpose of these structures is to enhance Group profitability, to improve financial control and human resource management and to coordinate initiatives aimed at our key accounts.

Ipsos is also strengthening its management structures for each business line. Three of these business lines (Ipsos ASI, Ipsos Loyalty and Ipsos Novaction & Vantis) now have a global organisation with an integrated management framework.

2.10.2 RECENT DEVELOPMENTS

In early 2006, Toronto-based Camelford Graham, a specialist in high added value qualitative research, joined Ipsos North America.

On 3 April, 34 Group employees, drawn from nine different countries, began work at Ipsos' new Geneva offices.

Revenues in the first quarter of 2006 (unaudited figures)

In the first quarter of 2006, Ipsos posted revenues of €188 million, a 31% increase on the same period in 2005.

This was the strongest quarterly growth figure at Ipsos for five years. There were three main reasons for this strong performance:

- Currency effects were very positive at the beginning of 2006, contributing 7 points of growth.
- Changes in the scope of consolidation, most notably the inclusion of MORI in the UK, Understanding UnLtd in the USA and Camelford Graham in Canada, also made a significant contribution, adding 15 percentage points to growth. This reflected both the size of the newly acquired companies and their highly satisfactory business levels over the quarter.
- Organic growth remained at above 9%, as it did in the final quarter of 2005. This was the best first quarter performance since 2000. This is a clear reflection of the growing strength of Ipsos' relationships with all its clients. On the one hand, Ipsos is providing more services in more countries to its major multinational clients, where the trend in contracts is towards longer and more far-reaching agreements. On the other hand, Ipsos continues to enjoy very strong relationships with its many thousands of local or regional clients, who account for half of all revenues and who, in many cases, offer opportunities to establish strong footholds in fast-growing markets.

Consolidated revenues In millions of euros	2006	2005	2004
1 st quarter	188.0	143.5	127.1
2 nd quarter	-	178.3	158.9
3 rd quarter	-	168.9	141.8
4 th quarter	-	227.3	177.8
Full year	-	718.0	605.6

Regional breakdown of growth

The trends seen in recent years are continuing: organic growth at Ipsos has outstripped growth in the market and at the Group's major international competitors. It remains stronger in emerging countries such as Asia (excluding Japan), the Middle East, Central and Eastern Europe and Latin America, than in developed economies.

Ipsos is gradually filling out its global coverage, either by opening offices or by acquiring local companies, whilst at the same time protecting a good balance between the various regions and economic groupings. Ipsos will continue to strengthen its presence in all markets, including emerging markets, in order to take full advantage of the decisions of many companies, both major international groups and local businesses, to focus on these markets over the next few years.

Contribution to consolidated revenues by region In millions of euros	1 st quarter 2006	1 st quarter 2005	Change 2006/2005	Organic growth
Europe	88.3	65.3	35%	7%
North America	67.0	52.2	28%	7%
Latin America	16.2	10.9	48%	20%
Asia - Pacific/Middle East	16.5	15.1	10%	15%
First quarter revenues	188.0	143.5	31%	9%

Performance of the business lines

Since its creation Ipsos has based its structure around business lines, believing them to be sufficiently complementary but also sufficiently different to each other to warrant dedicated technical, operational and human resources. This approach has enabled the development of specific areas of expertise which in their own right help generate strong and profitable growth.

Business levels in the first quarter of 2006 were satisfactory in all business lines, although performances in a single quarter do not necessarily give a reliable indication of the likely full-year trend. For example, the performance of the Public Opinion teams resulted in part from the recruitment of new clients, but also from the boost to business levels from elections in a large number of countries, including Canada, Italy and Mexico. Conversely, advertising research and CRM research will see performances improve over the course of the year.

Through a combination of organic growth and the acquisitions programme of the last few years, the five specialist business lines within Ipsos have, in the main, reached the critical mass necessary to build strong staff teams, expand the product offering and broaden the client base.

Contribution to consolidated revenues by region In millions of euros	1 st quarter 2006	1 st quarter 2005	Change 2006/2005	Organic growth
Advertising research	38.0	31.5	20%	10%
Marketing research	93.4	78.1	20%	7%
Media research	13.5	11.8	15%	8%
Public opinion and social research	23.5	7.6	210%	32%
CRM research	19.0	13.9	37%	7%
Other	0.6	0.6	-	-
First quarter total	188.0	143.5	31%	9%

2.10.3 OUTLOOK

Ipsos intends to give fresh impetus to its growth strategy.

Demand continues to grow, and clients to become more demanding, meaning that results are what counts. As a result the market research industry will continue its consolidation and adoption of an increasingly professional approach. The research companies that will do best are those that can combine the best geographical coverage, greatest operational efficiency and highest level of expertise.

Ipsos has the reputation, financial resources, operational know-how and expertise to step up its strategy of profitable growth and turn the Ipsos brand into a truly global symbol of excellence in its areas of specialisation and expertise.

Given the acquisitions already announced and expectations that organic growth will at least equal that seen in 2005, Ipsos is forecasting revenue growth of at least 20% (at 2005 exchange rates). Operating margin and earnings per share will continue to rise.

Ipsos has confirmed that it expects to reach or exceed the targets it had set itself for 2007, namely revenues of one billion euros and an operating margin of 10% (at current exchange rates of €1 = USD1.25). By 2010, Ipsos believes it will be able to boost its performance to well beyond these levels.

Main assumptions

The main assumptions used to draw up the targets for 2007 were:

1/ The market research market and exchange rates:

- Annual growth in world market research market: 6%.

- By region:

North America: 7%.

Germany: 3%, France: 4%, UK and Rest of Europe: 6%.

Asia-Pacific: 8%.

Middle East: >10%.

Latin America: 10%.

- Exchange rates for 2006 to 2007: €1 equals USD1.25, £0.67, CAD1.55, MXN13.7, JPY132.

2/ Ipsos:

- Organic growth to exceed market growth by at least 2%.

- Excluding acquisition of MORI, acquisitions each year adding an average of between €30 million and €50 million in annual revenues.

- Improvement in the operating profitability of existing businesses in North America and in Europe between 2005 and 2007 due to actions taken to this end by Ipsos' management teams.

2006 financial calendar:

- 16 August 2006: publication of first-half 2006 revenues;

- 20 September 2006: publication of first-half 2006 earnings;

- 15 November 2006: publication of third-quarter 2006 revenues.

2.10.4 STATUTORY AUDITORS' REPORT ON FORWARD LOOKING INFORMATION

To the Board of Directors:

In our capacity as statutory auditors and pursuant to Commission Regulation (EC) No 809/2004, we hereby submit our report on the earnings forecasts of IPSOS included in section 2.10.3 of the 2005 reference document dated 29 May 2006.

These forecasts and the significant assumptions that underlie them were compiled under your responsibility in accordance with the terms of Commission Regulation (EC) No 809/2004 and the recommendations of the CESR pertaining to forecasts.

Our responsibility is to express a conclusion, based on our examination, in the terms required by Annex I, item 13.3 of Commission Regulation (EC) No 809/2004, as to the fairness with which these forecasts were compiled.

We conducted our examination in accordance with the prevailing auditing standards in France. Our examination consisted of assessing the procedures used by management in compiling these forecasts and checks to ensure that the accounting methods employed in their compilation were consistent with those used to establish the historical data of Ipsos. It also consisted of collecting any information and explanations that we deemed necessary to obtain reasonable assurance that the forecasts were properly compiled on the basis of the assumptions that were set out.

Because forecasts are by their nature forward looking and indefinite, the actual results may differ materially from the forecasts presented, and we express no conclusion as to whether these forecasts can or will be achieved.

In our opinion:

- the forecasts were properly compiled on the basis stated;
- the accounting basis employed in compiling this forecast is consistent with the accounting policies of Ipsos.

This document has been prepared for the sole purpose of filing the reference document with the AMF and may not be used in any other context.

Paris-La Défense and Neuilly-sur-Seine, 29 May 2006

Statutory Auditors

Ernst & Young Audit

Deloitte & Associés

François Villard

Michel Sellier

2.11 NON-RECURRING EVENTS AND DISPUTES

Ipsos is not involved in any material disputes and there were no non-recurring events in 2005.

Ipsos is not aware of any governmental process or legal action that could have a significant impact on the financial position or profitability of the Group.

2.12 GLOSSARY

Access panel: a group of households that have been recruited by a research company and have agreed to take part in several surveys a year at pre-defined intervals.

Advertising research: assessing the effectiveness of advertising. This activity mainly involves evaluating the quality of advertising through pre and post tests, campaign assessment and tracking, and brand equity assessment and tracking.

Advertising tracking: campaign assessments and indicator surveys that measure brand health. This type of research aims to understand and explain how advertising works and how it benefits the brand.

Brand*Equity: indicator surveys producing an in-depth assessment of a brand's equity (see also 'Advertising tracking').

Capi (Computer-assisted personal interviewing system): face-to-face interviewing tool where the interviewer uses a laptop computer to read questions from the screen and key in the replies directly.

Cati (Computer-assisted telephone interviewing system): the interviewer conducts the questionnaire by telephone and enters the replies directly onto a computer.

Copytesting: pre or post testing of an advertisement (e.g. Ipsos ASI Next*TV, Ipsos' global product for pre-testing commercials).

CRM: Customer Relationship Management. The goal of CRM is to identify and increase the number of the most profitable type of customers in the long term. It helps companies get to know their customers, monitor their relationships and target their marketing activities.

CSM: Customer Satisfaction Measurement. Satisfaction is born of "fulfilment of a need, claim or desire". In research, loyalty may exist without satisfaction. Conversely, satisfaction does not necessarily lead to loyalty. It also depends on the structure of the market and psychological factors specific to each customer. Satisfaction is not generally sufficient to foster loyalty.

Customer value: measurement of the potential revenue and cost streams during a consumer's life.

Drivers: motivations and reasons underpinning attitudes/views and behaviour.

ERM: Employee Management Research. The goal of ERM is to help companies analyse, mobilise and optimise their human capital by putting Ipsos' expertise in measurement tools and the understanding of opinion to work in the form of business solutions. This system helps to run organisations and to strengthen management methods.

Face-to-face: technique whereby data is collected personally by the interviewer from each person surveyed (at home, in an office or in the street).

Field work: series of tasks aimed at collecting data for a survey and organising interviewers' tasks (i.e. drawing up profiles of prospective interviewees, providing instructions on selecting interviewees, setting quotas, administering the questionnaire, checking data, etc).

Index/Survey: study designed to monitor indicators on markets, companies, brands, products, services, etc., over time. It is conducted under identical conditions (same sampling structure, same questions, etc.), allowing comparisons between different periods.

Loyalty: a form of devoted attachment. It is a state of mind or type of behaviour. For research specialists, the concept of loyalty is based on types of behaviour and attitudes. The expected results are repeat purchases and recommendations.

Multi-client study: as its name indicates, a multi-client study is research sold to several clients. There are two kinds:

- syndicated research conducted for groups of clients in the form of associations (e.g. media audience measurement studies carried out for industry associations in each medium). The findings of these studies are the property of these clients; and
- subscription-based research conducted independently by Ipsos, which retains ownership of the findings. These findings are subsequently sold to several clients (e.g. the French Managers' Survey, La France des Cadres Actifs).

Omnibus study: quantitative survey conducted on a regular basis (weekly, monthly or quarterly), in which the sample population is pre-defined. Interviews are carried out face-to-face, by telephone, online or by post. This is a type of multi-client survey.

Panel: representative sample of individuals or professionals regularly surveyed using identical variables. The data may be collected automatically, since it does not require the direct involvement of participants (e.g. television viewer panels in passive audience rating). Information may be gathered directly from companies using sales records (e.g. retailer panels).

Poll: survey conducted on a representative sample of the target population.

Predictive models: technique involving the prediction of customer behaviour based on statistical methods.

Pre-test: a set of techniques designed to assess the impact of an advertising message before it is aired or published.

Qualitative research: research that is either exploratory (to investigate an unknown sector, identify the scope of a problem, formulate assumptions, understand motivations, etc.) or operational (based on an in-depth analysis of responses by a group or individuals). This type of study tends to be conducted on a small sample of individuals that does not need to be representative. It may be carried out either as a preliminary step prior to a quantitative survey or on a stand-alone basis.

Quantitative research: a study that aims to quantify attitudes or behavioural patterns, measure their underlying variables, compare responses and highlight correlation. This type of survey often involves questioning sample populations that are representative so that the results can be extrapolated to the entire population studied. This technique requires the development of standardised and codifiable measurement tools (structured questionnaires).

Questionnaire: set of questions submitted to respondents in a quantitative survey.

Segmentation: categorisation of customers based on their similarities to optimise customer management and their potential long-term profitability.

FINANCIAL STATEMENTS RESULTS

Preliminary note

In accordance with article 28 of European regulation 809/2004/EC, implementing the 2003/71/EC "Prospectus Directive", the following information is included in this document.

- Group consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2004, as presented in the Annual Report and Accounts filed with the AMF on 29 June 2005 under reference number D-05-592.
- Parent company financial statements and the Statutory Auditors' report on the parent company financial statements for the year ended 31 December 2004, as presented in the Annual Report and Accounts filed with the AMF on 29 June 2005 under reference number D-05-592.
- Group consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2003, as presented in the Annual Report and Accounts filed with the AMF on 9 June 2004 under reference number D-04-0893.
- Parent company financial statements and the Statutory Auditors' report on the parent company financial statements for the year ended 31 December 2003, as presented in the Annual Report and Accounts filed with the AMF on 9 June 2004 under reference number D-04-0893.
- The Statutory Auditors' special reports on related-party agreements for the years ended 31 December 2004 and 31 December 2003, as presented in the Annual Report and Accounts filed with the AMF on 29 April 2005 under reference number D-05-592 and in the Annual Report and Accounts filed with the AMF on 9 June 2004 under reference number D-04-0893.
- Section 1.3 (key figures for the last three years) of chapter 3 of the Annual Report and Accounts filed with the AMF on 29 April 2005 under reference number D-05-592 and section 1.3 (key figures for the last three years) of chapter 3 of the Annual Report and Accounts filed with the AMF on 9 June 2004 under reference number D-04-0893.

The two Annual Reports and Accounts mentioned above are available on the company's website (www.ipsos.com) and on the Autorité des Marchés Financiers' website (www.amf-france.org).

Sections not included in these documents are either of no purpose for the investor or covered by another section of this Annual Report and Accounts.

3.1 EXAMINATION OF THE FINANCIAL POSITION AND EARNINGS / CASH POSITION AND EQUITY

In 2005, Ipsos' revenues totalled €718.0 million, an increase of 18.8% on 2004. At constant scope and exchange rates, Ipsos' revenues grew by 8.6%. As a result, for the seventh consecutive year, Ipsos' growth was stronger than that of its market and of leading international research companies.

Ipsos significantly increased its geographical coverage in 2005, and now has 6,100 employees across 44 countries.

Acquisitions carried out in 2005 accounted for 8.4% of 2005 revenues. Ipsos acquired Descarie & Complices (Montreal, Canada) and Shifrin Research (New York, USA) in January 2005, GDMR (Canton, China) on 1 April, Napoleon Franco (Colombia) on 1 July, ori (UK) in October and Understanding Unlimited (Cincinnati, USA) in November. In early 2006, Camelford Graham (Toronto, Canada) joined the Ipsos group.

In addition, the company opened new offices in Seattle, Bangkok, Hong Kong and Manila. On 3 April 2006, 35 Group employees from 11 different countries inaugurated Ipsos' new office in Geneva.

Ipsos had two other major initiatives in 2005, which will continue into 2006 and beyond:

- accelerating online data collection, notably via access panels, the capacity of which has grown fourfold since 2001,
- achieving greater diversity in major international contracts, particularly in the services sector. These contracts have high unit value (several million euros) and last for several years.

Strong financial performance

amounts in millions of euros	2005	2004	2005/04
Revenues	718.0	604.6	+18.7%
Gross profit	431.9	355.5	+21.5%
Operating profit	63.9	50.9	+25.5%
Other income and expenses, net	2.3	(3.8)	
Financing expenses	(10.4)	(8.2)	+27.8%
Pre-tax profit	55.8	39.0	+43.3%
Net profit	32.7	22.7	+44.1%

Gross profit, which takes into account direct external costs and particularly data collection costs, grew faster than revenues. This reflects firm price levels and the positive impact of the shift towards online data collection systems.

Operating profit (IFRS-compliant) equalled 8.9% of consolidated revenues and 14.8% of gross profit, an improvement of 50 basis points over 2004. Operating profit grew by 25.5% in 2005.

Geographically, the integration of MORI played a significant part in improving operating margin in Europe. MORI raises Ipsos' average operating margin in this region. Since the Rest of the World segment includes unallocated central costs, the change in its operating margin does not correspond with movements in profitability in the Asia-Pacific and Middle East regions.

Pre-tax profit was €55.8 million, up 43% with respect to 2004. The effective tax rate on the IFRS income statement was 33%, in line with the global average statutory tax rate. A €7.5 million deferred tax liability was booked to offset the tax saving achieved through the tax-deductibility of goodwill amortisation in certain countries, even though this deferred tax charge would only fall due if the activities concerned were sold. The tax rate paid by Ipsos was 25% in 2004 and 20% in 2005. It will remain lower than 30% in the next few years.

Net profit came in at €32.7 million, a 44.1% increase on the 2004 figure of €22.7 million.

Financial position.

Shareholders' equity rose from €233 million at 31 December 2004 to €415 million at 31 December 2005, due to the capital increase carried out on 2 November 2005 in order to finance acquisitions including MORI and Understanding Unlimited. The success of the institutional placing, which was completed in a morning, prompted Ipsos to increase the offering. As a result, the issue proceeds totalled €115 million. This allowed Ipsos to repay its revolving credit facilities and gave it a cash position of €82 million at 31 December 2005 as opposed to €32 million at 31 December 2004.

Net debt was €187 million versus €159 million at end-2004, taking into account the capital increase, the €172 million spent on acquisitions and a very strong increase in operational cash flow. Operational cash flow rose by 78% to €54 million versus €30 million in 2004, mainly due to increased profitability and firm control over the WCR.

Overall, gearing fell from 68% to 45%, and Ipsos extended the average maturity of its debt by arranging a 7-year syndicated loan to finance the MORI deal. This has sharply increased Ipsos' financial flexibility.

As regards research and development, Ipsos is focusing its efforts on developing new research products that can be used globally, and on adopting new communication techniques in the research sector. In particular, Ipsos is developing sophisticated mobile phone-based research techniques. It is working with UK company I Quest to develop a mobile phone-based radio audience measurement technique.

3.2 CONSOLIDATED FINANCIAL STATEMENTS

STATUTORY AUDITORS' REPORT

CONSOLIDATED FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2005

Ladies and gentlemen,

In accordance with the terms of our appointment at your shareholders' meetings, we have audited the consolidated financial statements of Ipsos for the year ended 31 December 2005 as attached to this report.

The consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on them based on our audit. The financial statements have been prepared for the first time in accordance with IFRSs as adopted in the European Union. For comparison purposes, they contain figures relating to 2004 that have been restated in line with these accounting standards.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with the prevailing standards of the profession in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements and evaluating their overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view, according to IFRSs as adopted in the European Union, of the assets, financial situation and results of the group formed by the entities included within the scope of consolidation.

II. SUBSTANTIATION OF OUR OPINION

Pursuant to the provisions of Article L.823-9 of the Commercial Code concerning substantiation of our opinion, we bring to your attention the following items of information:

- We have verified that notes 1.5.5, 1.5.6 and 6.5.3 to the financial statements give appropriate information on your company's accounting treatment of the acquisition of an additional stake in a consolidated subsidiary and on the company's commitments to buy minority interests in subsidiaries, which are not subject to specific provisions in IFRSs as adopted in the European Union.
- Goodwill is subject to an impairment test carried out according to the method described in note 1.6.6 to the financial statements. We have examined the way in which this impairment test is carried out, along with the cash flow forecasts and assumptions used, and we have verified that note 5.1. provides appropriate information.

These assessments form part of our audit of the consolidated financial statements as a whole, and therefore contributed to the formation of our opinion expressed in the first section of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also examined the information contained in the Board of Directors' Management Report in accordance with the prevailing standards of the profession in France. We are satisfied that the information is fairly stated and agrees with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2006

The Statutory Auditors

Ernst & Young Audit

Deloitte & Associés

François VILLARD

Michel SELLIER

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3.2 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2005

amounts in thousands of euros	Notes	31/12/2005	31/12/2004
Revenue	3	717,979	604,634
Direct costs	4.1	(286,105)	(249,179)
Gross profit		431,874	355,455
Staff costs (excluding share-based compensation)		(259,640)	(208,695)
Staff costs (share-based compensation)	6.4.3	(1,263)	(1,068)
General operating expenses		(106,597)	(94,140)
Other operating income and expenses		(452)	(618)
Total operating expenses		(367,952)	(304,521)
Operating profit	3	63,922	50,934
Other income and expenses, net	4.2	2,314	(3,821)
Financing expenses		(10,417)	(8,151)
Pre-tax profit		55,819	38,962
Current tax	4.3	(10,769)	(9,033)
Deferred tax	4.3	(7,531)	(3,946)
Net profit		37,519	25,983
of which attributable to equity holders of the parent		32,717	22,708
of which minority interests		4,802	3,275
Basic earnings per share in euros	4.4	4.84	3.50
Number of shares used to calculate basic earnings per share	4.4	6,758,258	6,492,417
Diluted earnings per share in euros	4.4	4.72	3.47
Number of shares used to calculate diluted earnings per share	4.4	6,925,830	6,543,904

3.2 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Year ended 31 December 2005

Assets	Notes	31/12/2005	31/12/2004
Amounts in thousands of euros			
NON-CURRENT ASSETS			
Goodwill	5.1	575,708	368,264
Intangible assets	5.2	13,643	11,181
Property, plant and equipment	5.2	25,615	20,594
Investment in associates	5.3	299	288
Other non-current financial assets	5.4	4,228	6,911
Deferred tax assets	4.3	9,382	10,077
TOTAL NON-CURRENT ASSETS		628,875	417,315
CURRENT ASSETS			
Inventories and work in progress		6,188	8,643
Trade receivables, net	5.5	241,317	186,719
Current tax		2,128	3,594
Other current assets	5.6	37,201	29,135
Cash and equivalents	5.8	82,162	32,437
TOTAL CURRENT ASSETS		368,996	260,528
TOTAL ASSETS		997,871	677,843
Liabilities			
Amounts in thousands of euros			
	Notes	31/12/2005	31/12/2004
Share capital	5.7	8,466	7,099
Share premiums		336,829	216,177
Own shares		(38,973)	(39,835)
Other reserves		51,492	34,007
Translation differences		20,434	(8,150)
Net profit attributable to equity holders of the parent		32,717	22,708
Shareholders' equity attributable to equity holders of the parent		410,965	232,006
Minority interests		3,968	1,426
TOTAL SHAREHOLDERS' EQUITY		414,933	233,432
NON-CURRENT LIABILITIES			
Interest-bearing borrowings	5.8	255,229	163,009
Non-current provisions	5.9	3,092	4,110
Deferred tax liabilities	4.3	19,586	16,404
Pension and similar liabilities	5.10	14,002	8,016
Other non-current liabilities	5.11	72,080	64,132
TOTAL NON-CURRENT LIABILITIES		363,989	255,671
CURRENT LIABILITIES			
Trade payables		116,423	83,495
Short-term portion of interest-bearing borrowings	5.8	13,686	28,670
Current tax liabilities		3,724	2,635
Other current liabilities	5.12	85,116	73,940
TOTAL CURRENT LIABILITIES		218,949	188,740
TOTAL LIABILITIES		997,871	677,843

3.2 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2005

amounts in thousands of euros	Notes	31/12/2005	31/12/2004
OPERATING ACTIVITIES			
Net profit		37,519	25,983
<i>Adjustments to reconcile net profit to cash flow</i>			
Depreciation of property, plant and equipment and amortisation of intangible assets		11,360	12,321
Losses/(gains) on asset disposals		66	1,180
Gains and losses relating to changes in fair value		1,155	0
Net change in provisions		2,012	3,258
Compensation in the form of stock options		1,263	1,068
Financing expenses		10,417	8,151
Income tax expense		18,300	12,979
OPERATING CASH FLOW BEFORE WORKING CAPITAL, FINANCING AND TAX PAID		82,092	64,940
CHANGE IN THE WORKING CAPITAL REQUIREMENT	6.1	(9,933)	(16,611)
Financing interest paid		(9,449)	(8,496)
Tax paid		(8,751)	(9,517)
CASH PROVIDED BY OPERATING ACTIVITIES		53,959	30,316
INVESTMENT ACTIVITIES			
Acquisitions of property, plant and equipment and intangible assets		(11,919)	(13,319)
Proceeds from disposals of property, plant and equipment and intangible assets		117	104
Acquisitions of consolidated companies and business goodwill		(172,507)	(17,013)
CASH USED IN INVESTMENT ACTIVITIES		(184,309)	(30,228)
FINANCING ACTIVITIES			
Capital increase (1)		121,027	1,348
Increase (decrease) in long-term borrowings		74,804	10,007
Increase/(decrease) in bank overdrafts and short-term borrowings		(10,602)	(1,099)
Dividends paid to parent-company shareholders		(6,388)	(6,233)
Dividends paid to minority shareholders of consolidated companies		(1,385)	(2,257)
CASH PROVIDED BY FINANCING ACTIVITIES		177,456	1,766
NET CHANGE IN CASH POSITION		47,106	1,854
Impact of exchange-rate movements		2,619	(3,051)
CASH POSITION AT START OF PERIOD		32,437	33,634
CASH POSITION AT END OF PERIOD		82,162	32,437

(1) Excluding a €1 million tax saving on capital increase expenses charged against the share premium.

3.2 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

Year ended 31 December 2005

	Share capital	Share premiums	Own shares	Consolidated reserves	Profit for the year	Translation differences	Total	Minority interests	Total shareholders' equity
Balance at 1 January 2004	7,048	214,880	(40,372)	38,699			220,255	1,386	221,641
Change in capital	51	1,297					1,348		1,348
Consolidated profit for the year					22,708		22,708	3,275	25,983
Appropriation of prior-year profit							-		-
Dividend distribution				(6,233)			(6,233)	(1,939)	(8,172)
Change in translation differences						(8,150)	(8,150)	(883)	(9,033)
Change in of scope of consolidation						-	(354)	(354)	
Impact of share purchase commitments							-		-
Own shares			537				537		537
Stock option costs taken directly to equity				1,068			1,068		1,068
Other movements				473			473	(59)	414
Position at 31 December 2004	7,099	216,177	(39,835)	34,007	22,708	(8,150)	232,006	1,426	233,432
Change in capital	1,367	120,652					122,019	1,241	123,260
Consolidated profit for the year					32,717		32,717	4,802	37,519
Appropriation of prior-year profit				22,708	(22,708)		-		-
Dividend distribution				(6,388)			(6,388)	(1,322)	(7,710)
Change in translation differences						28,584	28,584	600	29,184
Change in of scope of consolidation								133	133
Impact of share purchase commitments								(2,858)	(2,858)
- Own shares			862				862		862
- Stock options costs taken directly to equity				1,263			1,263		1,263
Other movements				(98)			(98)	(54)	(152)
Position 31 décembre 2005	8,466	336,829	(38,973)	51,492	32,717	20,434	410,965	3,968	414,933

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Year ended 31 December 2005

1 INFORMATION ABOUT THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Information about the company

Ipsos is a global company specialising in survey-based research for brands, companies and institutions. It is currently the world's third-largest player in its market, with a presence in 44 countries.

Ipsos SA is a "Société Anonyme" (limited-liability corporation) listed on Euronext Paris. Its head office is at 35 rue du Val de Marne, 75013 Paris, France.

1.2 Basis for preparing 2005 financial information

In accordance with European regulation 1606/2002 of 19 July 2002, Ipsos' consolidated financial statements for 2005 were drawn up according to the IFRSs (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) and in force at 31 December 2005, for which adoption regulations had appeared in the European Union's Official Journal by the balance sheet date. The 2004 financial information provided for the purpose of comparison were drawn up according to the same IFRSs.

The specific IFRS 1 rules concerning the first-time adoption of IFRSs were applied in drawing up the opening balance sheet, which is the starting point for comparative IFRS financial statements. The options selected and the main impacts of the transition to IFRS are presented at the end of this document.

Items in the Group's consolidated financial statements are stated according to the historical cost principle, with the exception of derivative financial instruments and available-for-sale financial assets, which are stated at fair value.

The financial statements are presented in euros, and all values are rounded to the nearest thousand euros (€000) unless otherwise indicated.

On 26 April 2006, Ipsos' Board of Directors approved and authorised the publication of Ipsos' consolidated financial statements for the period ended 31 December 2005. The consolidated financial statements for the year ended 31 December 2005 will be submitted to Ipsos shareholders for approval in the Annual General Meeting of Shareholders, which will take place on 31 May 2006.

1.3 Early adoption of certain IFRSs

Ipsos decided to apply the following standards early, as of 1 January 2004, in order to improve the comparability of 2004 and 2005 figures:

- IAS 39 "Financial instruments: recognition and measurement" and IAS 32 "Financial instruments: disclosure and presentation", which have been mandatory since 1 January 2005;
- IFRS 5 "Non-current assets held for sale and discontinued operations", which has been mandatory since 1 January 2005.

Ipsos did not opt for early adoption of the following standards, amendments and interpretations that have been adopted or are being adopted by the European Union;

- IFRS 7 "Financial instruments: disclosures"

This standard must be applied to full-year periods starting from 1 January 2007.

- Amendment to IAS 19 "Employee benefits - Actuarial gains and losses, group plans and disclosures"

This amendment must be applied to full-year periods starting from 1 January 2006;

- Amendment to IAS 39 "Financial instruments: recognition and measurement, cash flow hedge accounting of forecast intra-group transactions"

This amendment must be applied to full-year periods starting from 1 January 2006;

- IFRIC 4 "Determining whether an arrangement contains a lease"

This interpretation must be applied to full-year periods starting from 1 January 2006;

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

- IFRIC 6 "Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment"

This interpretation is mandatory for accounting periods beginning on or after 1 December 2005.

- IFRIC 7 "Applying the restatement approach under IAS 29 financial reporting in hyperinflationary economies"

This interpretation is applicable for accounting periods after March 2006;

Ipsos is currently analysing the practical consequences of these new texts and the effects of their adoption on the financial statements.

The company is not affected by IFRIC 2 "'Members' shares in co-operative entities and similar instruments", IFRIC 5 "Rights to Interests arising from decommissioning, restoration and environmental rehabilitation funds" or IFRS 6 "Exploration for and evaluation of mineral resources".

The main accounting principles adopted are described below.

With respect to some of the principles described, the company has taken positions on certain issues that have not yet been finalised by IFRIC or IASB, and that are therefore subject to change. They are:

- the treatment of acquisitions of minority interests (see note on goodwill and business combinations);
- the treatment of commitments to buy out minority interests (see note 1.5.6 on accounting principles)

1.4 Use of estimates

When drawing up the consolidated financial statements, the measurement of certain balance sheet or income statement items requires the use of assumptions, estimates or assessments. These assumptions, estimates and assessments are based on information or situations existing on the date on which the financial statements were drawn up and which may in future prove to be different from the reality.

The main source of uncertainty concerns the value of goodwill. The company tests goodwill for impairment at least once per year, using various methods that rely on estimates. More detailed information on this point is provided in notes 1.6.6 and 5.1.

1.5 Consolidation principles

1.5.1. Consolidation methods

The financial statements include the financial statements of Ipsos SA and of all subsidiaries for a period ending on 31 December of each year. The financial statements of subsidiaries are prepared using the same accounting period as the parent-company financial statements, and on the basis of common accounting principles.

Subsidiaries are consolidated from the date on which they are acquired, i.e. from the date on which control passes to Ipsos.

The Group is considered to control companies over which it has powers to direct financial and operational policies in order to obtain benefits from their activities. Companies controlled by the Group, either as of right (i.e. through direct or indirect ownership of a majority of voting rights) or contractually, are fully consolidated. Their accounts are included line-by-line on a 100% basis, with minority interests deducted on a separate line. Control also exists where Ipsos owns less than half of the voting rights but has influence over a majority of voting rights in meetings of the board of directors or equivalent management body, or has the power to appoint or dismiss the majority of members of the board of directors or equivalent management body.

Companies controlled jointly by the Group (joint ventures in which the Group shares control with a limited number of shareholders under a contract) are consolidated proportionally. Their accounts are included line-by-line, but only to the extent of the percentage interest held by the Group.

Companies that are not exclusively controlled by the Group, but over which Ipsos exercises significant influence, are accounted for by the equity method if the percentage of control resulting from the direct or indirect ownership of voting rights is more than 20%.

The Group consolidates distinct legal entities created specifically to manage a transaction ("special purpose entities"), even if there is no capital link, provided that the Group controls the entities in substance, i.e. if their activities are carried out on the Group's sole behalf and if the Group exerts decision-making and managerial power.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

1.5.2 Translation of foreign subsidiary financial statements

The financial statements of foreign subsidiaries whose operational currency is not the euro or the currency of a country experiencing hyperinflation are translated into euros (the currency in which Ipsos presents its financial statements) as follows:

- Assets and liabilities are translated at the period-end exchange rate.
- Income statement items are translated at the average rate for the period.
- Translation differences resulting from the application of these different rates are reported under shareholders' equity as "translation differences".

1.5.3 Foreign-currency transactions

The recognition and measurement of foreign currency transactions are defined by IAS 21 "Effects of changes in foreign exchange rates". In accordance with IAS 21, transactions denominated in foreign currencies are translated by the subsidiary into its operational currency on the day of the transaction.

Monetary items on the balance sheet are revalued at the period-end exchange rate at each balance sheet date. The corresponding revaluation adjustments are recorded in the income statement, unless they originate from long-term intra-group financing transactions that can be considered as forming part of the subsidiary's net assets. Such adjustments are taken to equity under "translation differences".

1.5.4 Intra-group transactions

The following items are eliminated, based on their impact on net profit and deferred taxation: accounts receivable and accounts payable between Group companies, income and expenses generated by transactions between consolidated companies, and other intra-group transactions such as dividend payments, gains or losses on disposals, changes in provisions for impairment of shares in consolidated companies, loans to Group companies and internal margins.

1.5.5 Goodwill and business combinations

Business combinations are accounted for as acquisitions. When a company is acquired, the buyer must allocate the cost by recognising acquired assets, liabilities and contingent liabilities at their fair value on the date on which control passes to the buyer.

Any remaining differences relate mainly to non-identifiable items such as the know-how and business expertise of staff. As a result, no value is allocated to acquired brands, which are considered as names with no intrinsic value. The residual difference, corresponding to the excess of the acquisition cost over the Group's share of the fair value of the acquired company's assets, liabilities and contingent liabilities on the acquisition date, is recognised on the asset side of the balance sheet under "goodwill". Negative goodwill is immediately charged against income.

The acquisition cost is the price that has been or will be paid by the Group pursuant to an acquisition, including direct transaction-related expenses.

Goodwill is recorded in the operational currency of the acquired entity.

Goodwill is not amortised, in accordance with IFRS 3 "Business combinations". It is subject to impairment tests whenever any indication of impairment appears, and at least once a year.

The terms of impairment tests are described in the note dealing with impairment.

In the event of impairment, the impairment loss taken to income is irreversible.

In the event that an additional stake is acquired in a subsidiary, the excess of the purchase cost over the book value of minority interests acquired is recorded under goodwill.

1.5.6 Commitments to buy out minority interests

The Group has given commitments to minority shareholders in some fully consolidated subsidiaries to acquire their interests in these companies. For Ipsos, these commitments are option-like, equivalent to those arising from the sale of put options.

While waiting for an IFRS standard or IFRIC interpretation on the subject, the following accounting treatment has been selected:

On initial recognition and in accordance with IAS 32, the Group records a liability with respect to put options sold to

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

minority shareholders in fully consolidated subsidiaries. The liability is initially recognised at the present value of the put option's strike price, which on subsequent balance sheet dates is adjusted according to changes in the value of the commitment.

The balancing entry for this liability consists partly of a deduction from minority interests, with the remainder being recorded under goodwill. The obligation to record a liability even when the put has not been exercised logically means that these transactions are initially treated in the same way as increases in Ipsos' interest in controlled companies (see the treatment of acquisitions of minority interests above).

Subsequently, the accretion impact and the change in value of the commitment are recognised through an adjustment to goodwill.

When the commitment expires, if the buyout has not taken place, accounting entries previously made are reversed. If the buyout has taken place, the amount recorded under non-current liabilities is reversed, with the balancing entry being the cash outflow arising from the buyout.

In accordance with IAS 27, the portions of income or changes in shareholders' equity attributable to the parent company and to minority interests are determined on the basis of current ownership percentages and do not reflect the exercise of voting rights that may arise as a result of buyout commitments.

The accounting principles described above may be reviewed depending on the conclusions of current work being carried out by the IASB on instruments redeemable at fair value, which includes the fair value treatment of sales of puts concerning minority interests.

1.6 Accounting rules and valuation methods

1.6.1 Intangible assets

In accordance with IAS 38 "Intangible assets", acquired intangible assets are stated at cost less accumulated amortisation and impairment losses.

1.6.2 Software and capitalised development costs

These assets consist of:

- software;
- capitalised development costs (research costs are not capitalised but expensed in the period in which they are incurred;

In accordance with IAS 38, development costs are capitalised as intangible assets if the Group can demonstrate:

- its intention to complete the asset and its ability to use it or to sell it;
- its financial and technical ability to complete the development project;
- the availability of resources with which to complete the project;
- that it is probable that the economic benefits associated with the development expenditure will flow to the Group;
- that cost of the asset can be reliably measured.

These intangible assets are amortised on a straight-line basis over periods corresponding to their expected useful lives, i.e.:

- software: 3 years;
- development costs: dependent on economic life for each specific development project.

1.6.3 Panels

The Group applies specific accounting rules to panels: Panels are representative samples of individuals or professionals who are regularly surveyed concerning identical variables. The Group distinguishes between two types of panel:

- Online panel: a panel surveyed mainly by computer;
- Offline panel: a panel surveyed mainly by mail or by telephone.

The costs arising from the creation and improvement of offline panels are capitalised and amortised over the estimated time spent by panellists on the panels, i.e. three years.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Costs arising from the creation and extension of online panels (purchases of databases, scanning, panellist recruitment) are capitalised. However, these panels do not have a fixed useful life, in particular since they are never disbanded. As a result, these capitalised costs are not amortised but are subject to impairment tests at least once a year and whenever there is an indication that these intangible assets may have been impaired.

Subsequent maintenance expenditure required on both types of panel are expensed, due to the specific nature of these intangible assets and the difficulty of distinguishing expenses incurred to maintain or develop business goodwill generated in-house.

1.6.4 Property, plant and equipment

In accordance with IAS 16 "Property, plant and equipment", these assets are stated on the balance sheet at purchase or cost price, less depreciation and any identified impairment loss.

Property, plant and equipment comprise fixtures and fittings, office and computer equipment, office furniture and vehicles.

Certain assets are leased by Ipsos. These items are therefore covered by IAS 17 "Leases".

According to IAS 17, leases are classified as finance leases whenever the terms of the lease transfer a substantial proportion of the risks and rewards of ownership to the lessee.

The value of assets owned under finance leases is recognised on the balance sheet and depreciated using the methods described above. The corresponding debt is recognised as a balance-sheet liability.

All other leases are classified as operating leases.

Lease payments under an operating lease are expensed on a straight-line basis over the lease term.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets:

- fixtures and fittings: the shorter of the lease term and useful life (ten years)
- office and computer equipment: the shorter of the lease term and useful life (three to five years)
- office furniture: the shorter of the lease term and useful life (nine or ten years)
- vehicles: the shorter of the lease term and useful life (five years).

1.6.5 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred and are stated on the income statement under "financing expenses".

1.6.6 Impairment of fixed assets

In accordance with IAS 36 "Impairment of assets", impairment tests are carried out on property, plant and equipment and intangible assets as soon as there is an indication that an asset may be impaired and at least once per year. At Ipsos, this applies to intangible assets with an indeterminate life (online panels) and goodwill.

When the net book value of these assets becomes higher than their recoverable amounts, the difference is recorded as an impairment. Impairment is charged, in priority, to goodwill, but is recognised on a separate line of the income statement when the amounts are significant. Impairment of goodwill cannot be recovered at a later date.

Impairment tests are applied to the smallest group of cash-generating business units to which goodwill can be reasonably allocated, i.e. to one of the four geographical segments mentioned in the segment reporting section. Goodwill is broken down by cash-generating unit for the purposes of impairment tests.

The recoverable amount is the higher of the asset's fair value less costs to sell and value in use:

- Fair value is the amount that may be obtained by selling an asset through a transaction carried out in normal competition conditions, and is determined with reference to a price resulting from an irrevocable agreement to sell, or if this is not possible with reference to prices observed in recent market transactions;
- Value in use is based on the discounted value of future cash flows generated by the assets concerned. Estimates are derived from the forecasting database used for budgets and business plans drawn up by the Group's management. The discount rate applied reflects the rate of return required by investors and the risk premium specific to the Group's busi-

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ness. The perpetual growth rate applied depends on the geographical segment.

1.6.7 Other non-current financial assets

Financial assets are initially recognised at cost, i.e. the price paid including related acquisition costs. After initial recognition, financial assets classified as "available for sale" are stated at fair value. Unrealised gains or losses relative to cost are taken to equity until the asset is sold. However, if permanent impairment is deemed to have occurred, the amount of the impairment loss is transferred from equity to income, and the net book value of the financial asset after impairment replaces its cost.

For financial assets listed on a regulated market, fair value corresponds to the market closing price. For unlisted financial assets, fair value is subject to estimates. As a last resort, if fair value cannot be estimated reliably through a valuation technique, the Group measures financial assets at cost less any impairment loss.

1.6.8 Own shares

The purchase price of Ipsos shares owned by Ipsos, on a spot or forward basis, is deducted from consolidated shareholders' equity. If own shares are sold, the after-tax proceeds are taken directly to equity, and any disposal gains or losses do not affect the profit for the accounting period.

1.6.9 Inventories and work in progress

In accordance with IAS 2 "Inventories", inventories are measured at the lower of cost and net realisable value.

Inventories of goods bought for resale and supplies are valued at purchase price plus incidental purchase costs.

Work in progress is valued on the basis of expenses directly incurred on surveys not completed at the balance sheet date.

1.6.10. Current / non-current distinction

In accordance with IAS 1 "Presentation of financial statements", a distinction must be drawn between current and non-current items of an IFRS-compliant balance sheet. Assets expected to be realised and liabilities due to be settled within 12 months from the balance sheet date are classified as current, including the short-term portion of long-term debts. Other assets and liabilities are classified as non-current.

All deferred tax assets and liabilities are presented on a separate line on the asset and liability sides of the balance sheet, among non-current items.

The application of IAS 1 also leads the inclusion of minority interests in equity. The presentation distinction between equity attributable to equity holders of the parent and to minority interests is maintained.

1.6.11 Receivables

Receivables are recognised at face value. Impairment provisions are recorded on a case-by-case basis after analysing information from the Group's debt recovery operations.

1.6.12. Financial instruments

The principles for the recognition and measurement of financial assets and financial liabilities are set out by IAS 39 "Financial instruments: recognition and measurement". Information to be disclosed and presentation principles are set out by IAS 32 "Financial instruments: disclosure and presentation". The Group decided to apply these standards from 1 January 2004.

Assets and liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the instrument.

- Borrowings

On the date that a borrowing transaction is arranged, it is recognised at the fair value of the consideration given, which is normally the cash received less related issuance costs. Subsequently, if a hedging relationship does not exist, borrowings are measured at amortised cost using the effective interest method. Redemption premiums and issuance costs are taken to income over time according to the effective interest method.

- Derivative instruments

Derivative instruments are recognised on the balance sheet at their market value on the balance sheet date. Where quoted prices on an active market are available, as for example with futures and options traded on organised markets, the market value used is the quoted price. Over-the-counter derivatives traded on active markets are measured with

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reference to commonly used models and to the market prices of similar instruments or underlying assets. Instruments traded on inactive markets are measured using commonly used models and with reference to directly observable parameters. In the case of complex instruments, the resulting value is confirmed with reference to quoted prices of third-party financial instruments.

Derivative instruments with a maturity of more than 12 months are recognised as non-current assets and liabilities.

- Cash and equivalents

Cash and equivalents includes cash in hand and at bank, along with short-term investments in money-market instruments. These investments can be realised at any time at their face value, and the risk of a change in value is negligible.

1.6.13 Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", provisions are booked when, at the end of an accounting period, the Group has a present obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

This obligation may be legal, regulatory or contractual.

These provisions are measured according to their type, taking into account the most likely assumptions. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects the market's current assessment of the time value of money.

If no reliable estimate of the amount of the obligation can be made, no provision is booked, and a disclosure is made in the notes.

1.6.14 Employee benefits

The Group provides employees with pension plans according to regulations and customs in force in the countries in which it operates.

These plans fall into two categories, i.e.: defined-contribution and defined-benefit.

For defined-contribution plans, the Group's sole obligation is to pay contributions to external organisations: The cost of these contributions is expensed in the year in which they are made and recognised under "staff costs". No liability is recorded on the balance sheet, since the Group does not have a commitment other than to make the contributions.

For defined-benefit plans, the Group estimates its obligations using the projected unit credit method, in accordance with IAS 19 "Employee benefits". This method uses actuarial techniques that take into account the employee's expected length of service assuming the employee remains with the Group until retirement, along with future salary, life expectancy and staff turnover. The present value of this liability is determined using the appropriate discount rate for each of the relevant countries.

The cumulative effects of actuarial gains or losses are amortised if, at the end of the period, they exceed 10% of the amount of the commitment or of the market value of investments covering the liabilities. Actuarial gains or losses are amortised starting in the period following the one in which they are first recognised, and over the remaining term of activity of the staff concerned.

1.6.15 Share-based payments

Ipsos has a policy of giving all managers and staff an interest in the company's success and in the creation of shareholder value through stock option and bonus share plans.

In accordance with IFRS 2 "Share-based payment", services received that are remunerated through stock option plans are recognised under staff costs, with a balancing entry consisting of an increase in shareholders' equity, over the vesting period. The expense recognised in each period corresponds with the fair value of goods and services received, measured using the Black/Scholes formula on the grant date.

All stock options granted after 7 November 2002 and non-vested at the start of the period are taken into account.

For bonus share plans, the fair value of the benefit granted is measured on the basis of the share price on the grant date, adjusted for all specific conditions that may affect fair value (e.g. dividends).

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1.6.16 Deferred tax

Deferred taxes are recognised using the liability method, for all temporary differences existing on the balance-sheet date between the tax basis of assets and liabilities and their book value.

Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the deferred tax liability results from the initial recognition of an asset or liability as part of a transaction that is not a business combination and which, on the transaction date, does not affect accounting profits or taxable profits or losses.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that a taxable profit will become available against which the deductible temporary difference can be utilised.

The book value of deferred tax assets is reviewed at each balance sheet date and increased or reduced as appropriate, to take account of changes in the likelihood that a taxable profit will become available against which the deferred tax asset can be utilised. To assess the likelihood that a taxable profit will become available, the following factors are taken into account: results in previous years, forecasts of future results, non-recurrent items that are unlikely to arise again in future and the tax strategy. As a result, a substantial amount of judgement is involved in assessing the Group's ability to utilise its tax loss carryforwards. If future results were substantially different from those expected, the Group would have to increase or decrease the book value of its deferred tax assets, which could have a significant impact on its balance sheet and income statement.

Tax savings resulting from the tax-deductible status of goodwill in certain countries are cancelled out through the recognition of deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is debited from or credited to the income statement except where it relates to items taken directly to equity, in which case it is also taken to equity.

1.6.17 Revenue recognition

Revenues are recognised according to the percentage-of-completion method. The percentage of completion is determined on a straight-line basis over time, i.e. gradually over equal periods of time between the date on which the client's agreement is received and the date on which the conclusions of the survey are presented. Ipsos believes that this method is appropriate to its survey business, and that other methods of recognising revenues according to the percentage-of-completion method would not provide better information.

However, if in some specific cases the straight-line method does not accurately reflect the percentage of completion of a survey at the balance sheet date, another method may be used to estimate the amount of revenues to be recognised at the end of the accounting period.

Revenues are measured at the fair value of the consideration received or receivable taking into account the amount of any discounts and rebates granted by the company.

1.6.18 Definition of gross profit

Gross profit is defined as revenues less direct costs, i.e. external variable costs incurred during the data collection phase, including goods and services provided by third-party service providers, temporary staff paid on an hourly or per-project basis, and subcontractors for field work.

1.6.19 Definition of operating profit

Operating profit reflects profit generated from ordinary operations. It consists of gross profit less administrative and commercial expenses, pension costs and share-based compensation costs.

Amortisation of intangible assets is included in operating expenses and features in the "general operating expenses" caption on the income statement.

1.6.20 Definition of other income and expenses

Other income and expenses include financial income and expenses excluding financing expenses, along with components of income that, due to their nature, amount or frequency, may not be considered under operating profit, such as

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

exceptional restructuring costs and other non-ordinary income and expenses relating to events that are either major, very limited in scope or unusual.

1.6.21 Financing expenses

Financing expenses include interest on debts, changes in the fair value of interest-rate financial instruments and income from ordinary cash management. Interest expenses are recognised according to the effective interest method, under which interest and transaction costs are spread over the borrowing term.

1.6.22 Earnings per share

The Group reports basic earnings per share and diluted earnings per share.

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the parent by the weighted average number of shares in circulation during the period, excluding Ipsos shares that are held by the Group and deducted from shareholders' equity.

The number of shares used to calculate diluted earnings per share is the number used to calculate basic earnings per share plus the number of shares that would result from the exercise of all existing options to subscribe new shares during the period.

Diluted earnings per share is calculated using the treasury stock method, taking into account the share price at the end of each accounting period. Due to the price applied, anti-dilutive instruments are excluded from this calculation.

2 SCOPE OF CONSOLIDATION

2.1. Changes in the scope of consolidation during 2005

None of the acquisitions made during the 2005 financial year are considered significant, as they do not have an impact of over 10% on the Group's total balance sheet assets, revenues and operating profit. Combined data are not presented.

2.1.1 Acquisition of MORI Group Limited

On 21 October 2005, Ipsos acquired 100% of the voting rights in MORI Group Limited, the UK's leading independent research company. The purchase price was based on an enterprise value of £88 million, and breaks down as follows:

In millions of pounds sterling	
Enterprise value	88.0
Pension fund deficit (after tax)	(5.9)
Cash and other adjustments	4.7
Acquisition costs	1.9
Buyout of minority interests (40%) in Test Research	0.5
Purchase price	89.2

The consideration paid for the MORI shares consisted of £4.9 million (€7.1 million) in shares (74,412 Ipsos shares issued at the market price of €95 each), with the remainder paid in cash.

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The fair value of MORI's identifiable assets and liabilities acquired breaks down as follows:

In millions of pounds sterling	
Property, plant and equipment and intangible assets	3.4
Current assets	13.7
Non-current assets	4.1
Cash and equivalents	5.7
Total assets (a)	26.9
Pension provision (1)	(8.5)
Current liabilities	(11.7)
Non-current liabilities	(1.4)
Total liabilities (b) (2)	(21.6)
Fair value of net assets acquired (a) + (b)	5.3
Goodwill	83.9
Purchase price	89.2

(1) MORI's pension liabilities were measured in accordance with FRS17, taking into account the planned voluntary transfer of certain employees to a defined-contribution plan, due to take place in 2006. There remains some uncertainty over the number of employees who will agree to the transfer.

(2) Excluding MORI debt redeemed by Ipsos at the time of the acquisition and included in the purchase price.

In accordance with the accounting principles described in note 1.3.5 (Goodwill and business combinations), no value was allocated to the MORI brand. The acquired enterprise value is based mainly on non-identifiable items such as the know-how and business expertise of staff.

Cash flows relating to the MORI acquisition set out in the "acquisition of consolidated companies and business goodwill" caption of the cash flow statement totalled €129 million in 2005, breaking down as follows:

	amount in millions of pounds sterling	amount in millions of euros
Cash consideration paid on 21 October 2005 (1)	(81.9)	(121.0)
Payment in Ipsos shares	(4.9)	(7.1)
Acquisition costs	(1.9)	(2.8)
Partial coverage of the pension fund deficit	(4.5)	(6.5)
Acquired cash and equivalents	5.7	8.4
TOTAL	(87.5)	(129.0)

(1) Former MORI shareholders were paid £81.9 million (€121 million) on 21 October 2005, and the remaining £0.5 million (€0.8 million) was paid on 12 January.

MORI contributed €17.8 million to Ipsos' revenues and €4.9 million to its net profit in 2005.

2.1.2 Other changes in the scope of consolidation during 2005

Changes in the scope of consolidation during 2005 were as follows:

- Acquisition of 100% of Shifrin in the USA (3 February 2005, €5.3 million),
- Acquisition of 100% of Descarie in Canada (21 January 2005, €1.6 million),
- Creation of Ipsos Philippines,
- Combination of three companies in Argentina on 1 January: Socmerc, Ipsos ASI and Novaction Argentine,
- Acquisition of the assets of GDMR in China (1 April 2005, €0.7 million),

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

- Acquisition of 51% of Napoleon Franco in Colombia in July 2005,
- Acquisition of 100% of Understanding Unlimited in the USA (November 2005, €15.3 million),
- Creation of Ipsos Thailand.

2.2. Changes in the scope of consolidation during 2004

Changes in the scope of consolidation during 2004 were as follows:

- Acquisition of 51% in Active Insights (renamed Ipsos Korea) in South Korea on 1 January 2004
- Minority interests acquired in Ipsos Imri holding (60%) and Ipsos Sweden (49%) on 1 January 2004,
- Restructuring of Ipsos Interactive Services on 1 January 2004. Ipsos SA increased its stake in NMR from 40% to 60%, and subsequently transferred this stake to IAPS. As a result of these transfers, IAPS holds a 100% stake in Ipsos NMR and Ipsos SA owns 63.6% of IAPS.
- Acquisition of minority interests in Novaction Australasia (50%) on 1 January 2004.
- Acquisition of minority interests in Novaction Italy (20%) on 1 January 2004.
- Assets of TQA Research Pty acquired by Ipsos Australia on 1 July 2004.
- Acquisition of a 100% stake in Japan Statistics Research Co Ltd (JSR) and Japan Marketing Operations KK (JMO) on 1 October 2004.
- Acquisition of a 51% stake in Ipsos Puerto Rico and an additional 19% stake in Ipsos Costa Rica on 1 July 2004.
- Merger between Ipsos Taiwan and Ipsos Partner.

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2.3 Companies included in the scope of consolidation at 31 December 2005

The following companies are included in the scope of consolidation:

Fully consolidated companies

Company	Form	% interest	Country	Address	SIREN no.
Ipsos	SA	Consolidating entity	France	35, rue du Val de Marne 75013 Paris	304 555 634
Ipsos Access Panel Holding	Non-trading company	100	France	35, rue du Val de Marne 75013 Paris	401 768 908
Ipsos Group	EIG	100	France	35, rue du Val de Marne 75013 Paris	401 615 608
Ipsos France	SAS	99,99	France	35, rue du Val de Marne 75013 Paris	392 901 856
Ipsos Médias	SAS	99,81	France	35, rue du Val de Marne 75013 Paris	334 068 129
Ipsos Public Affairs	SAS	99,62	France	35, rue du Val de Marne 75013 Paris	317 839 959
Ipsos Opérations	SA	99,96	France	35, rue du Val de Marne 75013 Paris	315 105 502
Ipsos Loyalty	SA	99,85	France	35, rue du Val de Marne 75013 Paris	391 307 329
Ipsos Santé	SNC	100	France	35, rue du Val de Marne 75013 Paris	333 925 824
Ipsos Music	SA	100	France	35, rue du Val de Marne 75013 Paris	422 743 450
Ipsos Insight	SA	99,97	France	35, rue du Val de Marne 75013 Paris	712 047 265
Ipsos Stat	SA	50,99	France	35, rue du Val de Marne 75013 Paris	401 595 939
IMS	SA	99,98	France	35, rue du Val de Marne 75013 Paris	348 983 842
Popcorn	SNC	49,99	France	35, rue du Val de Marne 75013 Paris	377 678 289
Sysprint	SARL	99,98	France	35, rue du Val de Marne 75013 Paris	384 721 346
Ipsos ASI	SA	99,98	France	35, rue du Val de Marne 75013 Paris	387 725 245
Ipsos Observer	SA	99,99	France	35, rue du Val de Marne 75013 Paris	392 901 856
Ipsos Novaction	SA	100	France	35, rue du Val de Marne 75013 Paris	722 003 209
Ipsos Brussels	SA	85,6	Belgium	243 boulevard Sylvain Dupuis 1070 Brussels	
Inra belgium	SA	100	Belgium	243 boulevard Sylvain Dupuis 1070 Brussels	
Ipsos UK	Ltd Co.	100	GB	Elmgrove Road Harrow HA1 2QG	
Priceresearch	Ltd Co	100	GB	Elmgrove Road Harrow HA1 2QG	
CatiCentre	Ltd. Co	100	GB	Elmgrove Road Harrow HA1 2QG	
Ipsos Insight	Ltd. Co	100	GB	Elmgrove Road Harrow HA1 2QG	
Ipsos Access Panel UK	Ltd. Co	100	GB	Elmgrove Road Harrow HA1 2QG	
Ipsos interactive services	Ltd. Co	63,6	GB	Elmgrove Road Harrow HA1 2QG	
Research in Focus	Ltd. Co	100	GB	Lovel Road, Winkfield, Berkshire SL4 2ES	
Novaction UK	Ltd. Co	100	GB	114A High Street, Eton, Windsor, Berkshire SL4 6AN	
Ipsos Health	Ltd. Co	50,01	GB	Elmgrove Road Harrow HA1 2QG	
MORI Ltd	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
MORI Ireland	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
Test research	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
MORI Group	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
MORI Holding	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	

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Company	Form	% interest	Country	Address	SIREN no.
PR Test limited	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
Mori Financials	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
Markets Dynamics	Ltd	100	GB	79-81 Borough Road - SE1 1FY London	
Ipsos Gmbh	Gmbh	100	Germany	Langelohstrasse 134, 2 000 Hamburg 53	
Ipsos Phone	Gmbh	100	Germany	Langelohstrasse 134, 2 000 Hamburg 53	
Ipsos Loyalty	Gmbh	100	Germany	Kuuckhoffstrasse 55, 13156 Berlin	
Ipsos Access Panel Germany	Gmbh	100	Germany	Hobeluftchaussee 112, 20 244 Hamburg	
Novaction MMD	Gmbh	100	Germany	Waidmannstrasse 2, 60596 Frankfurt	
Sample KG	Gmbh	100	Germany	Papenkamp 2-6 D23879 Mölln	
Trendtest	Gmbh	100	Germany	Kolonnenstrasse 26, 2,Hof,1,OG 10829 Berlin	
Sample QM	Gmbh	100	Germany	Papenkamp 2-6 D23879 Mölln	
Sample Gmbh	Gmbh	100	Germany	Papenkamp 2-6 D23879 Mölln	
Forshung und Entwicklung	Gmbh	100	Germany	Langelohstrasse 134 22549 Hamburg	
Ipsos	SRL	100	Italy	10 Via Crocefisso, 20 122 Milan	
Ipsos Operations	SRL	100	Italy	10 Via Crocefisso, 20 122 Milan	
ipsos ASI italy	SRL	100	Italy	10 Via Crocefisso, 20 122 Milan	
Ipsos Novaction Italia	SRL	100	Italy	Viale Lombardia, N20 20131 Milan	
Ipsos Public Affairs	SRL	65	Italy	Via Mauro Macchi 61, 20124 Milan	
Ipsos-Szonda	Hungarian company	50,1	Hungary	1081 Budapest Köztársaság tér 3	
Demoskop sp z.o.o.	Ltd	100	Poland	Pulawska 39/4, Warsaw	
Ipsos Polska	Ltd	100	Poland	Ul,Pulawska 39/4 Warsaw 02,508	
ICEE Polska	Ltd	100	Poland	Ul,Pulawska 39/4 Warsaw 02,508	
Ipsos Interactive Services	SRL	63,6	Romania	Str I.C. Bratianu, bl A1, sc A, ap8, Jud Arges Pitesti	
NMR AB	Ltd	100	Sweden	Landsvägen 52, 172 63, Malmö	
IMRI Holding AB	Ltd	100	Sweden	Landsvägen 52, 172 63, Malmö	
IMRI AB	Ltd	100	Sweden	Landsvägen 52, 172 63, Malmö	
Ipsos Eureka AB	Ltd	100	Sweden	Box 6733 113 85 Stockholm	
Intervjubolaget	Ltd	100	Sweden	Strengbergsgatan 2 871 33 Harnosand	
Ipsos Sweden AB	Ltd	100	Sweden	Landsvagen 52-s-17263 Sundbyberg	
Ipsos ASI AB	Ltd	100	Sweden	Landsvagen 52-s-17263 Sundbyberg	
Ipsos Central Eastern Europe ICEE	Ltd	100	Russia	16/23 Tverskaya-Yamskaya 125 047 Moscow	
Ipsos Ceska Republika s.r.o	Ltd	100	Czech Republic	Skolska 32 11000 Prague 1	
Ipsos Ukraine	Ltd	100	Ukraine	17 Reitarka street, 01034 Kyiv	
Ipsos Operaciones	SA	100	Spain	Calle Alcala, 96 28 009 Madrid	
Ipsos Investigacion de Merc.	SA	100	Spain	Avenida de Burgos, 12 28 036 Madrid	
Ipsos Estudios internacionales	SA	85	Spain	C/Alberto Aguilera 7-5 ° Izq 28015 Madrid	
Ipsos USA	Inc.	100	USA	333 W. Wacker Drive Chicago, Illinois 60611	
Ipsos America	Inc.	100	USA	301, Merrit 7, Norwalk, CT 06851	
Ipsos Qualitative Inc	Inc.	100	USA	615 Elsinore Place, Cincinnati, Ohio 45202	
Ipsos ASI	Inc.	100	USA	301, Merrit 7, Norwalk, CT 06851	
Ipsos Insight Inc.	Inc.	100	USA	100 Charles Lindbergh Blvd NY 11553 Uniondale	

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Company	Form	% interest	Country	Address	SIREN no.
Ipsos-Reid Public Affairs	Inc.	100	USA	1101 Connecticut Avenue NW Suite 200, Washington, DC 20036	
Ipsos FMC Inc	Inc.	100	USA	3130 Crow canyon Place, suite 400, San Ramon, CA 94583	
Ipsos Insight Corp	Inc.	100	USA	Suite 1100, 1199 West Hastings Street, Vancouver, V6E 3T5	
Ipsos Loyalty Inc.	Inc.	100	USA	305 Route seventeen Paramus New jersey 07652	
Ipsos Shifrin	Inc.	100	USA	10 East 21st Street New York, New York 10010	
Ipsos Reid Lt partner	Ltd	100	Canada	Suite 1100, 1199 West Hastings Street, Vancouver, V6E 3T5	
Ipsos Canada	Ltd	100	Canada	245 Victoria Avenue, Suite100, Westmount, Quebec H3Z 2M6	
Ipsos ASI	Ltd	100	Canada	245 Victoria Avenue, Suite100, Westmount, Quebec H3Z 2M6	
Ipsos Reid Corp	Inc	100	Canada	Suite 1100, 1199 West Hastings Street, Vancouver, V6E 3T5	
Ipsos NPД Canada	Inc	100	Canada	240 Duncan Mill Road ON M3B 3R6 Toronto	
Ipsos Descarie	Inc	100	Canada	1440 Ste Catherine Street West, suite 555 Montreal Quebec H3G 1R8	
Ipsos Portugal	LDA	100	Portugal	Rua Carlos Malheiro Dias, 11 1700 Lisbon	
Ipsos Latin America	BV	100	Netherlands	Koningslaan 34 1075 aAD Amsterdam	
Novaction Argentina	SA	100	Argentina	Conesa 2046 - Buenos Aires 1248	
Mora Consultoria		100	Argentina	Vuelta de Obligado 1947 - 3° Piso, Capital Federal C 1428 ADC	
Geomedia		100	Argentina	Juramento 1099 Buenos Aires	
Process & Line		50	Argentina	Avenida Santa Fe 5210 - 1° Piso Buenos Aires	
Novaction Brazil	LDA	100	Brazil	Av. 9 de Juuhlo, 5017 Conj. 111 CEP 01407-200 Sao Paolo	
Metrica Brazil	LDA	100	Brazil	Av. 9 de Juuhlo, 5017 Conj. 111 CEP 01407-200 Sao Paolo	
Ipsos Marplan	Ltda	100	Brazil	Praça Ramos de Azevedo 206-13°andar, 01037-010 Sao Paulo	
Ipsos Opinion Brazil	LDA	80	Brazil	Av. 9 de Juuhlo, 5017 Conj. 111 CEP 01407-200 Sao Paolo	
Novaction Mexico	SA	100	Mexico	Insurgentes Sur 933 Piso 5, Colonia Naploes, Mexico (DF)	
Metrica Mexico	SA	100	Mexico	Insurgentes Sur 933 Piso 5 Mexico (DF) Colonia Naploes	
Ipsos Bimsa	SA	50	Mexico	Sofocles #118, col. Palanco, CP11560 Mexico (DF)	
Fiel Research de Mexico	SA	50	Mexico	Sofocles #118, col. Palanco, CP11560 Mexico (DF)	
Ipsos Andina		62	Colombia	Carrera 19, Nro 84-51 Nivel 2, Santa Fe de Bogota	
Napoleon Franco		50	Colombia	Carrera 13 No. 78-57, Bogota, D.C.	
Ipsos ASI Venezuela		100	Venezuela	La estancia, Centro comercial Ciudad Tamanaco Torre B Chuao Caracas	
Ipsos Costa Rica		36	Costa Rica	Rampa del hospital Calderon Cuardia 125 oeste San José Barrio Otoyá	
Ipsos Puerto Rico		26	Puerto Rico	Calle Fernando Calder #463 San Juan, 00918	
Ipsos Chile Inversiones	Ltda	100	Chile	Miraflores 222, piso 11 - 6500786 Santiago	
Ipsos Search Marketing SA	Ltda	50	Chile	Avda. Francisco Bilbao 2841, Providencia Santiago	
Ipsos Hong kong	Ltd	100	Hong-Kong	540 King's Road. North Point	
Ipsos China		60	China	2 Chang Zi Street West, Mentougou District, Beijing	
Ipsos Asia		100			
Beijing Ipsos Market Consulting Company		60	China	12/F, Union plaza, N°20 Chao Wai DA Jie, Chaoyang district, Beijing	
Ipsos Singapore		100	Singapore	541 Orchard Road, #15-01 Liat Towers 238881 Singapore	
Ipsos Novaction KK		100	Japan	Toen Building 31, Daikyo-Cho-Shunjuku-Ku Tokyo 160	
Ipsos Japan Statistics Research Ltd		100	Japan	3-5-8 Nakameguro, Meguro-Ku, Tokyo 1530061	
Ipsos Japan Marketing		100	Japan	3-5-8 Nakameguro, Meguro-Ku, Tokyo 1530061	
Ipsos Japan Holding		100	Japan	5-8 Nakameguro 3-chome, Meguro-Ku, Tokyo	
Ipsos Taiwan		100	Taiwan	Kee Lung Road Taipei	

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Company	Form	% interest	Country	Address	SIREN no.
Ipsos Philippines	Inc	100	Philippines	122 Valero Street, Makati City	
Ipsos Korea		51	South Korea	Woori B/D,26-12 Jamwon-Dong, Seocho-Gu, Seoul 137-903	
Ipsos Thailand		60	Thailand	Unit 16-01, 16-02B 16th F1. Times Square Building 246 Sukhumvit 12-14, Klongtoey Bangkok 10110	
Ipsos Australia PTY	PTY Ltd	100	Australia	Level 2,1 McLaren Street, 2060 North Sydney	
Novaction Australasia	PTY Ltd	100	Australia	Level 2,1 McLaren Street, 2060 North Sydney	
I view	PTY Ltd	100	Australia	Level 2,1 McLaren Street, 2060 North Sydney	
AGB Stat Ipsos		37,47	Lebanon	13 Youssef Karam Street, Sin-el-Fil, BP 55103 Beirut	
Ipsos Stat		50,49	Bahrain	City Centre, government avenue, Bldg 203 Manama	
Ipsos Stat KSA		30,6	Saudi Arabia	Yamamah Bldg, Tahlia Str. Jeddah	
Ipsos Stat		24,99	Lebanon	13 Youssef Karam Street, Sin-el-Fil, BP 55103 Beirut	
Ipsos Stat		24,99	Syria	Mazzeh Highway, Mouhafaza, Building 6, Damas	
Ipsos Stat		24,99	Jordan	Wasfi Al-Tal Street, Tabba' Group Commercial Complex Amman 11183	
Ipsos Stat		24,99	United Arab Emirates	Cheick Zayed Road, Bourj Al Salam, Office 202, Dubai	
Ipsos Stat		24,99	Kuwait	Salhya Shuada'a Str P.O Box 22417 -13085 Safat	
Ipsos Antilles		45,9	West Indies	Habitation desfourneaux 97212 Saint Joseph Martinique	
Ipsos Océan indien		25,3	La Réunion	12,rue de Nice 97400 La Réunion	
Ipsos Dom		51	West Indies	Habitation desfourneaux 97212 Saint Joseph La martinique	
Ipsos CCA		51	Dominican Republic	Isabel la Catolica, 151 Altos, Zona colonial, Santo Domingo DN	
Ipsos Dominicana		45,9	Dominican Republic	Isabel la Catolica, 151 Altos, Zona colonial, Santo Domingo DN	

Company accounted for under the equity method

Company	Form	% interest	Country	Address	SIREN no.
Espace TV Communication	SA	28	France	30, rue d'Orléans 92200 Neuilly-sur-Seine	

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

3 SEGMENT REPORTING

Ipsos has a single business activity, i.e: survey-based research. Given the type of services it provides, the Group's risk exposure and profit expectations are considered homogeneous.

As a result, the segmental analysis of its activities is based on geographical zones, which make up the first level of segment reporting within the meaning of IAS 14 "Segment reporting". Ipsos distinguishes between four geographical zones: Europe, North America, South America and the rest of the world (Middle East, Asia-Pacific and central costs).

Inter-segment commercial transactions are carried out in line with market conditions, i.e. on terms similar to those that would be proposed to third parties.

Year ended 31 December 2005

Zones	Europe	North America	Latin America	Rest of the world	Eliminations	Total
Revenues						
Sales to external clients	331,162	242,571	69,432	74,814	-	717,979
Inter-segment sales	7,057	2,178	3,035	3,549	(15,819)	-
Total	338,219	244,749	72,467	78,363	(15,819)	717,979
Operating profit	26,081	26,017	10,290	1,534	-	63,922
Other income and expense (net)	-	-	-	-	-	2,314
Financing expenses	-	-	-	-	-	(10,417)
Tax	-	-	-	-	-	(18,300)
Net profit						37,519
Goodwill	235,091	250,148	34,924	55,545	-	575,708
Online panels	447	3,169	-	-	-	3,616
Other segment assets	196,349	98,797	32,885	78,707	-	406,738
Holdings in affiliated companies	-	-	-	-	-	299
Tax assets	-	-	-	-	-	11,510
Total assets	-	-	-	-	-	997,871
Segment liabilities	134,553	49,694	14,210	92,256	-	290,713
Debt	-	-	-	-	-	268,915
Tax liabilities	-	-	-	-	-	23,310
Shareholders' equity	-	-	-	-	-	414,933
Total liabilities and shareholders' equity	-	-	-	-	-	997,871
Investments	(4,473)	(4,012)	(1,679)	(1,755)	-	(11,919)
Depreciation	(4,875)	(4,317)	(980)	(1,188)	-	(11,360)

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Year ended 31 December 2004

Zones	Europe	North America	Latin America	Rest of the world	Eliminations	Total
Revenues						
Sales to external clients	299,839	209,004	51,274	44,517		604,634
Inter-segment sales	7,027	1,182	2,043	2,132	(12,384)	-
Total	306,866	210,186	53,317	46,649	(12,384)	604,634
Operating profit	16,856	23,409	8,538	2,131	-	50,934
Other income and expense (net)	-	-	-	-	-	(3,821)
Financing expenses	-	-	-	-	-	(8,151)
Tax	-	-	-	-	-	(12,979)
Net profit						25,983
Goodwill	108,260	185,646	27,169	47,189		368,264
Online panels	318	2,121	-	-		2,439
Other segment assets	150,175	77,676	22,762	42,568	-	293,181
Holdings in affiliated companies	-	-	-	-	-	288
Tax assets	4,567	4,760	237	4,107	-	13,671
Total assets	-	-	-	-	-	677,843
Segment liabilities	110,915	34,001	11,699	77,095	-	233,710
Debt	-	-	-	-	-	191,662
Tax liabilities	-	-	-	-	-	19,039
Shareholders' equity	-	-	-	-	-	233,432
Total liabilities and shareholders' equity	-	-	-	-	-	677,843
Investments	(6,506)	(5,250)	(370)	(1,193)	-	(13,319)
Depreciation	(5,685)	(5,314)	(441)	(881)	-	(12,321)

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

4 INCOME STATEMENT

4.1 Direct costs

In thousands of euros	31/12/2005	31/12/2004
Interviewer payroll costs	(92,234)	(85,597)
Other direct costs	(193,871)	(163,582)
TOTAL	(286,105)	(249,179)

4.2 Other income and expenses

In thousands of euros	31/12/2005	31/12/2004
Disposal gains or losses on scrapped fixtures and fittings, lease termination penalties and refurbishment costs relating to relocation of the head office to Gentilly	-	(3,138)
Fees relating to an acquisition-related dispute	(340)	-
Interest income (1)	588	1,521
Net translation gain/loss	3,496	(2,204)
Costs related to incomplete acquisitions	(1,430)	-
TOTAL	2,314	(3,821)

(1) including €519,588 of interest related to the Ipsos Partnership Fund (IPF) at 31 December 2005.

4.3 Current and deferred taxation

Tax consolidation group for French companies:

The following tax consolidation group was formed for a five-year period on 30 October 1997 and subsequently renewed.

- Head of the tax consolidation group: Ipsos
- Other members of the tax consolidation group: Ipsos Média, Ipsos Public Affairs, Ipsos Operations, Ipsos France, Ipsos Insight, Ipsos Loyalty, IMS SA, Sysprint, Ipsos ASI, Ipsos Music, Novaction SA, Ipsos Observer and IAP Holding.

The profits of all companies included in this tax consolidation group are taxed together in terms of corporate income tax.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES**4.3.1 Reconciliation between the statutory tax rate in France and the Group's effective tax rate**

The reconciliation between the statutory tax rate in France and Ipsos' effective tax rate is as follows:

In thousands of euros	31/12/2005	31/12/2004
Pre-tax profit	55,808	38,962
Statutory tax rate applicable to French companies	34.93%	35.43%
Theoretical tax charge	(19,494)	(13,804)
Impact of different tax rates and specific contributions	(130)	(443)
Permanent differences	1,552	101
Utilisation of tax losses not previously utilised	307	1,945
Impact of non-utilised tax losses for the year	(416)	(663)
Other	(119)	(113)
Total tax recognised	(18,300)	(12,979)
Effective tax rate	(32.79%)	(33.31%)

4.3.2 Change in net deferred tax balance

In thousands of euros	31/12/2005	31/12/2004
Deferred tax on:		
Goodwill	(16,969)	(11,792)
Revenue and cost recognition method	(4,681)	(1,096)
Provisions	2,674	2,739
Translation differences	-	(390)
Fixed assets	965	(229)
Pension provisions	3,752	538
Accrued staff costs	1,148	878
Tax losses carried forward (1)	3,233	3,824
Other items	(327)	(799)
Net balance of deferred tax assets and liabilities	(10,204)	(6,327)
Deferred tax assets	9,382	10,077
Deferred tax liabilities	(19,586)	(16,404)
Net balance of deferred tax	(10,204)	(6,327)

(1) At 31 December 2005, utilisable deferred tax relating to tax loss carryforwards totalled €4.5 million. €1.2 million of deferred tax assets relating to tax loss carryforwards have not been recognised since, to date, they have appeared unlikely to be utilised in the near term. The €3.2 million of recognised deferred tax on tax loss carryforwards relate solely to losses that can be carried forward indefinitely by companies, where projections show that the losses will be utilised in between one and five years.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

4.4 Earnings per share

The income statement shows two earnings per share figures: basic and diluted. The number of shares used in the calculations is determined as follows:

	Exercice 2005		Exercice 2004	
	Number of shares	Weighted average number of shares	Number	Weighted average number of shares
Figure at previous period-end	7,099,418	7,099,418	7,047,957	7,047,957
Exercise of options	42,006	21,241	51,461	24,257
Capital increase via share issues for cash	1,250,000	208,333		
Shares paid in the MORI acquisition	74,412	6,201		
Own shares (1)	(568,202)	(576,935)	(579,797)	(579,797)
Number of shares used to calculate basic earnings per share	7,897,634	6,758,258	6,519,621	6,492,417
Number of additional shares potentially resulting from dilutive instruments during the period (see note 6.4)	167 572	167 572	51 487	51 487
Number of shares used to calculate diluted earnings per share	8,065,206	6,925,830	6,571,108	6,543,904

(1) Mainly including the remainder of the 577,320 own shares bought by Ipsos on a forward basis and already paid for, in order to cover stock options granted on 9 July 2002 as part of the Ipsos Partnership Fund transaction.

4.5 Dividends paid and proposed

The company's policy is to pay a single dividend in respect of a given accounting period in the July following the end of the period. The amounts per share paid and proposed are as follows:

With respect to	Net dividend per share (€)	Tax credit per share (€) or 40% allowance (2005) 50% allowance (2004)	Actual income per share (€)
2005 (1)	1.00	0.40	1.40
2004	0.90	0.45	1.35
2003	0.85	0.425	1.275

(1) Total dividend of €8,465,836 to be proposed to the Annual General Meeting of Shareholders on 31 May 2006.

5 BALANCE SHEET

5.1 Goodwill impairment tests

Value in use of goodwill is based on the discounted value of future cash flows. Goodwill values are tested at the level of cash-generating units (CGUs) - i.e. Europe, North America, Latin America, Asia-Pacific and Middle East - according to the DCF (discounted cash flow) method. At 31 December 2005, this model took into account the 2006-2009 business plan for each segment.

At 31 December 2005, on the basis of measurements carried out in-house, Ipsos' management concluded that the recoverable value of goodwill allocated to each cash-generating unit exceeded its book value.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

The main assumptions used to measure the value of goodwill allocated to each cash-generating unit were as follows at 31 December 2005:

CGU	Gross goodwill	Growth rate 2006-2009	Perpetual growth beyond 2009	Pre-tax discount rate	Pre-tax discount rate
Europe	235,091	4.0 %	2.0 %	8.7 %	12.5 %
Latin America	34,924	10.0 %	3.0 %	13.5 %	19.0 %
North America	250,149	7.0%	3.0%	8.0%	11.7 %
Asia-Pacific	54,526	8.0 %	3.0 %	8.9 %	11.4 %
Middle East	1,018	10.0 %	3.0 %	10.1 %	10.9 %
TOTAL	575,708				

5.2 Intangible assets and property, plant and equipment

Changes during 2005

amounts in thousands of euros	01/01/2005	Increases	Decreases	Changes in scope and exchange rates	Reclassifications and other movements	31/12/2005
Goodwill (1)	368,264	165,685	(74)	41,833	-	575,708
Panels (2)	9,859	1,638	-	1,627	-	13,124
Other intangible assets	26,891	2,957	(100)	1,304	1,441	32,493
Land and buildings	3,756	-	-	21	(85)	3,692
Other property, plant and equipment (3)	65,834	7,499	(1,486)	17,934	(342)	89,439
Gross value	474,604	177,779	(1,660)	62,719	1,014	714,456
Goodwill	-	-	-	-	-	-
Panels (2)	(6,385)	(415)	-	(988)	-	(7,788)
Other intangible assets	(19,184)	(3,331)	25	(836)	(860)	(24,186)
Land and buildings	(1 277)	-	-	(7)	14	(1,270)
Other property, plant and equipment (3)	(47,719)	(8,206)	1 010	(11,320)	(11)	(66,246)
Depreciation and impairment	(74,565)	(11,952)	1,035	(13,151)	(857)	(99,490)
Net value	400,039	165,827	(625)	49,568	157	614,966

(1) The "changes in the scope of consolidation and exchange rates" caption, showing a change in goodwill of €41.8 million in 2005, corresponds solely to changes in exchange rates.

(2) Including a net value of €3.6 million relating to online panels at 31 December 2005.

(3) The net value of fixed assets relating to finance leases was €1.6 million at 31 December 2005.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Changes during 2004

amounts in thousands of euros	01/01/2004	Increases	Decreases	Changes in scope and exchange rates	Reclassifications and other movements	31/12/2004
Goodwill (1)	359,546	21,073	(43)	(12,358)	46	368,264
Panels (2)	7,822	2,441	-	(404)	-	9,859
Other intangible assets	23,616	3,658	(425)	253	(211)	26,891
Land and buildings	-	-	(28)	3,784	-	3,756
Other property, plant and equipment (3)	65,035	7,595	(5,963)	(509)	(324)	65,834
Gross value	456,019	34,767	(6,459)	(9,234)	(489)	474,604
Goodwill	-	-	-	-	-	-
Panels (2)	(5,566)	(1,195)	68	308	-	(6,385)
Other intangible assets	(15,784)	(3,917)	412	(78)	183	(19,184)
Land and buildings	-	(14)	-	(1,263)	-	(1,277)
Other property, plant and equipment (3)	(46,346)	(6,773)	4,666	406	328	(47,719)
Depreciation and impairment	(67,696)	(11,899)	5,146	(627)	511	(74,565)
Net value	388,323	22,868	(1,313)	(9,861)	22	400,039

(1) The "changes in the scope of consolidation and exchange rates" caption, showing a change in goodwill of €12.4 million in 2004, corresponds solely to changes in exchange rates.

(2) Including a net value of €2.4 million relating to online panels at 31 December 2004.

(3) The net value of fixed assets relating to finance leases was €2.6 million at 31 December 2004.

5.3 Investment in associates

Information regarding Espace TV Communication

In thousands of euros	Exercice 2005	Exercice 2004
Gross value at 1 January	288	287
Share of profit	11	1
Gross value at 31 December	299	288
Contribution to shareholders' equity (including profit)	127	116

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

5.4 Other non-current financial assets

Changes during 2005

amounts in thousands of euros	01/01/2005	Increases	Decreases	Changes in scope, reclassifications and translation differences	31/12/2005
Loans	3,435	271	(2,815)	(223)	668
Other financial assets	3,667	730	(652)	381	4,126
Gross values	7,102	1,001	(3,467)	158	4,794
Loan provisions	(171)	-	-	(158)	(329)
Impairment of other financial assets	(20)	(3)	4	(218)	(237)
Impairment	(191)	(3)	4	(376)	(566)
Net value	6,911	998	(3,463)	(218)	4,228

Changes during 2004

amounts in thousands of euros	01/01/2004	Increases	Decreases	Changes in scope, reclassifications and translation differences	31/12/2004
Loans	485	258	(141)	2,833	3,435
Other financial assets	3,047	392	(597)	825	3,667
Gross value	3,532	650	(738)	3,658	7,102
Loan provisions	(254)	-	-	83	(171)
Impairment of other financial assets	(39)	-	-	(19)	(20)
Impairment	(293)	-	-	102	(191)
Net value	3,239	650	(738)	3,760	6,911

5.5 Trade receivables, net

in thousands of euros	31/12/2005	31/12/2004
Gross value	246,062	190,653
Impairment	(4,745)	(3,934)
Net value	241,317	186,719

5.6 Other current assets

in thousands of euros	31/12/2005	31/12/2004
Advances and payments on account made	1,900	263
Employment-related receivables	714	510
Tax receivables	11,848	9,414
Prepaid expenses	9,779	5,698
Other receivables, net	12,960	13,250
TOTAL	37,201	29,135

All other current assets have a maturity of less than one year.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

5.7 Issued capital and reserves

Ipsos' capital is made up of a single class of ordinary shares with par value of €1 each. Registered shares held for more than two years carry double voting rights.

At the start of 2005, the number of shares issued and fully paid up was 7,099,418.

On 5 November 2005, Ipsos carried out a capital increase by issuing 1,250,000 shares for cash following the MORI acquisition, in order to strengthen shareholders' equity by €115 million.

The after-tax cost of the capital increase was charged against the share premium. The after-tax cost was €1.9 million, corresponding to a gross cost of €2.9 million and a tax saving of €1 million.

74,412 shares were also issued as part-payment for the MORI acquisition.

Ipsos has arranged several stock option plans, which are described in note 6.4. The exercise of stock options led to the creation of 42,006 shares during the year.

At 31 December 2005, the share capital consisted of 8,465,836 shares.

The number of own shares is stated in note 4.4. Own shares do not carry dividend rights.

Translation differences arise from the impact of changes in exchange rates on translating the financial statements of foreign subsidiaries.

5.8 Net debt

5.8.1 Net debt by maturity

Interest bearing borrowings	Outstanding at 31/12/05	Interest rate	Outstanding at 31/12/04						
			Less than 1 year	Between 1 and 5 years	More than 5 years	Less than 1 year	Between 1 and 5 years	More than 5 years	
Bond issue(1)(2)	77,013	5.88 %	1,155	43,347	32,511	65,010		27,259	37,751
Borrowings from credit institutions	185,304	Libor + 0,75 Euribor + 0,35 à 0,90	6,229	103,972	75,103	108,617	10,619	97,998	
Other debt(3)	2,156	-	1,860	296		4,348	4,348		
Accrued interest on debt	1,680	-	1,680			389	389		
Current bank borrowings	2,762	-	2,762			13,314	13,314		
Total A	268,915	-	13,686	147,615	107,614	191,678	28,670	125,257	37,751

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Interest bearing borrowings	Outstanding at 31/12/05	Interest rate	Less than 1 year	Outstanding at 31/12/04					
				Between 1 and 5 years	More than 5 years	Less than 1 year	Between 1 and 5 years	More than 5 years	
Short-term investments in money-market instruments	25,197		25,197	-	-	1,504	1,504	-	-
Cash	56,965		56,965	-	-	30,933	30,933	-	-
Total B	82,162		82,162			32,437	32,437		
NET DEBT (A - B)	186,753		(68,476)	147,615	107,614	159,241	(3,767)	125,257	37,751

(1) In May 2003, Ipsos issued \$90 million of 10-year bonds, which were placed with US insurance companies. Interest-rate swaps with the same maturity were arranged to hedge the twice-yearly interest payments relating to these bonds. In accordance with IAS 39, these swaps have not been classified as hedging instruments, and their fair value is taken to income under financing expenses. At 31 December 2005, Ipsos' interest-rate swap outstandings were \$30,800,000 (market value: -\$1,173,000) and €45,000,000 (market value: -€161,000), giving a fair value taken to income of -€1,155,000.

(2) The fair value of the bond issue is stated in note 6.3. "financial instruments".

(3) Including €2,098,000 at 31 December 2005 relating to finance lease debt.

5.8.2 Breakdown of bank loans and bonds by fixed- and floating-rate and by currency (before impact of swaps)

amount in thousands of euros	Balance at 31/12/05	Fixed rate	Floating rate	Balance at 31/12/05	Fixed rate	Floating rate
US dollars (USD)	99,593	75,858	23,735	72,681	66,074	6,607
Euros (EUR)	97,000	955	96,045	85,083	637	84,446
Canadian dollars (CAD)	8,597	-	8,597	7,761	-	7,761
Australian dollars (AUD)	1,552	-	1,552	1,947	-	1,947
Hong Kong dollars (HKD)	437	-	437	472	-	472
Pounds sterling (GBP)	37,575	365	37,210	567	567	-
Japanese yen (JPY)	15,428	3,477	11,951	4,306	4,306	-
Other	980	980	-	811	811	-
TOTAL	261,162	81,635	179,527	173,628	72,395	101,233

5.9 Non-current provisions

Changes during 2005

amount in thousands of euros	Amount at 01/01/05	Additions	Releases of used provisions	Releases of unused provisions	Change in scope of consolidation and other movements	Translation differences	Amount at 31/12/05
Provisions for litigation	466	110	(296)	(72)	-	(36)	172
Provisions for other liabilities	1 155	129	-	(47)	(596)	55	696
Provisions for other charges (1)	2,489	-	(301)	-	-	36	2,224
TOTAL	4,110	239	(597)	(119)	(596)	55	3,092

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Changes during 2004

amount in thousands of euros	Amount at 01/01/04	Additions	Releases of used provisions	Releases of unused provisions	Change in scope of consolidation and other movements	Translation differences	Amount at 31/12/04
Provisions for litigation	253	92	(224)	-	345	-	466
Provisions for other liabilities	3,148	1,609	(2,719)	-	(404)	(479)	1,155
Provisions for other charges (1)	2,788	-	(299)	-	-	-	2,489
TOTAL	6,189	1,701	(3,242)	-	(59)	(479)	4,110

(1) Provisions for other charges include rental commitments for unoccupied premises and for rents in excess of market rates. These commitments were recognised at the time of the acquisition of Ipsos' subsidiaries in Germany, South Korea and Belgium, when the fair value of these companies' assets and liabilities were measured.

5.10 Pension and similar liabilities

In some countries, Ipsos employees benefit from supplementary pensions, which are paid annually to pensioners, and post-employment benefits, which are single payments made on retirement. The main countries concerned are France, Germany, Italy, the UK and Japan.

5.10.1 Actuarial assumptions

The rates used to measure pension liabilities in France, the UK and Germany in the last two years are as follow :

amount in thousands of euros	31/12/2005	31/12/2004
Discount rate		
France	3.6%	3.9%
Germany	4.0%	5.0%
Mori	4.7%	NA
Rate of salary increase		
All subsidiaries	Inflation + individual increases	

Mortality and staff turnover assumptions take into account the economic conditions specific to each country or Group company.

5.10.2 Comparison between value of liabilities and provisions

amount in thousands of euros	France	31/12/05 MORI	Other foreign companies	Total	France	31/12/04 Other foreign companies	Total
Present value of the obligation	(1,916)	(29,736)	(6,610)	(38,262)	(1,803)	(6,793)	(8,596)
Fair value of financial assets	-	23,900	-	23,900	-	-	-
Surplus or (deficit)	(1,916)	(5,836)	(6,610)	(14,362)	(1,803)	(6,793)	(8,596)
Unrecognised actuarial gains and losses	420	-	(60)	360	542	38	580
Net assets/(provisions) recognised on the balance sheet	(1,496)	(5,836)	(6,670)	(14,002)	(1,261)	(6,755)	(8,016)

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

5.10.3 Change in liabilities during the year

amount in thousands of euros	2005			2004		
	France	Foreign	Total	France	Foreign	Total
Benefit obligation, beginning of year	1,803	6,755	8,558	1,130	2,943	4,073
Supplementary rights acquired	164	323	487	105	316	421
Interest on benefit obligation	76	81	157	52	92	144
Change in plan type	-	(118)	(118)	400	-	400
Actuarial gains or losses	(106)	(60)	(166)	167	-	167
Benefits paid out	(21)	(12)	(33)	(51)	-	(51)
Employer contribution	-	(411)	(411)	-	-	-
Translation differences	-	(299)	(299)	-	(149)	(149)
Change in of scope of consolidation	-	30,087	30,087	-	3,591	3,591
Benefit obligation, end of year	1,916	36,346	38,262	1,803	6,793	8,596
Financial coverage	(1,916)	(36,346)	(38,262)	(1,803)	(6,793)	(8,596)
Fair value of financial assets	-	23,900	23,900	-	-	-
Actuarial gains or losses to be amortised	44	(60)	(16)	150	38	188
Change in plan type to be amortised	376	-	376	392	-	392
Provision	(1,496)	(12,506)	(14,002)	(1,261)	(6,755)	(8,016)

5.10.4 Pension expenses recognised during the year

These expenses are an integral part of the Group's staff costs. They break down as follows:

amount in thousands of euros	2005			2004		
	France	Foreign	Total	France	Foreign	Total
Supplementary rights acquired	(164)	(323)	(487)	(105)	(316)	(421)
Interest on benefit obligation	(76)	(81)	(157)	(52)	(92)	(144)
Amortisation of past service cost	(16)	-	(16)	(8)	-	(8)
Amortisation of actuarial gains or losses	(3)	-	(3)	-	-	-
Benefits paid out	21	12	33	51	-	51
TOTAL	(238)	(392)	(630)	(114)	(408)	(522)

5.11 Other non-current liabilities

in thousands of euros	31/12/2005	31/12/2004
Purchase price and earn-out payments (1)	21,299	29,135
Purchase of minority interests (1)	43,617	30,965
Debt on property, plant and equipment and intangible assets	27	1,105
Miscellaneous liabilities	7,137	2,927
TOTAL	72,080	64,132

(1) See note 6.5.3 - Acquisition-related commitments

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

5.12 Other current liabilities

in thousands of euros	31/12/2005	31/12/2004
Advances and progress payments from customers	6,062	7,665
Tax and employment-related liabilities	59,140	45,750
Other liabilities	1,542	3,957
Deferred income	18,372	16,568
TOTAL	85,116	73,940

6 CASH FLOW AND ADDITIONAL INFORMATION

6.1 Cash flow from operating activities

in thousands of euros	31/12/2005	31/12/2004
Decrease/(increase) in inventories	4,248	2,829
Decrease/(increase) in trade receivables	(24,434)	(28,581)
Increase/(decrease) in trade payables	16,105	13,827
Change in other receivables and payables	(5,852)	(4,97)
Changes in working capital requirement	(9,933)	(16,622)

6.2 Financial risk management: objectives and policies

The Group's policy is not to deal in financial instruments for the purpose of speculation.

However, Ipsos has interest-rate hedges on borrowings that do not meet the hedge accounting requirements of IAS 39 and are not recognised as hedging instruments.

Interest-rate risk

Ipsos' exposure to risk arising from changes in market interest rates relates to its long-term debt. The Group's policy is to manage interest expenses by using a combination of fixed- and floating-rate borrowings, with part of them converted into fixed-rate using swaps. The interest rate on around a third of Ipsos' debt is either fixed or capped.

Exchange-rate risk

Ipsos operates in 44 countries, and its balance sheet items are sensitive to changes in the exchange rates between the euro and other currencies.

Exchange-rate risk is naturally limited by the fact that part of Ipsos' borrowings are denominated in the currency of the acquired companies. Around 50% of debts are denominated in currencies other than the euro.

The Group has little exposure to transaction-related exchange-rate risk, since its subsidiaries almost always invoice in their local currency, and since operating costs are also denominated in the local currency.

As a result, the Group does not usually hedge its exchange-rate exposure.

Credit risk

The Group only has commercial relationships with third parties of proven financial health. In its financial transactions, the Group only deals with top-quality counterparties.

Liquidity risk

The Group raises financing in the capital markets in the form of:

- long-term resources (\$90 million, 10-year USPP bond issue),

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

- medium and long-term bank facilities (€319.0 million of 5 and 7-year syndicated credit facilities, on which there were drawings of €181.0 million at 31 December 2005),
- short-term credit facilities (€10 million, undrawn at 31 December 2005).

The Group's policy is not to have more than 20% of borrowings maturing within 12 months.

The Group is committed to attaining certain financial ratios, such as consolidated net debt / consolidated EBITDA, consolidated EBIT / net consolidated interest expenses and consolidated net debt / consolidated shareholders' equity. Ipsos fulfilled these commitments at 31 December 2004 and 31 December 2005.

6.3 Financial instruments

The only financial instruments recognised at period-end are interest-rate instruments. They do not qualify as hedging instruments, and they are stated on the balance sheet at fair value.

6.3.1 Maturity schedule of derivatives

amount in thousands of euros	31 December 2005				31 December 2004			
	Nominal	-1 year	1 at 5 years	+5 years	Nominal	-1 an 1 à 5 years	+5 years	
Interest-rate risk								
- Interest-rate swaps	36,108	0	11,860	24,249	22,612	0	0	22,612
-Tunnels	35,000	0	15,400	19,600	0	0	0	0

6.3.2 Fair value of derivatives

amount in thousands of euros	31 December 2005				31 December 2004			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	Non-current > 1 year	Current 1 year	Non-current > 1 year	Current 1 year	Non-current > 1 year	Current 1 year	Non-current > 1 year	Current 1 year
Total interest-rate risk								
Non-hedging derivatives	0	0	0	1,155	0	0	0	394

6.3.3 Fair value of borrowings

The only significant fixed-rate borrowing is the \$90 million, 10-year bond issue carried out in May 2003 and maturing in May 2013. The fair value of this borrowing at 31 December 2004 and 31 December 2005 was as follows:

amount in thousands of euros	31/12/2005		31/12/2004	
	Book value	Fair value	Book value	Fair value
\$90 million bond issue	75,858	75,230	65,010	64,594

6.4 Share-based compensation plans

6.4.1 Stock option plans (options to buy newly-created shares)

In 1998, the Group decided to set up stock option plans for all its senior management. Two lots of options were granted, the first on 28 July 1998 and the second on 10 May 1999.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Grant date	28/07/1998	10/05/1999
Date options granted by the board of Directors		
Number of options initially granted	97,662 2.47% of the capital on the grant date	98,236 2.48% of the capital on the grant date
Number of beneficiaries	57	83
Vesting date	28/07/2003	10/05/2004
Expiry date	28/07/2008	28/07/2008
Strike price	€20.58	€22.87
Number of options outstanding at 1 January 2005	10,107	20,554
Number of options granted during the year	-	-
Number of options cancelled during the year	-	-
Number of options exercised during the year	7,065	11,657
Number of options expired during the year	-	-
Number of options outstanding at 30 June 2005	4,570	13,545
Number of exercisable options at the end of the year	3,042	8,897

In 2000, the Group set up a new stock option plan for all employees. Three lots of options were granted, in 2000, 2001 and 2002.

Grant date	09/06/2000		08/08/2001		18/12/2002		
Number of options initially granted	27,609	11,594	35,797	27,148	92,652	9,330	84,670
	1.43% of the capital on the grant date		1.94% of the capital on the grant date		1.34% of the capital on the grant date		
Number of beneficiaries	489	263	644	533	1,948	25	170
Vesting date	09/06/2005	09/06/2003	09/06/2003	08/08/2005	08/08/2004	18/12/2006	18/12/2005
Expiry date	09/06/2008	09/06/2007	09/06/2008	08/08/2009	08/08/2009	18/12/2010	18/12/2010
Strike price	€120		€67		€58		
Number of options outstanding at 1 January 2005	21,635	5,382	19,509	21,813	60,174	7,830	74,920
Number of options granted during the year	-	-	-	-	-	-	-
Number of options cancelled during the year	898	1,204	1,512	2,805	4,698	450	8,376
Number of options exercised during the year	-	-	-	5,608	15,193	-	2,483
Number of options expired during the year	-	-	-	-	-	-	-
Number of options outstanding at 30 June 2005	20,925	5,174	19,103	19,008	52,802	7,380	69,130
Number of options outstanding at 31 December 2005	20,737	4,178	17,997	13,400	40,283	7,380	64,061

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

In 2004, a new plan was set up. Two lots of options were granted, in 2004 and 2005:

Grant date	02/03/2004		22/04/2005	
Number of options initially granted	22,300	117,200	16,000	8,000
Number of beneficiaries	41	209	10	10
Vesting date	03/03/2008	02/03/2007	22/04/2009	22/04/2008
Expiry date	02/03/2012	02/03/2012	22/04/2013	22/04/2013
Strike price	€77		€83	
Number of options outstanding at 1 January 2005	21,700	110,050	16,000	8,000
Number of options granted during the year		-	-	-
Number of options cancelled during the year	400	7,900	-	1,000
Number of options exercised during the year	-	-	-	-
Number of options expired during the year		-	-	-
Number of options outstanding at 30 June 2005	21,300	102,150	16,000	8,000
Number of options outstanding at 31 December 2005	20,800	92,960	16,000	7,000

6.4.2 Stock option plan (options to buy existing shares)

In July 2002, a stock option plan was set up as part of the Ipsos Partnership Fund (IPF) transaction, with the following characteristics:

Grant date	09/07/2002
Number of options initially granted	577,320
Number of beneficiaries	80
Vesting date	09/07/2005 and 09/07/2006
Expiry date	09/07/2008
Strike price	€69
Number of options outstanding at 1 January 2005	515,280
Number of options granted during the year	-
Number of options cancelled during the year	63,738
Number of options exercised during the year	9,792
Number of options expired during the year	-
Number of options outstanding at 30 June 2005	467,010
Number of options outstanding at 31 December 2005	441,750

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

6.4.3 Fair value of stock options

In accordance with IFRS 2, only stock options granted after 7 November 2002 are taken into account in determining staff costs relating to stock option grants. The option fair values used to measure these costs are as follows:

Grant date		18/12/2002	02/03/2004	23/04/2005
Option fair value	France	€23.50	€23.40	€23.50
	Foreign	€21.60	€21.70	€21.40

6.5 Off-balance sheet commitments

6.5.1 Lease commitments

At 31 December 2005, minimum future lease payments on non-cancellable operating leases were as follows:

in thousands of euros	31/12/2005
Less than 1 year	9,276
Between 1 and 5 years	29,318
Over 5 years	8,950
TOTAL	47,544

Operating leases mainly relate to administrative premises. All of these premises are used by the Ipsos group (except as mentioned in Note 5.9 - Non-current provisions), and may be sub-let.

6.5.2 Finance lease commitments

The value of future payments on the debt portion of finance leases, and on leased assets recognised as acquisitions, are as follows:

in thousands of euros	31/12/2005
Less than 1 year	1,292
Between 1 and 5 years	603
Over 5 years	-
TOTAL	1,894

Finance leases mainly concern IT hardware.

6.5.3 Acquisition-related commitments

MORI

Ipsos has provided a guarantee of the value of shares issued as consideration for the MORI acquisition up to a maximum of €1 million. This guarantee constitutes an off-balance sheet commitment.

Other acquisition-related commitments

Commitments to buy out minority interests, deferred payments and earn-out payments that are discounted and recognised as non-current liabilities at 31 December 2005 break down as follows:

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

in thousands of euros	≤ 1 year	1-3 years	3 -5 years	Total
Commitments to buy out minority interests				
Europe (Ipsos Sweden, Ipsos Brussels, IIS Europe, Ipsos Estudios Internacionales, Ipsos DOM and subsidiaries, Ipsos Public Affairs Italy)	987	6,407	755	8,149
Latin America (BIMSA, Ipsos CCA and subsidiaries, Ipsos Search Marketing, Ipsos Hispania, Ipsos Opinion Brazil, Ipsos ASI Colombia and Napoleon Franco)	1,810	13,722	942	16,474
Asia-Pacific (Ipsos Asia, Ipsos China, Ipsos Korea, Ipsos Thailand)	3,292	12,968	2,735	18,994
Sub-total	6,088	33,097	4,432	43,617
Deferred payments and earn-out payments				
Europe (Novaction and subsidiaries, F Squared, IMRI, MORI, Test Research)	1,967	680	65	2 711
North America (Understanding Unlimited, Descarie, Shifrin, Marketing Metrics)	2,791	2,494	3,013	8,297
Latin America (Publimétrica, Hispania, Napoleon Franco, Mora y Araujo)	1,237	506	74	1,818
Asia-Pacific (Novaction Australia, TQA Research, Mackay, JSR, GDMR, Partner)	4,435	4,038	-	8,473
Sub-total	10,430	7,717	3,152	21,299
TOTAL	16,519	40,814	7,584	64,917

6.5.4 Other commitments and litigation

The Group is not involved in any significant litigation.

No Group assets are pledged.

6.6 Average headcount

Fully consolidated companies	Average permanent headcount at 31/12/05	Average permanent headcount at 31/12/04
Europe	2,446	2,146
North America	1,337	1,241
Latin America	701	558
Rest of the world	959	715
TOTAL	5,442	4,660

6.7 Related-party transactions

6.7.1 Relations with LT Participations

LT Participations is Ipsos' holding company and fully consolidates Ipsos' financial statements.

There are no transactions between Ipsos and LT Participations.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

6.7.2 Associates

Associates are companies in which Ipsos owns a stake of between 20% and 50% and over which it exerts notable influence. Associates are accounted for under the equity method.

Transactions with associates take place on the basis of market prices.

Transactions with related parties were not material in 2005.

6.7.3 Related parties with notable influence over Ipsos

There are no transactions with any member of the management bodies or with any shareholder owning more than 5% of Ipsos SA's capital that is other-than-ordinary.

6.7.4 Executive compensation

6.7.4.1. Compensation paid to Executive Committee members

Compensation (including benefits in kind and bonuses) paid to the 8 Executive Committee members between 1 January and 31 December 2005, along with attendance fees paid to independent directors, was as follows:

Compensation paid to members	31/12/2005		31/12/2004	
	Compensation	Attendance fees	Compensation	Attendance fees
Governing, executive and supervisory bodies	2,691	60	3,129	47,5
TOTAL	2,691	60	3,129	47,5

6.7.4.2 Options granted to and exercised by Executive Committee members

Year ended 31 December 2005

Executive	Options granted during 2005			Options exercised during 2005	
	Number of options (number of shares that may be bought by exercising options)	Strike price (euros)	Expiry date	Number of shares bought	Strike price
Didier Truchot	None	-	-	1,134	67
Jean-Marc Lech	None	-	-	1,134	67
Carlos Harding	None	-	-	None	-
Simon Kooyman	None	-	-	666	67
				3,456	69
				Total: 4,122	
Laurence Stoclet	None	-	-	150	22,87
Henri Wallard	None	-	-	None	-
Pierre Le Manh	10,000		April 2013	None	-
Jim Smith	None			None	-
Gustavo Lohfeldt	None			383	67
TOTAL	10,000	83	April 2013	6,923	67,04

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Year ended 31 December 2004

Executive	Options granted during 2005			Options exercised during 2005	
	Number of options (number of shares that may be bought by exercising options)	Strike price (euros)	Expiry date	Number of shares bought	Strike price
Didier Truchot	None	-	-	2,600	22,87
Jean-Marc Lech	None	-	-	2,600	22,87
Carlos Harding	None	-	-	3,200	22,87
Jean-Michel Carlo	None	-	-	None	-
Simon Kooyman	None	-	-	None	-
Laurence Stoclet	None	-	-	160	22,87
Henri Wallard	None	-	-	None	-
TOTAL				8,560	22,87

6.8 Post-balance sheet events

The main post-balance sheet event was the acquisition on 8 February 2006 of 100% of Canadian company Camelford Graham, which specialises in high-value-added qualitative surveys, for a consideration of CAD 12 million.

7 IFRS TRANSITION

7.1 Impact of the first-time adoption of IFRS

7.1.1 Basis for preparing IFRS financial information

In accordance with European regulation 1606/2002 of 19 July 2002 on the adoption of IFRSs, Ipsos' consolidated financial statements for the period ended 31 December 2005 comply with IAS/IFRS standards applicable at 31 December 2005, as approved by the European Union. The first set of IFRS-compliant financial statements concern the 2005 financial year, and contain comparative 2004 figures prepared according to the same standards.

As regards these comparative figures, Ipsos prepared an opening balance sheet at 1 January 2004 in accordance with IFRS 1 "First-time Adoption of International Financial Reporting Standards". Transition effects on this date were taken to equity. The Group also prepared 2004 financial statements in accordance with IAS/IFRS standards applicable at 31 December 2005, as anticipated by Ipsos.

7.1.2 Presentation of standards and interpretations applied when preparing IFRS financial information

2004 IFRS financial information was prepared using the same basis of preparation as that used for published financial statements for the period ended 31 December 2005, i.e. in accordance with standards and interpretations applicable at 31 December 2005, as adopted by the European Union.

As a result, the accounting principles applied when preparing 2004 financial information were the same as those described in the note on accounting principles accompanying the consolidated financial statements for the period ended 31 December 2005 contained in this document.

It should be noted that Ipsos decided to apply IAS 32 and 39 on financial instruments starting with its 2004 financial statements.

In addition, while waiting for IASB or IFRIC decisions on certain issues not yet dealt with by existing standards, Ipsos selected the following options:

- When recognising acquisitions of minority interests, goodwill is recorded as the difference between the purchase price of the minority interests and the proportion of the non-revalued net assets acquired.
- Commitments to buy out minority interests in fully consolidated subsidiaries are recognised in accordance with IAS 32 as other non-current liabilities and at the discounted value of the buyout amount.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

While waiting for the IASB or IFRIC to take a position, and consistent with Ipsos' treatment of acquisitions of minority interests, Ipsos recognises the difference between the book value of minority interests and the discounted value of the buyout amount on initial recognition of these options, and recognises any subsequent change in this discounted value with a balancing entry under goodwill.

7.1.3 Description of options relating to the first-time adoption of IFRS

IFRS 1 "First-time adoption of IFRS" sets out rules for establishing the opening balance sheet under IFRS. The general principle is to apply standards and interpretations applicable at 31 December 2005 retrospectively, with the impact of changes in accounting principles recorded under retained earnings at the transition date, i.e. 1 January 2004.

Due to the practical difficulties of full retrospective application, IFRS 1 specifies certain optional exceptions to the general principle of retrospective adjustment. Ipsos selected the following options:

7.1.4 Business combinations

In accordance with the first-time adoption principles specified by IFRS 1, the Group has opted for retrospective adjustment of business combinations. This option simulates the retrospective application of IFRS 3 "Business combinations", IAS 38 "Intangible assets" and IAS 36 "Impairment of assets" on all business combinations taking place since the date set by the Group (1 January 1997, since Ipsos did not amortise goodwill before this date).

7.1.5 Share-based payments

Ipsos applied IFRS 2 "Share-based payment" only to stock options granted after 7 November 2002 and non-vested at the start of the period.

7.1.6 Translation differences

As part of the first-time adoption of IFRS, the Group decided to reset to zero the translation differences relating to the consolidation of subsidiaries in foreign currencies, with a balancing entry to consolidated reserves at 1 January 2004.

7.1.7 Actuarial gains or losses on pension liabilities

Ipsos formerly took all actuarial gains or losses to income according to French GAAP. As a result, the option relating to actuarial gains or losses on first-time adoption is not available to Ipsos. However, the Group opted for the corridor method of recognising actuarial gains or losses after 1 January 2004 in its IFRS-compliant financial statements.

7.1.8 Measurement of certain items of property, plant and equipment and intangible assets at fair value

Ipsos decided not to use the option available under IFRS 1 to measure certain items of property, plant and equipment and intangible assets at fair value at 1 January 2004.

For all other IFRSs, the adjustment of opening asset and liability values at 1 January 2004 was carried out retrospectively, simulating the situation that would have existed had IFRSs applicable at 31 December 2005 always been applied.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

7.2 Impact on the 2004 income statement

amount in thousands of euros	2004 French GAAP	Restructuring provisions	Revenue recognition	Goodwill amor- tisation	Deferred tax liabilities on goodwill	Stock options	Earn-out reclassified as staff costs(1)	Errors concerning previous periods	Misce- llaneous adjustments	2004 IFRS
Revenues	605,594		(960)							604,634
Direct costs	(250,670)		1,491							(249,179)
GROSS PROFIT	354,924		531							355,455
GROSS MARGIN	58.61%		(55.4%)							58.79%
Staff costs (excluding share-based compensation)	(207,511)	(282)	16				(474)	(397)	(47)	(208,695)
Staff costs (excluding share-based compensation)						(1,068)			0	(1,068)
General operating expenses	(94,507)		792					0	(425)	(94,140)
Other income and expenses, net	1,772	(2,390)								(618)
Total operating expenses	(300,246)	(2,672)	807	0	0	(1,068)	(474)	(397)	(472)	(304,521)
OPERATING PROFIT	54,678	(2,672)	1,338	0	0	(1,068)	(474)	(397)	(472)	50,934
Other income and expenses, net	(3,898)								77	(3,821)
Financing expenses	(8,151)									(8,151)
PRE-TAX PROFIT	42,629	(2,672)	1,338			(1,068)	(474)	(397)	(395)	38,962
Income tax	(9,069)	161	(583)		(2,259)		128	(1,381)	24	(12,979)
AFTER-TAX PROFIT OF CONSOLIDATED COMPANIES	33,560	(2,511)	755	0	(2,259)	(1,068)	(345)	(1,778)	(371)	25,983
Goodwill amortisation	(18,906)			18,906						0
TOTAL NET PROFIT	14,654	(2,511)	755	18,906	(2,259)	(1,068)	(345)	(1,778)	(371)	25,983
Attributable to minority interests	(2,972)		(327)					48	(23)	(3,275)
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	11,682	(2,511)	428	18,906	(2,259)	(1,068)	(345)	(1,731)	(394)	22,708

(1) The impact of earn-out payments reclassified as staff costs on the balance sheets at 1 January 2004 and 31 December 2004 is stated in the "other adjustments" column.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

7.3 Impact on shareholders' equity

	31/12/2004			01/01/2004		
	Total	Group	Minorities	Total	Group	Minorities
Shareholder's equity (French GAAP)	201,605	193,908	7,697	198,428	190,527	7,901
Restructuring provisions	(6,734)	(6,734)	-	(4,554)	(4,554)	-
Goodwill amortisation	80,720	80,720	-	63,836	63,836	-
Buyout of minority interests	(5,494)	-	(5,494)	(5,494)	-	(5,494)
Goodwill in foreign currencies	(23,528)	(23,528)	-	(19,821)	(19,821)	-
Deferred tax liabilities on goodwill	(8,257)	(8,257)	-	(6,682)	(6,682)	-
Revenue recognition	(525)	(433)	(92)	(1,013)	(594)	(419)
Errors relating to previous periods	(548)	(500)	(48)	1,226	1,226	-
Various adjustments/ reclassifications	(3,807)	(3,170)	(637)	(4,285)	(3,683)	(602)
Shareholders' equity (IFRS)	233,432	232,006	1,426	221,641	220,255	1,386

7.4 Impact on the cash flow statement

Under French GAAP, the cash flow statement broke down movements in cash from one year to the next.

In accordance with IAS 7, the cash flow statement now breaks down movements in cash and equivalents (i.e. cash and short-term money-market investments).

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

7.5 Impact on the balance sheet

7.5.1 Balance sheet at 1 January 2004

amount in thousands of euros	01/01/2004 French GAAP	Restructuring provisions	Goodwill amortisation	Buyouts of minority interests	Revenue recognition	Foreign- currency goodwill	Deferred tax liabilities on goodwill	Errors concerning previous periods	Stock options	Misce- llaneous adjustments	Reclassification 01/01/2004 IFRS
FIXED ASSETS											
<i>Intangible assets</i>											
Start-up costs	311		(311)								10 088
Other intangible assets	10 285									(197)	359 545
Goodwill	294 603	(8 501)	63 836	30 588		(19 821)				(1 160)	18,689
Property, plant and equipment	17,535									1,154	
<i>Long-term investments</i>											
Non-consolidated equity holdings	141										141
Shares in equity affiliates	287										287
Other long-term investments	3,098										3,098
TOTAL FIXED ASSETS	326,260	(8,501)	63,836	30,588		(19,821)				(514)	391,848
<i>Inventories and work in progress</i>											
Miscellaneous supplies	340										340
Surveys in progress	9,873				(356)						9,517
<i>Receivables</i>											
Trade receivables	160,228				(1,082)						159,146
Other receivables	22,760									2,345	25,105
Marketable securities	2,459									(422)	2,037
Cash	31,175										31,175
TOTAL CURRENT ASSETS	226,835		(1,438)		(1,438)					1,923	227,320
<i>Accruals</i>	17 537				380					(5 244)	12 673
TOTAL ASSETS	570 632	(8 501)	63 836	30 588	(1 058)	(19 821)				(3 835)	631 844

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

amount in thousands of euros	01/01/2004 French GAAP	Restructuring provisions	Goodwill amortisation	Buyouts of minority interests	Revenue recognition	Foreign- currency goodwill	Deferred tax liabilities on goodwill	Errors concerning previous periods	Stock options	Misce- llaneous adjustments	Reclassification 01/01/2004 IFRS
SHAREHOLDERS' EQUITY											
Share capital	7,048										7,048
Share premiums	175,045										175,045
Other reserves	14,450	(4,554)	63,836		(594)		(6,682)	1,226	(493)	(42,192)	25,633
Reserves relating to share-based payments								493			493
Translation differences	(18,052)					(19,821)				37,873	
Profit for the period attributable to equity holders of the parent	12,036										12,036
Shareholders' equity attributable to equity holders of the parent	190,527	(4,554)	63,836		(594)	(19,821)	(6,682)	1,226	(0)	(4,319)	220,255
Consolidated reserves, minority interests	5,106			(5,494)	63					34	(291)
Profit for the year, minority interests	2,795				(482)					(636)	1,677
Minority interests	7,901			(5,494)	(419)				34	(636)	1,386
TOTAL SHAREHOLDERS' EQUITY	198,428	(4,554)	63,836	(5,494)	(1,013)	(19,821)	(6,682)	1,226		(4,285)	221,641
Provisions for liabilities and charges	21,283	(3,947)					6,682	(1,226)		80	22,872
Borrowings and debt	182,429									997	183,426
Other debt											
Advances and progress payments from customers	4,654										4,654
Trade payables	69,013				(45)						68,968
Tax and employment- related liabilities	54,360									1,830	56,190
Miscellaneous liabilities	23,859			36,082						1	59,942
TOTAL DEBTS	151,886			36,082	(45)					4,831	189,754
Accruals	16,606									(2,458)	14,148
TOTAL LIABILITIES	570,632	(8,504)	63,836	30,588	(1,058)	(19,821)	(3,835)				631,841

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

7.5 Impact on the balance sheet 31/12/2004

7.5.2 Balance sheet at 31 December 2004

amount in thousands of euros	01/01/2004 French GAAP	Restructuring provisions	Goodwill amortisation	Buyouts of minority interests	Revenue recognition	Foreign- currency goodwill	Deferred tax liabilities on goodwill	Errors concerning previous periods	Stock options	Misce- llaneous adjustments	Reclassification 01/01/2004 IFRS	
NON-CURRENT ASSETS												
Goodwill	291,117	(9,434)	80,720	30,363	(23,528)					(990)	16	368,264
Start-up costs	276									(276)		-
Other intangible assets	11,374									(167)	(26)	11,181
Property, plant and equipment	19,121									1,491	(18)	20,594
Shares in equity affiliates	288											288
Other long-term investments	6,899							12				6,911
Deferred tax assets	10,741	(161)					(21)	(452)	67		(97)	10,077
TOTAL NON-CURRENT ASSETS	339,816	(9,595)	80,720	30,363	(23,528)		(21)	(452)	125		(113)	447,315
CURRENT ASSETS												
Inventories and work in progress	8,956						(356)				43	8,643
Trade receivables	186,759						(600)		50		510	186,719
Other current assets	38,465								(5,769)		33	32,729
Cash and equivalents	32,615								(177)		(1)	32,437
TOTAL CURRENT ASSETS	266,795						(956)		(5,896)		585	260,528
TOTAL ASSETS	606,611	(9,595)	80,720	30,363	(23,528)		(977)	(452)	(5,771)		472	677,843
SHAREHOLDERS' EQUITY												
Share capital	7,099											7,099
Share premiums	216,177											216,177
Own shares	(39,835)											(39,835)
Retained earnings, other reserves	20,054	(4,296)	63,841			(6,682)	(847)	1,228	(493)	(40,939)	580	32,446
Reserves related to share-based payments												1,561

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

amount in thousands of euros	01/01/2004 French GAAP	Restructuring provisions	Goodwill amortisation	Buyouts of minority interests	Revenue recognition	Foreign- currency goodwill	Deferred tax liabilities on goodwill	Errors concerning previous periods	Stock options	Misce- llaneous adjustments	Reclassification 01/01/2004 IFRS
Translation differences	(21 269)	73	(2,027)		(23,528)	684	(14)	3		37,928	(8,150)
Profit (loss) for the period	11 682	(2,511)	18,906			(2,259)	429	(1,731)	(1,068)	(770)	31
Consolidated reserves, minority interests	4,725			(5,494)			(419)			19	(680)
Profit for the year, minority interests	2 972						327	(48)		24	3,275
TOTAL SHAREHOLDERS' EQUITY	201,605	(6,734)	80,720	(5,494)	(23,528)	(8,257)	(525)	(548)	(3,738)	(69)	233,432
NON-CURRENT LIABILITIES											
Interest-bearing borrowings	164,073								(1,064)		163,009
Non-current provisions	9,551	(2,861)							(1,860)		4,110
Deferred tax liabilities	7,714					8,257			350	83	16,404
Employee benefits	7,650								432	(66)	8,016
Other non-current liabilities	28,631			35,857					(578)	222	64,132
TOTAL NON-CURRENT LIABILITIES	217,619	(2,861)	80,720	35,857	(23,528)	8,257	(525)	(548)	(2,720)	(484)	255,671
CURRENT LIABILITIES											
Trade payables	83,534						(382)			103	83,495
Short-term interest- bearing borrowings	26,824									1 750	28,574
Current tax	2,635										2,635
Other current liabilities	74,394						(70)	96		(1,166)	73,940
TOTAL CURRENT LIABILITIES	187,387						(452)	96		687	188,740
TOTAL LIABILITIES	606,611	(9,595)	80,720	30,363	(23,528)	-	(977)	(452)	-	(5,771)	677,843

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

7.6. Main adjustments

The adoption of IFRSs has led to a small number of changes in the Group's accounting principles. At the time of its IPO in 1999, Ipsos adjusted its accounting principles in order to apply almost all of the preferred rules of French regulation 99-02 with a view to the adoption of IFRS. The main areas of significant impact are as follows:

7.6.1 Goodwill (IFRS 1 and IFRS 3)

Ipsos opted to restate acquisitions before 1 January 1997 and 1 January 2004 in accordance with IFRS 3, IAS 38 and IAS 36.

The retrospective application of IFRS 3 to acquisitions carried out after 1 January 1997 involves considering whether the method used to determine the acquisition cost and allocate this cost to identifiable assets and liabilities is IFRS-compliant, adjusting this allocation as required and identifying the impact of these adjustments on items still present on the balance sheet on the date of first-time adoption, i.e. 1 January 2004.

As a result, the implementation of this option mainly led to the following four types of adjustment:

- Translation adjustments are now calculated using period-end exchange rates, whereas previous standards allowed the use of historical exchange rates.

Goodwill arising from the acquisition of foreign companies was converted into euros at historical exchange rates in French GAAP consolidated financial statements. In accordance with IAS 21 "Effects of changes in foreign exchange rates", Goodwill is now converted into euros on the basis of the period-end exchange rate. The impact of this difference is a €19.8 million reduction in consolidated shareholders' equity at 1 January 2004 (€23.5 million at 31 December 2004).

- Some restructuring provisions that were booked in accordance with French GAAP but that do not comply with the principles set out in IFRS 3 are eliminated.

The impact of eliminating these provisions, with a balancing entry in shareholders' equity, is €4.6 million in the opening balance sheet at 1 January 2004 (€6.7 million at 31 December 2004).

- Goodwill amortisation recognised since 1997 is cancelled.

The impact of this adjustment is a €63.8 million increase in consolidated shareholders' equity at 1 January 2004. This difference applies to all Group goodwill as of 1 January 2004. Goodwill will no longer be amortised from this date. As a result, the adjustment also results in a €18.9 million increase in 2004 net profit and a €80.7 million increase in consolidated shareholders' equity at 31 December 2004.

- Deferred tax liabilities are recognised on Goodwill on which amortisation is tax-deductible under local rules (mainly the USA).

The cancellation of goodwill amortisation recognised prior to 1 January 2004, following the adjustment of business combinations, led to the recognition of €6.7 million of deferred tax liabilities at 1 January 2004 (€8.3 million at 31 December 2004).

Taking into account these various adjustments, goodwill increased by €34.4 million to €329.0 million at 1 January 2004 in the IFRS financial statements, excluding the impact of commitments to buy minority interests, as opposed to €294.6 million under French GAAP at end-2003.

As a balancing entry, shareholders' equity was increased by €32.8 million at 1 January 2004.

7.6.2 Translation differences (IFRS 1)

IFRS 1 allows Ipsos to avoid reconstituting cumulative deferred translation adjustments retrospectively at 1 January 2004. The adoption of this optional treatment has no impact on opening shareholders' equity. This is because it consists of a reclassification within shareholders' equity, of €37.9 million between deferred translation differences and consolidated reserves, on the transition date.

However, as a result of this adjustment, in the event of a future disposal of a business or subsidiary whose operating currency is not the euro, the disposal proceeds will not take into account translation differences generated prior to 1 January 2004.

7.6.3 Commitments to buy out minority interests (IAS 32)

Ipsos has given commitments to shareholders in fully consolidated subsidiaries to acquire their interests in these companies.

Under French GAAP, these commitments were disclosed in a note under off-balance sheet items if the commitment could be quantified.

3.2 CONSOLIDATED FINANCIAL STATEMENTS - NOTES

Under IFRS, while waiting for an IFRIC/IASB position on the matter, the provisional accounting treatment used by Ipsos, in accordance with IFRSs in force, is as follows: the commitment (i.e. the present value of the buyout amount) is recognised as a non-current liability, with a balancing entry under minority interests and the remainder being recorded under goodwill.

At 1 January 2004, the recognition of commitments to buy out minority interests resulted in the following main impacts on the opening balance sheet:

- a €36.1 million increase in non-current liabilities;
- a €5.5 million reduction in minority interests and a €30.6 million increase in goodwill.

At 31 December 2004, taking into account changes in the present value of buyout commitments, the impact of commitments to buy out minority interests was as follows:

- a €35.9 million increase in non-current liabilities, i.e. €0.2 million less than at 1 January 2004;
- a €30.4 million increase in goodwill, i.e. €0.2 million less than at 1 January 2004.

7.6.4 Share-based compensation (IFRS 2)

A €1.1 million share-based compensation expense was recognised in the income statement for the period ended 31 December 2004. This impact is presented on a separate line of the income statement. Since this charge does not represent a cash outflow, and since its balancing entry is in consolidated reserves, the application of this standard has no net impact on shareholders' equity at 1 January 2004 or 31 December 2004.

7.6.5 Error relating to the prior period

A deferred tax liability of €1.2 million had been recognised at 1 January 2004, but was not justified.

In 2004, it was released to income, as permitted under French GAAP, whereas IFRSs require it to be taken directly to equity.

A €0.5 million deferred tax asset on used tax loss carryforwards was cancelled following the revision of the concerned subsidiary's tax loss carryforwards after the balance-sheet date.

A subsidiary's 2004 employee profit-sharing charges were revised upward by €0.1 million.

Overall, the impact of error corrections on the 2004 income statement was a net €1.8 million.

7.6.6 Revenue recognition

The method of recognising the revenues of some subsidiaries (Mexico, Brazil, Poland) was previously not entirely consistent with Ipsos' rules, and was brought into line with these rules at the time of first-time adoption of IFRS. This adjustment led to a €1 million reduction in revenues and a €0.4 million increase in net profit attributable to equity holders of the parent.

3.3 PARENT COMPANY FINANCIAL STATEMENTS

STATUTORY AUDITORS' GENERAL REPORT

PARENT COMPANY FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2005

To the Shareholders,

In accordance with the terms of our appointment at your Annual Meetings, we hereby submit our report for the year ended 31 December 2005 on:

- our audit of the annual accounts of Ipsos as attached to this report,
- substantiation of our opinion,
- specific verifications and information required by law.

The annual accounts are the responsibility of the Board of Directors. Our responsibility is to express an opinion on them based on our audit.

I. OPINION ON THE ANNUAL ACCOUNTS

We conducted our audit in accordance with the prevailing standards of the profession in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual accounts give a true and fair view, according to French accounting principles, of the results of operations for the year ended 31 December 2005 and of the financial situation and assets of the company at that date. Without prejudice to the opinion expressed above, we would draw your attention to note 1 to the financial statements, which sets out changes to accounting policies resulting from the first-time application, as of 1 January 2005, of CRC regulation 2002-10 relating to the depreciation and impairment of assets and CRC regulation 2004-06 relating to the definition, recognition and measurement of assets.

II. SUBSTANTIATION OF OUR OPINION

Pursuant to the provisions of Article L.832-9 of the Commercial Code concerning substantiation of our opinion, we bring to your attention the following items of information:

- In our assessment of the accounting rules and principles applied by your company, we investigated the basis for the changes in accounting policy mentioned in the first part of this report and the presentation of these changes.
- Note 1.2 "long-term investments" sets out accounting policies relating to long-term investments. As part of our assessment of the accounting principles applied by your company, we verified the appropriateness of the accounting policies mentioned above and of the information provided in the notes.

These assessments formed part of our audit of the parent company financial statements as a whole, and therefore contributed to the formation of our opinion, expressed without reserve, in the first section of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also carried out the specific verifications required by law in accordance with the professional standards that apply in France.

We are also satisfied that the information given in the Board of Directors' report and in the documents provided to shareholders concerning the financial situation and parent company accounts is fairly stated and agrees with the parent company accounts.

As required by law, we have satisfied ourselves that information relating to the identity of owners of capital and voting rights has been provided to you in the Management Report.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2006

The Statutory Auditors

Ernst & Young Audit

Deloitte & Associés

François VILLARD

Michel SELLIER

PARENT COMPANY FINANCIAL STATEMENTS

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3.3 PARENT COMPANY FINANCIAL STATEMENTS

PRELIMINARY NOTE

Total assets at 31 December 2005, before the appropriation of net profit, were €636,684,668.08.

The 2005 income statement presented in list form shows a profit of €6,751,306.

The notes and tables form an integral part of the parent company financial statements for the period ended 31 December 2005.

Significant events taking place in 2005 were as follows:

- Ipsos SA increased its capital by issuing 42,006 new shares in response to employees' exercising stock options.
- On 5 November 2005, Ipsos SA carried out a capital increase by issuing 1,250,000 new shares for cash following the MORI acquisition, in order to strengthen shareholders' equity.
- Ipsos SA also increased its capital by issuing 74,412 shares as part-payment for the ori acquisition.
- Ipsos SA arranged a new 7-year, €210 million syndicated loan in October 2005.
- Ipsos SA acquired 100% of UK-based MORI Group Ltd.
- Changes affecting Ipsos SA's equity interests in 2005 were as follows:
 - earn-out payment relating to Ipsos Novaction SA
 - buyout of a 3.6% minority interest in Ipsos Brussels
 - capital increases at Ipsos Caribbean and Central America
 - repayment of purchase price relating to the German division
 - buyout of minority interests in Ipsos Imri Holding AB and Ipsos Sweden
 - earn-out payment relating to Ipsos Central Eastern Europe Ltd
 - creation of Ipsos Suisse

3.3 PARENT COMPANY FINANCIAL STATEMENTS

BALANCE SHEET - ASSETS

amount in euros	Gross	31/12/2005 Depreciation	Net	31 /12/2004 Net
Share capital subscribed but not called				
INTANGIBLE ASSETS				
Start-up costs				
Research and development costs				
Concessions, patents and similar rights	43,067	43,067		166,740
Business goodwill				
Other intangible assets				
Advances and progress payments on intangible assets				
PROPERTY, PLANT AND EQUIPMENT				
Land				
Buildings				
Technical installations, plant and equipment				
Other property, plant and equipment				
Fixed assets in progress				
Advances and progress payments				
LONG-TERM INVESTMENTS				
Companies accounted for by the equity method				
Other equity interests	253,151,454	87,661	253,063,791	226,385,865
Receivables from equity interests	237,281,169	506,393	236,774,776	124,120,107
Other long-term investment securities				
Loans				
Other long-term investments	27,885,152		27,885,152	39,842,183
FIXED ASSETS	518,360,841	637,121	517,723,719	390,514,895
INVENTORIES AND WORK IN PROGRESS				
Raw materials and supplies				
Work in progress - goods				
Work in progress - services				
Semi-finished and finished goods				
Goods bought for resale				
Advances and progress payments made				
RECEIVABLES				
Trade receivables	12,576,475		12,576,474	10,317,675
Other receivables	63,743,882	14,022	63,729,859	16,850,694
Share capital subscribed and called, but not paid up				
OTHER ITEMS				
Marketable securities (of which own shares 11,290,109)	36,218,142	66,737	36,151,406	178,522
Cash	4,242,837		4,242,837	611,489
ACCRUALS				
Prepaid expenses	43,250		43,250	61,296
CURRENT ASSETS	116,824,586	80,759	116,743,826	28,019,677
Deferred expenses	1,888,320		1,888,320	2,851,115
Bond redemption premium				
Positive translation differences	328,801		328,801	1,517,546
TOTAL	637,402,548	717,880	636,684,668	422,903,232

3.3 PARENT COMPANY FINANCIAL STATEMENTS**BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY**

amount in euros	31/12/2005	31 /12/2004
Authorised capital (of which paid-up: 8,465,836)	8,465,836	7,099,418
Share premiums	336,829,712	216,177,245
Revaluation reserve (including equity accounting reserve)		
Legal reserve	709,942	704,796
Reserves required under the articles of association or contractually	49,654	49,654
Regulated reserves	-	4,214
Other reserves	4,214	
Retained earnings	16,536,607	17,610,189
Profit (loss) for the year	6,751,306	6,603,425
Investment subsidies		
Regulated provisions		
SHAREHOLDERS' EQUITY	369,347,271	248,248,940
Proceeds from issues of equity securities		
Conditional advances		
OTHER EQUITY		
Provisions for liabilities	-	1,069,020
Provisions for charges		
PROVISIONS FOR LIABILITY AND CHANGES	-	1,069,020
CONVERTIBLE BONDS		
Other bonds	77,324,828	66,430,585
Bank borrowings	181,067,190	102,312,877
Miscellaneous debt	396,849	746,164
Advances and progress payments received		
ACCOUNTS PAYABLE		
Trade payables	4,341,995	978,153
Tax and employment-related liabilities	479,461	204,471
OTHER LIABILITIES		
Amounts payable on fixed assets and related accounts	2,213,818	1,485,511
Miscellaneous liabilities	411,712	978,985
ACCRUALS		
Deferred income		
LIABILITIES	266,235,853	173,136,748
Negative translation differences	1,101,542	448,526
TOTAL	636,684,668	422,903,233
Profit for the year (in euros)	6,751,306.14	6,603,424.63
Total assets (in euros)	636,684,668.08	422,903,232.82

3.3 PARENT COMPANY FINANCIAL STATEMENTS

INCOME STATEMENT (IN LIST FORM)

amount in euros	France	Export	31/12/2005	31/12/2004
Sales of services	151,858	29,702	181,560	147,895
NET REVENUES	151,858	29,702	181,560	147,895
Other income			13,247,055	11,606,046
OPERATING INCOME			13,428,616	11,753,941
Other purchases and external expenses			5,918,501	1,930,320
Taxes other than income tax			78,077	68,476
Wages and salaries			1,070,433	818,402
Social security charges			368,624	250,342
DEPRECIATION, AMORTISATION AND PROVISIONS - OPERATING ITEMS				
On fixed assets: depreciation and amortisation			303,442	1,207,530
On current assets: additions to provisions			-	1,693
Other charges			68,000	47,500
OPERATING EXPENSES			7,807,078	4,324,263
OPERATING PROFIT			5,621,537	7,429,677
Income from equity interests			5,474,606	2,750,195
Other interest and similar income			6,223,086	5,497,410
Releases of provisions and expense transfers			1,079,839	255,259
Positive translation differences			1,316,284	235,191
Net proceeds from disposals of marketable securities			57,940	444,087
FINANCIAL INCOME			14,151,756	9,182,141
Depreciation, amortisation and provisions - financial items			-	1,069,020
Interest and similar expenses			9,810,149	8,674,175
Negative translation differences			677,582	1,013,124
FINANCIAL EXPENSES			10,487,731	10,756,320
NET FINANCIAL INCOME (EXPENSES)			3,664,025	(1,574,178)
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX			9,285,562	5,855,499
Exceptional income - non-capital transactions			53,193	-
Exceptional income - capital transactions			32,780,876	3,149,271
EXCEPTIONAL INCOME			32,834,069	3,149,271
Exceptional expenses - non-capital transactions			1,430,119	565,516
Exceptional expenses - capital transactions			32,780,876	1,747,908
Exceptional depreciation, amortisation and provisions				249
EXCEPTIONAL EXPENSES			34,210,995	2,313,674
NET EXCEPTIONAL ITEMS			(1,376,926)	835,597
Corporate income tax			1,157,330	87,672
PROFIT FOR THE YEAR			6,751,306	6,603,425

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

1 ACCOUNTING RULES AND POLICIES

The financial statements for the year ended 31 December 2005 were drawn up in accordance with current French legislation and regulations. Most of these accounting rules are set out in the French Commercial Code, the decree of 23 November 1983, and CRC regulation 99-03 of 29 April 1999 relating to the General Accounting Plan.

The new CRC regulations 2002-10 and 2004-06 relating to assets were applied as of the 2005 accounting period. Changes in policies resulting from the first-time application of these regulations have been treated retrospectively in accordance with article 314-1 of the General Accounting Plan. In accordance with these new regulations, capitalised trademark registration costs and securities purchase costs formerly recognised as deferred charges and amortised over five years have since 2005 been recognised directly as expenses for the period in Ipsos SA's financial statements. This change in policy resulted in a €0.2 million impact on capitalised trademark registration costs and a €1.8 million impact on securities purchase costs at 1 January 2005. The after-tax amount of €1.3 million was recorded as a balancing entry under retained earnings.

The application of this change of policy at 1 January 2004 would have had the following impact on the 2004 financial statements:

- cancellation of deferred expenses on securities purchase costs (€0.9 million)
- recognition of securities purchase costs under expenses for the year (€0.6 million)
- cancellation of amortisation of trademark registration costs (€0.04 million)
- recognition of trademark registration costs under expenses for the year (€0.2 million)
- reduction in shareholders' equity at 1 January 2004 (€1.4 million after tax).

Generally accepted accounting conventions have been applied in accordance with the principle of prudence and with the basic accounting concepts of going concern, consistency of accounting methods from one period to the next (with the exception of new CRC regulations 2002-10 and CRC 2004-06 relating to assets), and independence of accounting periods, and pursuant to the general rules for preparing and presenting annual accounts.

The basic method used for the valuation of items recorded in the accounts is the historical cost method. The main accounting methods used are as follows:

1.1. Intangible assets and property, plant and equipment

Intangible and tangible fixed assets are measured at purchase price.

Depreciation and amortisation is calculated using the straight-line method over the following estimated useful lives:

- | | |
|---------------------------------|------------|
| - software | 1-3 years |
| - fixtures and fittings | 10 years |
| - office and computer equipment | 1-3 years |
| - office furniture | 5-10 years |

1.2. Long-term investments

Long-term investments are shown at purchase price less incidental costs.

Receivables from equity interests include medium and long-term loans, and advances available for consolidation and due to be capitalised in the future, granted to companies in which Ipsos owns an equity interest.

Equity interests are subject to an overall revaluation at each year-end to ensure that their net book value does not exceed their recoverable value, i.e. the higher of fair value or value in use.

Fair value may be based on revenue and earnings multiples applied to recent transactions, taking into account sales, past or projected profit margins, and economic, financial or sector factors.

Value in use is the discounted value of future cash flows. Estimates are derived from the forecasting database used for budgets and business plans drawn up by the management. The discount rate applied reflects the rate of return required by investors and the risk premium specific to the Group's business. The perpetual growth rate applied depends on the geographical region.

Ipsos only makes acquisitions in the field of research studies. Consequently, the Group acquires service sector companies, whose value is not estimated on the basis of their tangible assets, but on the basis of their current and future posi-

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

tion in the research market, in terms of their ability to generate profits and take advantage of the experience gained in this business.

Equity securities purchase costs are expensed.

1.3. Receivables

Receivables are shown at face value. Doubtful debt provisions are recorded on a case-by-case basis after analysing information from the Group's debt recovery operations.

1.4. Pension benefits

Based on a calculation using the retrospective method, the company's pension obligations are not material.

1.5. Marketable securities

Marketable securities are booked at purchase cost. A provision is recorded if the average value during the last month of the period is below the purchase value.

1.6. Foreign currency transactions

Foreign currency transactions are translated using the effective exchange rate on the transaction date.

Foreign currency receivables, debts and cash are converted using the effective exchange rate at the financial year-end, except for advances available for consolidation, which are not re-estimated.

Unrealised foreign exchange gains and losses resulting from the conversion of receivables and debts at the year-end exchange rate are respectively recorded under 'Translation adjustments' on the assets and liabilities side of the balance sheet. Unrealised foreign exchange gains and losses on cash are recorded in the profit and loss account.

A provision for liabilities is recorded for unrealised foreign exchange losses that have not been hedged, except for transactions whose due dates are sufficiently close, in which case any unrealised gains and losses may be considered as part of an overall foreign exchange position.

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2 INFORMATION ON THE BALANCE SHEET AND INCOME STATEMENT

2.1 Fixed assets

amount in euros	Start of period	Acquisitions	Transfers	Disposals	End of period
START-UP AND R&D COSTS	292,497		248,325	1,105	43,067
Land					
Buildings on freehold land					
Buildings on non-freehold land					
Improvements to buildings					
Technical installations, plant and equipment					
General fixtures and fittings					
Vehicles					
Office and computer equipment, furniture	875			875	
Recoverable packaging and other items					
Tangible fixed assets in progress					
Advances and payments on account for fixed assets					
PROPERTY, PLANT AND EQUIPMENT	875			875	
Companies accounted for by the equity method					
Other equity interests and related receivables	351,100,026	173,401,749		34,069,151	490,432,623
Other long-term investment securities					
Loans and other long-term investments	39,842,183			11,957,030	27,885,152
LONG-TERM INVESTMENTS	390,942,209	173,401,749	0	46,026,182	518,317,776
TOTAL	391,235,581	173,401,749	248,325	46,028,162	518,360,841

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.2 Depreciation and amortisation

amount in euros	Start of period	Acquisitions	Transfers	Disposals	End of period
START-UP AND R&D COSTS OTHER INTANGIBLE ASSETS	125,757		82,690		43,067
Land					
Buildings on freehold land					
Buildings on non-freehold land					
Improvements to buildings					
Technical installations, plant and equipment					
General fixtures and fittings					
Vehicles					
Office and computer equipment, furniture	875		875		
Recoverable packaging and other items					
PROPERTY, PLANT AND EQUIPMENT	875		875		
TOTAL	126,632		83,565		43,067

Deferred expenses	31/12/04	Increase	Amortisation	Charge to retained earnings (pursuant to new regulations concerning assets)*	31/12/05
Borrowing issue costs	1,064,488	1,127,273	303,443		1,888,319
Acquisition costs	1,779,419			(1,779,419)	-
Gentilly costs	7,209			(7,209)	-
	2,851,115	1,127,273	303,443	(1,786,627)	1,888,319

* In accordance with regulation 2004 - 06 and CNC notice 2004-15.

2.3 Provisions

Sections	Start of period	Additions	Releases	End of period
Provisions for foreign exchange losses	1,069,020			1,069,020
PROVISIONS FOR LIABILITIES AND CHARGES	1,069,020			1,069,020
Provisions against equity interests	87,661			87,661
Provisions against other long-term investments	506,394			506,394
Other provisions for impairment	91,580		10,820	80,760
PROVISIONS FOR IMPAIRMENT	685,635		10,820	674,815
TOTAL	1,754,655		1,079,840	674,815
Charges and releases: financial provisions			1,079,840	

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.4 Receivables and payables

RECEIVABLES	Gross amount	Up to 1 year	More than 1 year
Receivables from equity interests	237,281,170	160,142,914	77,138,255
Loans			
Other long-term investments	27,885,152	27,885,152	
Doubtful and disputed trade receivables			
Other trade receivables	12,576,474	12,576,474	
Receivables representing loaned securities			
Amounts due to employees	11,601	11,601	
Social security and other welfare agencies			
State and other local authorities: corporate income tax	1,670,269	1,670,269	
State and other local authorities			
State and other local authorities: other taxes payable	1,367,863	1,367,863	
State and other local authorities: receivables and payables			
Amounts due from Group companies and shareholders	25,640,796	25,640,796	
Miscellaneous receivables	35,053,354	35,053,354	
Prepayments	43,250	43,250	
TOTAL	341,529,929	264,391,674	77,138,255

PAYABLES	Gross amount	Up to 1 year	More than 1 year and less than 5 years	More than 5 years
Convertible bonds				
Other bonds	77,324,828	1,034,246	43,604,306	32,686,276
Debt repayable within maximum of 2 years from date of advance				
Debt repayable after more than 2 years from date of advance	181,067,190	84,713	46,272,496	134,709,981
Miscellaneous debt	396,850	396,850		
Trade payables	4,341,996	4,341,996		
Amounts due to employees	236,777	236,777		
Social security and other welfare agencies	200,853	200,853		
Corporate income tax payable				
Value added tax payable	2,312	2,312		
Tax payment bonds				
Other taxes payable	39,519	39,519		
Amounts payable on fixed assets and related accounts	2,213,818	2,213,818		
Amounts due to Group companies and shareholders	2,466	2,466		
Miscellaneous liabilities	409,245	409,245		
Liabilities representing borrowed securities				
Deferred income				
TOTAL	266,235,854	8,962,795	89,876,802	167,396,257
Debt taken out during the year*	177,287,671			
Debt repaid during the year	102,300,233			
Debt contracted with shareholders	-			

* Net of borrowing issue costs.

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.5 Items relating to several balance sheet and income statement items

Headings	Related undertakings	Equity interests	Trade bills payable and receivable
FIXED ASSETS			
Equity interests		253,151,454	
Receivables from equity interests	92,309,169	144,972,000	
Other long-term investments			
CURRENT ASSETS			
Trade receivables	5,901,911	6,678,340	
Other receivables	25,599,349	33,077,143	
LIABILITIES			
Miscellaneous debt	241,081	19,536	
Trade payables	24,511	228,039	
Miscellaneous liabilities	319,446	534,863	
FINANCIAL EXPENSES			
Provision for impairment of receivables from equity interests			
Provision for impairment of securities			
Provision against other receivables			
FINANCIAL INCOME			
Dividends received		5,474,606	
Interest on current accounts during the period	691,207	4,536,387	

2.6 Translation differences on foreign currency assets and liabilities

Nature of the variations	Asset (unrealised foreign exchange losses)	Provision for foreign exchange losses	Liability (unrealised foreign exchange gains)
Long-term investments	-	-	525,179
Receivables	328,283	-	487,847
Debt	-	-	73,204
Accounts payable	518	-	15,312
TOTAL	328,801	-	1,101,542

2.7 Accrued income

	31/12/2005
TRADE RECEIVABLES	
Clients – invoices to raise	727,600
OTHER RECEIVABLES	
Suppliers – amounts due	35,807
Government – amounts due	53,193
Other amounts due	84,282
TOTAL ACCRUED INCOME	900,882

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.8 Accrued expenses

	31/12/2005
DEBT	
Accrued interest on debt	1,118,959
TRADE PAYABLES	
Purchase invoices not received	481,125
OTHER PAYABLES	
Clients – credit notes to raise	330,971
TAX AND EMPLOYMENT-RELATED LIABILITIES	
Accrued holiday pay	42,003
Bonus accrual	185,185
Holiday bonus accrual	5,024
Accrued apprenticeship tax	4,525
Continuing professional training accrual	(2,694)
Accrued social security charges on accrued holiday pay	17,431
Accrued social security charges on bonus accrual	64,815
Accrued social security charges on holiday bonus accrual	10,033
Accrued liabilities	3,667
Other accrued taxes	24,922
Accrued tax on bonuses	2,111
OTHER PAYABLES	
Accrued expenses	39,038
TOTAL ACCRUED EXPENSES	2,687,137

2.9. Prepayments

	31/12/2005
OPERATING EXPENSES	
Miscellaneous prepayments	28,397
Prepayments - equipment rental	667
Prepayments - maintenance	5,791
Prepayments - subscription	4,577
Prepayments - insurance	3,818
TOTAL PREPAYMENTS	43,250

2.10 Breakdown of share capital

Categories of titles	Number of instruments			Nominal value
	at the end of the period	created during the period	redeemed during the period	
Ordinary shares	7,099,418			1
Stock options exercised		42,006		1
Share issues		1,250,000		1
Issue of shares as consideration for acquisitions		74,412		1

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.11 Breakdown of revenues (in thousands of euros)

	Revenues France	Revenues Export	Total 31/12/2005	Total 31/12/2004
Personnel costs invoiced	64		64	64
Fees invoiced	88	30	118	84
TOTAL	152	30	182	148

2.12 Extraordinary income and expenses

Nature of the loads and products	Expenses	Income
NOP acquisition (not completed)	1,300,304	
NFO acquisition (not completed)	129,816	
Contentious withholding tax claim		53,193
TOTAL	1,430,120	53,193

2.13 INCOME TAX AND TAX CONSOLIDATION

On 30 October 1997, Ipsos opted for Group tax consolidation for a five-year period. The tax consolidation group is organised as follows:

Ipsos: head of the tax consolidation group

Member companies: Ipsos Insight, Ipsos France, Ipsos Opérations, Ipsos Médias, Ipsos Public Affairs, Ipsos Loyalty, IMS, Ipsos ASI, Sysprint, Ipsos Music, Novaction, Ipsos Access Panel Holding, Ipsos Observer.

Automatic renewal of this tax consolidation option, for a further five-year period, occurred for the third time in the year ended 31 December 2005.

The Group tax charge is split as follows:

- member companies bear the tax charges for which they would have been liable if they had not been part of the tax consolidation group,
- the head company bears the tax charge (or gain) arising from the difference between the Group tax charge and the aggregate tax charges calculated by the member companies (including the 1.5% and 3.3% levels).

This increase breaks down as follows:

Ipsos Médias	€40,358
Ipsos France	€21,039
Ipsos Opérations	€664,806
Ipsos Insight	€0
Ipsos Public Affairs	€0
Ipsos Loyalty	€187,597
IMS	€40,395
Ipsos ASI	€0
Sysprint	€114,724
Ipsos Music	€0
Novaction	€0
IAP Holding	€0
Ipsos Observer	€0
Ipsos SA	€0
Ipsos Opinion	€145,512
Tax savings from Group tax consolidation	€429,344
Total tax for Ipsos	€785,088

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

2.14 Breakdown of income tax

Distribution	Pre-tax profit	Tax	After-tax profit
Underlying profit	9,285,562	(2,118,878)	7,166,684
Net exceptional items	(1,376,926)	468,455	(908,471)
Impact of Group tax consolidation		493,093	493,093
ACCOUNTING PROFIT	7,908,636	(1,157,330)	6,751,306

3 FINANCIAL COMMITMENTS AND OTHER DISCLOSURES

3.1 Financial commitments

Commitments given	31/12/05	31/12/04
Joint and several guarantee covering the liabilities of Ipsos EIG	190,667	9,340,694
Guarantee for Ipsos Access Panels UK given to Barclays Bank (£250,000)	364,804	354,585
Guarantee for Ipsos France (rents and service charges, Gentilly office) from 2004 to end-March 2010	7,424,271	7,987,345
Ipsos SA is jointly liable for the payment due in respect of the shares purchased in Partner Marketing Research (Taiwan) by Ipsos Taiwan, a subsidiary of Ipsos SA. A deferred payment of NTD 4,400,000 is due in 2006.	113,538	332,918
Ipsos SA is jointly liable for the payment due in respect of the purchase of Mackay Report's activities by Ipsos Australia. An earn-out payment may be made in 2006, of up to AUD 335,000, if the beneficiaries are still employed by the company and if certain revenue criteria are met.	209,820	191,878
Ipsos SA is jointly liable for an earn-out payment of up to AUD 130,000 for the buyout of minority interests in Novaction Australasia by Ipsos Novaction SA.	80,700	127,723
Ipsos SA is jointly liable for earn-out payments of up to AUD 1,200,000 relating to the purchase of TQA's business by Ipsos Australia.	744,925	
Ipsos SA is jointly liable for deferred payments and earn-out payments due or potentially due by Ipsos Japan Holdings relating to the purchase of shares in Japanese companies JSR and JMO in an estimated total amount of JPY 862 million.	6,205,538	
Minority shareholders of Ipsos Korea Inc. hold options to sell their 49% stake in 2008. The strike price will depend on the company's results in 2006 and 2007	1,250,000	
Commitments given	31/12/05	31/12/04
Guarantee of a credit facility of up to USD 25 million granted to US companies by the Bank of New York and HSBC *	21,191,825	18,354,012
Guarantee of a commitment given by Ipsos Korea Inc. to HSBC (USD 915 000)	775,423	
Value guarantee of up to €1 million concerning shares in the Company issued as consideration for the purchase of MORI shares on 15 December 2005 (specific benefit covered in article 6d of the articles of association)	1,000,000	1,000,000
TOTAL	39,551,511	38,193,183

* This credit facility was unused at 31 December 2005.

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

Interest-rate swaps	31/12/05	31/12/04
In May 2003, Ipsos SA carried out a \$90m, ten-year fixed-rate bond issue. The company entered into interest-rate swaps to cover its twice-yearly interest payments over the life of the bonds. At 31 December 2004, outstanding interest rate swaps totalled US\$30.8m (market value: -US\$1.173m) and EUR45m (market value: -€161,000).	71,108,332	22,612,143
Commitments received	31/12/05	31/12/04
Undertaking by Ipsos UK to repay a waived loan in the event of a return to profit (expiring 31/12/2014)	1,200,000	1,200,000
Undertaking by Ipsos Hong Kong (formerly Ipsos Far East) to repay a waived loan in the event of a return to profit (expiring 31/12/2007)	1,707,009	1,707,009
Undertaking by INRA in Belgium to repay a waived loan in the event of a return to profit	1 045 936	
	3,952,945	2,907,009

3.2 Deferred expenses

Deferred expenses include:

Expenses incurred in purchasing fixed assets

These expenses, incurred in acquiring new companies and comprising advisory fees, were until 31 December 2004 deferred on a straight-line basis over a five-year period from the acquisition date.

As of 1 January 2005, in accordance with new regulations concerning assets, Ipsos opted to recognise these costs as expenses during the period.

Deferred expenses not yet amortised at 31 December 2004 (€1,767,418) were reclassified within shareholders' equity as a deduction from retained earnings.

Expenses incurred on multi-currency revolving credit facility

In July 2000, Ipsos SA arranged a €110 million multi-currency revolving credit facility.

Since the reference currency is now the US dollar, this facility now amounts to \$101m. Expenses relating to the arrangement of this loan are deferred on a straight-line basis over a five-year period.

At 31 December 2005, these expenses were fully amortised.

Expenses incurred in renegotiating the multi-currency revolving credit facility

In November 2004, Ipsos SA renegotiated its multi-currency revolving credit facility, increasing it from \$101m to \$140m. Expenses relating to the renewal and renegotiation of this loan are deferred on a straight-line basis over five years.

At 31 December 2005, residual expenses to be deferred stood at €364,213.

Expenses incurred on the USPP bond issue

In May 2003, Ipsos SA completed a \$90m bond issue, offered through a private placement in the US market.

Expenses relating to the arrangement of this bond issue are deferred on a straight-line basis over a ten-year period.

At 31 December 2005, residual expenses to be deferred stood at €433,011.

Expenses on arranging a €210 million credit facility

In October 2005, Ipsos SA arranged a €210 million credit facility. Expenses relating to the arrangement of this facility are deferred on a straight-line basis over a seven-year period.

At 31 December 2005, residual expenses to be deferred stood at €1,091,095.

Relocation expenses

In 2004, expenses relating to the company's relocation in March 2004 were recognised as deferred charges, deferred on a straight-line basis over five years. As of 1 January 2005, this option was no longer possible, and so remaining charges to be deferred at 31 December 2004 (€7,208) were reclassified under shareholders' equity as a deduction from other reserves.

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

3.3 Own shares

Own shares are booked at purchase cost. A provision for impairment is recorded if the value at the year-end is less than the purchase cost.

At 31 December 2005, Ipsos SA held 163,755 shares directly at a weighted average price of €68.95.

On 31 December 2005, Ipsos shares closed at €112.

Ipsos did not purchase any of its own shares in 2005.

In accordance with the forward share sale contract signed with Société Générale as part of the 9 July 2002 share issue reserved for and fully subscribed by IPF, Société Générale delivered two batches of shares in 2005:

- 115,464 shares in July 2005 at a price of €69
- 57,732 shares in October 2005 at a price of €69.

At the same time, three lots of stock options were exercised in 2005 as part of the IPF stock option plan, giving rise to the following transfers of own shares by Ipsos SA:

- 3,456 shares on 28 July 2005,
- 4,608 shares on 20 December 2005,
- 1,728 shares on 21 December 2005.

At 31 December 2005, 323 own shares purchased at a price of €112 were held through a market-making contract.

In 2005, the following quantities of shares were purchased and sold under this contract:

- first quarter: 6,453 shares purchased at an average price of €80.29, and 6,549 shares sold at an average price of €80.23,
- second quarter: 9,154 shares purchased at an average price of €80.60, and 10,039 shares sold at an average price of €82.42,
- third quarter: 8,164 shares purchased at an average price of €94.91, and 8,124 shares sold at an average price of €94.13,
- fourth quarter: 8,189 shares purchased at an average price of €101.44, and 9,051 shares sold at an average price of €102.81.

In accordance with article L.225-210, paragraph 3 of the French Commercial Code, Ipsos' reserves (€353,420,187 at 31 December 2005 excluding the legal reserve) exceed the value of all own shares held.

3.4 Marketable securities

Marketable securities are booked at purchase cost. A provision is recorded if the average value of marketable securities during the last month of the period is below the purchase value.

The Jupiter MXI shares held by Ipsos were no longer listed at 31 December 2005. These shares were purchased for USD 0.54. A provision of €77,557.17 was recorded to cover the impairment in value since the purchase date. €10,819.62 was released from provisions on 31/12/05 due to the reception in 2006 of a \$12,763.90 distribution by JMXI to shareholders (\$0.10 per share).

3.5 Other long-term investments

Other long-term investments relate to the Ipsos Partnership Fund (share issues reserved for Ipsos managers). The 404,124 shares with an original value of €69.00 were valued at €45,261,888 at 31 December 2005.

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

3.6 Shareholders' equity

amount in euros	Share capital	Share premiums	Other reserves	Regulated reserves	Retained earnings	Profit for the period	Total
Balance at 31/12/04	7,099,418	216,177,245	754,450	4,214	17,607,387	6,603,425	248,248,940
Capital increase through share issues for cash	1,250,000	120,652,468					121,902,468
Capital increase through share issues as consideration for an acquisition	74,412						74,412
Capital increase through the exercise of options	42,006						42,006
Dividends on own shares							
Dividends paid					316	(6,389,476)	(6,389,160)
Change in accounting policy					(1,282,700)		(1,282,700)
Appropriation of prior-year earnings			5,146		208,802	(213,949)	
Reclassification of reserves pursuant to the 18/05/05 AGM			4,214	(4,214)			
Profit for the year						6,751,306	6,751,306
Balance at 31/12/05	8,465,836	336,829,713	763,810	0	16,533,805	6,751,306	369,347,271

3.7 Deferred and contingent tax

	Amount
TAX DUE ON:	
Regulated provisions:	
Provisions for price rises	
Positive translation adjustments	
TOTAL INCREASES	
TAX PAID IN ADVANCE ON	
Temporarily non-deductible charges (deductible the following year):	
"Organic" social security contribution	23,561
Negative translation differences	
To be deducted subsequently	
TOTAL REDUCTIONS	23,561
NET DEFERRED TAX POSITION	23,561

3.8 Average headcount

Staff	Employees	on Staff seconded to the company
Managerial grades	3	
Technical and supervisory grades		
Administrative staff		
Manual grades		
TOTAL	3	

3.3 PARENT COMPANY FINANCIAL STATEMENT - NOTES**3.9. Executive compensation**

In 2005, the total compensation and benefits in kind paid to executives totalled €876,605.

3.10 Cash flow statement

in thousands of euros	31/12/2005	31/12/2004
OPERATING ACTIVITIES		
Net profit	6,751	6,603
Adjustments to reconcile net profit to cash flow		
Depreciation of property, plant and equipment and amortisation of intangible assets	-	41
Losses/(gains) on asset disposals	-	-
Tax saving relating to the new regulations on assets and charged to retained earnings	657	
Tax saving on capital increase expenses charged against the share premium	992	-
Allocation to deferred charges	303	1,167
Movement in other provisions	(1,080)	815
Other items		
CASH FLOW	7,623	8,626
Decrease/(increase) in trade receivables	(1,845)	(735)
Decrease/(increase) in other receivables	(14,448)	(2,455)
Increase/(decrease) in trade payables	3,325	(116)
Increase/(decrease) in accrued interest on debt	749	(239)
Increase/(decrease) in other liabilities	(279)	(3,201)
CHANGES IN WORKING CAPITAL REQUIREMENT	(12,498)	(6,747)
CASH PROVIDED BY OPERATING ACTIVITIES	(4,875)	1,879
INVESTMENT ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets		(169)
Acquisition of equity securities	(133,930)	(5,602)
Proceeds from disposals of property, plant and equipment and intangible assets		
Proceeds from disposals of equity securities		
Decrease/(increase) in marketable securities and own shares	(35,962)	243
Decrease/(increase) in other long-term investments	(11,957)	6,055
Increase/(decrease) in payables to suppliers of fixed assets	728	(6,481)
CASH USED IN INVESTMENT ACTIVITIES	(181,121)	(5,954)
FINANCING ACTIVITIES		
Capital increase*	121,028	1,349
Issuance of long-term debt	177,288	44,768
Repayment of long-term debt	(102,300)	(39,382)
Increase/(decrease) in bank overdrafts and short-term debt		3
Dividends paid to shareholders	(6,388)	(6,233)
CASH PROVIDED BY FINANCING ACTIVITIES	189,628	505
Cash at beginning of year	611	4,181
Net change in cash	3,632	(3,570)
CASH AT YEAR-END	4,243	611

* Excluding a €992,000 tax saving on capital increase expenses charged against the share premium.

3.3 PARENT COMPANY FINANCIAL STATEMENT - NOTES

3.11 List of subsidiaries

Company	Share capital	Shareholders' equity before appropriation of profit and excluding share capital	Interest held (%)	Book value of shares	Loans and advances	Guarantees and endorsements	2005 revenues ex-VAT	2005 profit	Dividends paid to Ipsos in 2005
amount in euros									
IPSOS FRANCE	5,736	4,324	100	6,481	0	0	17,057	2,787	4,001
IPSOS PUBLIC OPINION	162	9	10	35	0		6,937	279	31
IAP Holding	2,000	(491)	100	2,135	3,356		0	(111)	
IPSOS STAT France	915	(724)	51	466	620		0	630	
IPSOS NOVATION	1,795	(253)	100				15,577	(95)	
IPSOS UK (ex RSL	1,897	(997)	100	5,765	5,882		71,258	1,980	
PRICE SEARCH	182	0	100	3,574	730		0	0	
IPSOS Gmbh	562	6,969	63	12,611	0		39,517	1	
SAMPLE KG	394	(682)	100	5,688	1,700		0	(47)	
TRENDTEST	100	(122)	100	67	0		2,492	289	
IPSOS Srl	5,000	620	100	9,960	0		18,879	68	
IPSOS Operaciones	400	3,020	100	3,684	0		13,596	544	
IPSOS BRUSSELS	125	200	86	293	149		4,736	(247)	
IPSOS SZONDA	32	1,812	50	114	0		7,334	839	280
IPSOS PORTUGAL	120	45	100	299	0		1,018	(117)	
IPSOS AMERICA INC	0	24,909	100	32,902	83,920		0	(591)	
IPSOS LATIN AMERICA	19	14,397	100	16,930	13,025		0	(589)	344
IPSOS NOV Mexique	129	23	100	1	0		10	7	
BIMSA	467	2,227	50	4,141	0		26,215	3,311	523
IPSOS HONG KONG	0	(34)	100	0	109		402	(7)	74
IPSOS AUSTRALIA	0	199	100	0	6,082		9,127	431	
AGB STAT IPSOS	132	338	60	41	0		696	80	
IPSOS CANADA	14,376	4,519	100	16,796	0		22,482	(168)	
IPSOS NPD CANADA	4,894	(825)	100	4,971	0		0	(146)	
IPSOS REID CORP	52,903	(265)	100	51,743	11,826		0	(2,514)	
IPSOS DEMOSKOP	91	107	100	1,491	0		1,628	191	
IPSOS SWEDEN AB	11	4	100	1,403	1,627		0	(18)	148
IIS	401	4,433	55	3,000	0		10,028	420	
Ipsos Dom	188	19	51	148			0	221	74
Ipsos CCA	1,638	0	51	1,974			0	2	
ICEE (F.SQUARED)	8	545	100	3,437	3,630		9,305	763	
SAMPLE GMBH	128	(145)	100	25			0	(5)	
FORSCHUNG	0	0	100	20			0	0	
IPSOS ASIA LTD	249	(293)	80	2,551	12,230		13	(373)	
INRA BELGIUM	150	(2,783)	100	1,000			8,079	347	
IPSOS KOREA	591	(344)	51	573	86		5,550	(227)	
MORI Holding Ltd	150	2,719	100	58,681			0	(290)	
GIE IAP			100	0	0				
IPSOS SUISSE			100	65					
IPSOS Groupe GIE		(99)	100	0	0		0	(457)	
IPSOS SANTE		(14)	100	0	0				
Total	95,945	63,367	400	253,065	144,972	0	291,936	7,188	5,475

3.3 PARENT COMPANY FINANCIAL STATEMENTS - NOTES

Shareholders' equity figures exclude the share capital and are stated before the appropriation of profit.

Share capital, shareholders' equity (before appropriation of profit and excluding share capital), revenues and profit are translated into euros at the following 31 December 2005 exchange rates:

1 euro = Currency symbol	Currency name	Period-end exchange rate (€1)
ARS	Argentine peso	3,57112
AUD	Australian dollar	1,6109
BRL	Brazilian real	3,513
CAD	Canadian dollar	1,3725
CLP	Chilean peso	751,178
CNY	Chinese yuan	9,5204
COP	Colombian peso	3252,61
CZK	Czech koruna	29
DOP	Dominican peso	54,6342
GBP	Pound sterling	0,6853
HKD	Hong Kong dollar	9,1474
HUF	Hungarian forint	252,87
JPY	Japanese yen	138,9
KRW	South Korean won	1184,42
MXN	Mexican peso	13,6891
PHP	Philippine peso	62,719
PLN	Polish zloty	3,86
SEK	Swedish krona	9,3885
SGD	Singapore dollar	1,9628
VEB	Venezuelan bolivar	2,301 12
USD	US dollar	1,1797
TWD	Taiwanese dollar	39,8755

3.12 Identity of the parent company consolidating Ipsos' accounts

Corporate name - head office	Form	Amount of capital	% interest
LT Participations 35, rue du Val de Marne, 75013 Paris	Société anonyme	124,150	29.10%

3.4 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

YEAR ENDED 31 DECEMBER 2005

To the Shareholders,

In our capacity as statutory auditors of Ipsos SA, we hereby present our report on the company's related-party agreements.

I. AGREEMENTS AUTHORISED DURING THE YEAR

In accordance with article L.225-40 of the French Commercial Code, we have been informed of the agreements that have obtained prior approval from your Board of Directors.

Our assignment does not involve seeking out the potential existence of other such agreements, but consists of informing you, based on the information provided to us, of the main terms and conditions of those agreements brought to our attention, without having to express an opinion on their usefulness or appropriateness. Pursuant to article 92 of the decree of 23 March 1967, it is your responsibility to assess the benefits of signing these agreements with a view to their approval.

We conducted our review in accordance with French auditing standards, which require us to verify that the information given to us is consistent with the documents from which it derives.

1 Amendments to employment contracts

On 22 March 2005, the Board of Directors authorised amendments to employment contracts. These amendments introduce a conscience clause under which a redundancy payment equal to the legal compensation amount plus 12 months of compensation is payable in the event of any change in the share ownership structure, in the composition of the Board of Directors or in the organisation of Ipsos SA or the Ipsos group's management that would have the direct effect of altering the remit or powers of Mr Lech and Mr Truchot such that they would no longer be able to set the Ipsos group's strategy.

Directors concerned:

- Laurence Stoclet, with respect to her employment contract with Ipsos SA.
- Henri Wallard, with respect to his employment contract with Ipsos Group GIE.

In its meeting of 22 March 2005, the Board of Directors also authorised an amendment to Carlos Harding's employment contract with Ipsos Group GIE that, as well as introducing a conscience clause identical to that described above, introduces a temporary 12-month post-contractual non-compete clause, in return for compensation equal to that received by Mr Harding during the calendar year prior to termination. Ipsos retains the option of waiving the benefit of this non-compete clause and not making these payments.

Director concerned:

- Carlos Harding, with respect to his employment contract with Ipsos Group GIE.

2 Cancellation of the licence agreement with Ipsos Observer

On 22 April 2005, the Board of Directors authorised the cancellation of the licence agreement made in 1995 between your company and Ipsos Access Panels SA, which has now been renamed Ipsos Observer SA. This licence agreement covered intellectual property and techniques for the operation and marketing in France of the Access Panel product, and no longer served a purpose following the end of the partnership between your company and NFO in 1999.

Director involved: Jean-Marc Lech.

3 Sale of Ipsos Novaction SA shares to Ipsos France

On 22 April 2005, the Board of Directors authorised the sale by your company of all its shares in Ipsos Novaction SA to Ipsos France SAS, equal to 100% of Ipsos Novaction SA's capital, at book value. The sale took place on 27 December 2005 at a price of €32,780,876.

Director involved: Jean-Marc Lech.

4 Sale of Ipsos IMRI Holding shares to Ipsos Sweden AB

On 18 May 2005, the Board of Directors authorised the sale by your company of all its shares in Ipsos IMRI Holding to Ipsos Sweden AB, in order to simplify the organisational structure of the Swedish entities. The sale involved 100% of Ipsos IMRI Holding's capital and took place at book value, i.e. €1,520,000. The sale was finalised on 15 June 2005.

Director concerned: Carlos Harding.

5 Amendment of the agreement to waive a loan to Ipsos UK subject to a return-to-profit clause

On 18 May 2005, the Board of Directors authorised an amendment to the agreement to waive a loan of GBP 900,000 made on 30 December 2003 to Ipsos UK subject to a return-to-profit clause. This amendment, which raises the shareholders' equity threshold beyond which the clause applies to GBP 10 million, was signed on 30 September 2005.

Directors concerned: Jean Marc Lech and Didier Truchot.

6 Waiver of amounts receivable from INRA in Belgium subject to a return-to-profit clause

On 15 December 2005, the Board of Directors authorised the waiver of €1.046 million of receivables from the INRA in Belgium subsidiary subject to a return-to-profit clause.

INRA in Belgium will be considered as having returned to profit when its balance sheet shows a net asset value of at least €1 million.

Director concerned: Carlos Harding.

II. AGREEMENTS APPROVED DURING PREVIOUS FINANCIAL YEARS AND STILL IN EFFECT IN 2005

Furthermore, in accordance with the decree of 23 March 1967, we have been informed that the following agreements, approved during previous financial years, were still in effect during the last financial year.

1 Guarantee given by Ipsos to cover a credit facility granted to its US subsidiaries

Ipsos SA's guarantee on a \$25 million credit facility granted to its US subsidiaries (Ipsos America Inc, Ipsos Asi Inc, Ipsos NPD Inc, Ipsos FMC Inc and Ipsos Reid Public Affairs Inc) by the US banks HSBC and Bank of New York was still in effect in 2005.

2 Waiver of an amount receivable from Ipsos Hong Kong Limited subject to a return-to-profit clause

In 2004, Ipsos SA signed an agreement with Ipsos Hong Kong Ltd (previously Ipsos Far East Limited) to waive a receivable with a value equivalent to €1.7 million subject to a return-to-profit clause. This debt must be repaid by 31 December 2007, otherwise, it will be deemed to be permanently cancelled.

The conditions of this return-to profit clause were not met in 2005.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2006

The Statutory Auditors

Ernst & Young Audit

Deloitte & Associés

François VILLARD

Michel SELLIER

3.5 AUDITORS' FEES

in thousands of euros	Deloitte		Ernst & Young		Other		Total	
	2004	2005	2004	2005	2004	2005	2004	2005
1. Audit								
1.1 Statutory audit	305	597	590	802	298	307	1,193	1,706
1.2 Related work and other audits	-	86	-	343	-	-	-	429
Sub-total	305	683	590	1,145	298	307	1,193	2,135
2. Other services								
2.1 Tax	7	-	9	194	88	17	104	211
2.2 Legal	-	-	9	-	9	-	18	-
2.3 Employment-related	-	-	12	-	5	-	17	-
2.4 Information systems	-	-	-	-	-	-	-	-
2.5 Other	6	-	11	8	52	-	69	8
Sub-total	13	-	41	202	154	17	208	219
TOTAL FEES	318	683	631	1,347	452	324	1,401	2,354

GENERAL INFORMATION ABOUT IPSOS, ITS CAPITAL, AND ITS DIRECTORS

4.1. INFORMATION ABOUT THE COMPANY

4.1.1 COMPANY NAME

Ipsos.

4.1.2 REGISTERED OFFICE

35, rue du Val de Marne - 75013 Paris.

4.1.3 DATE OF INCORPORATION AND DURATION

The Company was incorporated on 17 November 1975, for a period of 99 years from the date of its first registration in the Trade and Companies Register, barring early dissolution or extension.

4.1.4 LEGAL STRUCTURE

'Société anonyme' (French limited liability company) with a Board of Directors, governed by Book II of the French Commercial Code.

The bylaws delegate to the Board of Directors the choice of combining or separating the positions of Chairman and Chief Executive Officer (CEO).

At its meeting of 12 December 2001, the Board of Directors decided that the Chairman of the Board of Directors, Mr Didier Truchot, would assume the responsibility of CEO of the Company.

At its meeting of 23 June 2004, the Board of Directors decided that Mr Didier Truchot would continue to assume the responsibility of CEO until the expiry of his appointment as Chairman.

4.1.5 TRADE AND COMPANIES REGISTER

304 555 634 RCS Paris.

4.1.6 BUSINESS ACTIVITY CODE AND BUSINESS SECTOR

741 E - Market research, surveys and polls.

4.1.7 PLACE WHERE COMPANY DOCUMENTS AND INFORMATION MAY BE CONSULTED

The bylaws, accounts, reports and minutes of general meetings may be consulted at the registered office.

In addition, information about the organisation and activities of Ipsos and its subsidiaries are available on the Group's website at www.ipsos.com.

4.1.8 CORPORATE OBJECTIVES (ARTICLE 2 OF THE BYLAWS)

The Company's objectives are:

- to conduct market research using surveys, opinion polls, statistical research or any other process with a view to facilitating and organising the establishment of sales operations, promotions, and the distribution of products and services of all kinds; and to provide studies, surveys, opinion polls, analyses and consultancy services in the political, economic and social fields;
- to develop, prepare, organise and implement, either on its own account or for third parties as agent or otherwise, all forms of advertising for all commercial products, including all space buying and selling operations;
- to carry out all types of consultancy activities liable to constitute decision-support aids for enterprises, services or any other organisations;
- to identify, obtain, acquire and use all patents, licences, processes and goodwill relating to the above activities;

- to acquire interests and equity stakes of whatever form in all similar enterprises, including by exchange of shares for assets, by the subscription or purchase of shares, bonds or other securities, by becoming an active partner in limited partnerships, by forming new companies or mergers, or by any other means;
- to execute all financial transactions associated with a stock market listing;
- and, generally, to carry out all civil, commercial, financial and industrial transactions, and all transactions in movable or real property, relating directly or indirectly to the Company's objectives or to all other similar or associated objectives.

4.1.9 FINANCIAL YEAR (ARTICLE 27 OF THE BYLAWS)

The Company's financial year runs from 1 January to 31 December of each year.

4.1.10 GENERAL MEETINGS (ARTICLES 20 TO 23 OF THE BYLAWS)

The conditions for convening and deliberating at general meetings are those stipulated by the applicable laws and regulations. General meetings are held at the Company's registered office, or at any other place specified in the notice of the meeting.

Any shareholder has the right, on presentation of proof of identity, to participate in General Meetings, either by attending in person, by returning a postal voting slip or by appointing a proxy, subject to the following conditions:

- for holders of registered shares: registration of the shareholder's name in the Company's books, at least five days before the date of the General Meeting;
- for holders of bearer shares: submission, on the conditions stipulated in article 136 of Decree No. 67-236 of 23 March 1967, of a certificate from the depository of the shares at least five days before the date of the General Meeting.

Shareholders referred to in paragraph 7 of article L.228-1 of the French Commercial Code, i.e. those not resident in France, may be represented by a registered intermediary under the conditions provided for in that article.

The Combined General Meeting of shareholders to be held on 31 May 2006 will be asked to vote on modifications of articles 22 and 23 of the bylaws, to bring them into compliance with new legislative provisions on quorums at Ordinary and Extraordinary General Meetings of shareholders.

Pursuant to article 23 of the bylaws, an Extraordinary General Meeting of shareholders must be held to modify any shareholder rights.

4.1.11 APPROPRIATION AND DISTRIBUTION OF PROFITS

At least five per cent (5%) of the net profit for the year, less any brought-forward losses, must be appropriated to the legal reserve, until such reserve reaches one-tenth of the share capital.

The balance, net of any other sums to be transferred to reserves in accordance with the law or the Company's bylaws, plus any profits carried forward, constitutes the profit available for distribution.

The General Meeting may also decide to distribute amounts from reserves available for distribution, indicating from precisely which reserve accounts such distributions are made.

The General Meeting may appropriate any sum it sees fit from the profit available for distribution, to be carried forward as retained earnings or transferred to one or more reserve accounts.

4.1.12 SPECIFIC CLAUSES IN THE BYLAWS

Thresholds for disclosure of interests in the share capital (article 8 of the bylaws)

Any natural or legal persons acting alone or in concert are legally obliged to inform the Company and the Autorité des Marchés Financiers if they hold certain percentages of share capital and associated voting rights.

Furthermore, any persons, whether natural or legal, acting alone or in concert, that directly or indirectly come to hold, over and above an initial threshold of 5% of the voting rights, a share equal to or greater than 2.5% of the voting rights in the Company, or any multiple thereof, must inform the Company within a period of five trading days from the date of each of the thresholds being crossed, by registered letter sent to the Company's corporate office with request for acknowledgement of receipt.

For companies managing investment trusts or pension funds, this disclosure obligation applies to all the voting rights attached to the shares in the Company held by the funds that they manage.

The penalty for non-compliance with these obligations is the removal of voting rights at all shareholders' meetings up to the end of the two-year period following the date of proper disclosure.

Lastly, an intermediary registered as holding shares on behalf of a shareholder not resident in France must make such declarations for all the shares in the Company for which the intermediary is registered in the books.

At its meeting of 21 March 2006, the Board of Directors agreed that the Extraordinary General Meeting of shareholders of 31 May 2006 shall vote on the question of amending article 8 of the Company's bylaws concerning the thresholds for disclosure of interests in the share capital to reflect the new provisions of the Breton law of 26 July 2005, which introduce four new thresholds.

The Combined General Meeting of shareholders to be held on 31 May 2006 shall be asked to vote on the amendments to article 8 of the bylaws to bring it into compliance with new legislative provisions on thresholds for disclosure of interest in the share capital.

Identification of holders of identifiable bearer shares ('TPIs') (article 7 of the bylaws)

As permitted by article L. 228-2 of the French Commercial Code, the Company may, at any time, request the identity of holders of its bearer shares from the central depository responsible for maintaining the Company's securities issuance account.

Double voting rights (article 10 of the bylaws)

The Extraordinary General Meeting of 12 December 2001 reduced to two years the minimum period for which shares have to be registered under the shareholder's name in order to qualify for double voting rights.

Double voting rights (relative to the percentage of the total share capital they represent) are granted:

- for shares that are fully paid-up and have been registered in the name of the same shareholder for at least two years;
- for registered shares that are allocated to a shareholder as bonus shares based on shares with double voting rights, in the event of an increase in the share capital by capitalisation of reserves, profits or share premiums.

A share loses its double voting rights if it is converted to a bearer share or if its ownership is transferred. However, the acquired right is not lost if the share is transferred when a deceased shareholder's estate is settled, if a married couple's joint estate is dissolved, or if a gift is made to a spouse or heir.

The double voting right attached to registered shares may be exercised by a registered intermediary if the information provided by the intermediary can be verified to ensure compliance with the conditions required for the right to be exercised.

Each shareholder may waive these double voting rights at any type of general meeting (ordinary, extraordinary, combined or special), and for a single meeting at a time. The option of waiving double voting rights must be renewed at each meeting where the shareholder wishes to make use of this facility. Waiver may be total or partial, for all or for part of the resolutions put to vote at the meeting.

In addition, there are no limitations in the bylaws governing the exercise of voting rights, other than the penalty for non-disclosure of any ownership thresholds exceeded.

At 31 March 2006, 2,940,679 shares carried double voting rights.

4.1.13 SHARE BUYBACKS

4.1.13.1 Report on the share buyback programme approved by shareholders on 18 May 2005 (2005 Share Buyback Programme)

The Combined General Meeting of shareholders on 18 May 2005, in its eleventh resolution, authorised the Company to purchase its own shares in an amount not to exceed 10% of its total share capital (the "2005 Share Buyback Programme").

A. Overview of the 2005 Share Buyback Programme

The main characteristics of the 2005 Share Buyback Programme are described below:

- The maximum purchase price may not exceed €150 per share. Accordingly, the maximum amount of funds intended for the share buyback programme is €106,491,150, based on the Company's share capital at 22 March 2005, although this maximum amount may be adjusted to reflect the total share capital at the date of the General Meeting.
- This authorisation is valid for a period of eighteen months, i.e. until 17 November 2006.
- The shares may be purchased or transferred, including during a public offering period, provided that the purchase or transfer is exclusively for cash and complies with the terms and limits – such as those related to volumes and prices – stipulated by the regulations applicable on the date of the relevant transactions. These purchases and transfers may be carried out by any means, either on the market or by private contract, including block purchases or sales, or by the use of derivative instruments, under the terms set out by the market authorities and at the time periods determined by the Board of Directors or the person acting on behalf of the Board of Directors.

These share purchases may be undertaken for any purpose permitted by law, the objectives of this share buyback programme being:

- to allocate shares to Ipsos Group employees, particularly in connection with: (1) employee profit-sharing schemes, (2) any share purchase plans or bonus share schemes intended for employees, in accordance with current legislation and, more specifically, articles L.443-1 and following of the French Labour Code; or (3) any stock option plans or bonus share schemes intended for some or all employees and officers of the Company;
- to purchase or sell shares as part of a liquidity agreement signed with an investment services provider, in conformity with the requirements of the market authorities;
- to enable the distribution of shares subsequent to the exercise of rights attached to negotiable securities giving immediate or future entitlement, by any means, to the Company's shares;
- to retain shares to be subsequently used in exchange or as payment for any future acquisitions;
- to reduce the Company's share capital in accordance with the twenty-third resolution approved by the General Meeting of shareholders of 18 May 2005;
- to adopt all market practices that may come to be endorsed by legislation or by the Autorité des Marchés Financiers (AMF).

B. Operations carried out under the 2005 Share Buyback Programme

To improve financial reporting, all operations carried out between 30 March 2005 – the reference date for the information memorandum, approved by the Autorité des Marchés Financiers (AMF) under registration number 05-315, issued prior to the start of the 2005 Share Buyback Programme – and 31 March 2006 are listed below.

Purchases and sales of the Company's own shares, excluding those under the liquidity agreement

At 30 March 2005 and at 18 May 2005, the date of the General Meeting of shareholders that approved the 2005 Share Buyback Programme, the Company directly held 351 of its own shares.

The Company did not purchase any of its own shares, other than those purchased under the liquidity agreement, between 31 March 2005 and 31 March 2006 as part of the 2005 Share Buyback Programme.

On 8 July 2005, 8 October 2005 and 8 January 2006, Société Générale transferred to the Company 115,464, 57,732 and 57,732 of its own shares, respectively, as part of a forward purchase agreement concluded on 9 July 2002 at a unit price of €69 and paid in cash the same day. Pursuant to the share buyback programme approved by the General Meeting of

29 May 2002 and covered by the information memorandum approved by the Commission des Opérations de Bourse (COB) on 13 May 2002 under registration number 02-540, this forward purchase agreement covers the Company's obligations with respect to share option plans granted to Group employees and officers by the Board of Directors on 9 July 2002.

The General Meeting of shareholders held on 18 May 2005 earmarked the 351 treasury shares purchased prior to 13 October 2004, and the 577,320 Ipsos shares purchased by the Company under the forward purchase agreement of 9 July 2002 to be delivered to the Company between 8 July 2005 and 6 July 2007, to the Company's obligations with respect to stock option plans and other share allotments to employees of the Company and its subsidiaries.

During the year 2005 and in first-quarter 2006, the Company sold 9,792 and 1,152 of its own shares, respectively, at a unit price of €69, due to the exercising of share purchase options granted previously by the Company.

At 31 March 2006, the Company directly held 220,335 of its own shares.

The Company has not used derivative instruments as part of its 2005 Share Buyback Programme.

Purchases and sales of the Company's own shares under a liquidity agreement

The Company entered into a liquidity agreement with Société Générale and SG Securities (Paris) SAS in February 2003. The following transactions were carried out under the liquidity agreement between 31 March 2005 and 31 March 2006:

- in second-quarter 2005, 9,154 shares were purchased at an average price of €80.60, and 10,039 shares were sold at an average price of €82.42;
- in third-quarter 2005, 8,164 shares were purchased at an average price of €94.91, and 8,124 shares were sold at an average price of €94.13;
- in fourth-quarter 2005, 8,189 shares were purchased at an average price of €101.44, and 9,051 shares were sold at an average price of €102.81;
- in first-quarter 2006, 15,011 shares were purchased at an average price of €116.22, and 13,519 shares were sold at an average price of €117.63.

At 30 March 2005 and at 31 March 2006, the Company retained 2,030 and 2,166 of its own shares, respectively, under the liquidity agreement.

Summary of purchases and sales of the Company's own shares

Purchases and sales of own shares between 31 March 2005 and 31 March 2006 can be summarised as follows:

At 31 March 2006	
Number of shares comprising Ipsos' capital at 31 March 2005	7,099,416
Capital in own shares at 30 March 2005 (0.03% of share capital)	2,381 shares
Number of shares purchased or transferred between 31 March 2005 and 31 March 2006	271,446
Gross weighted average price of shares purchased or transferred	€73.76
Number of shares sold between 31 March 2005 and 31 March 2006	51,677
Gross weighted average price of shares sold	€94.20
Number of shares cancelled during the past 24 months	0
Number of shares comprising Ipsos' capital at 31 March 2006	8 465 836
Capital in own shares at 31 March 2006	222,150 shares (2.62% of share capital)

Summary declaration table

Statement by the issues of transactions involving its own shares at 31 March 2006:

Capital in own shares held directly or indirectly at 31 March 2006	2.62%
Number of shares cancelled during the previous 24 months	0
Number of shares held in portfolio at 31 March 2006	222,150
Book value of portfolio at 31 March 2006	€15,408,934
Market value of portfolio at 31 March 2006	€26,302,560

Breakdown of total gross flows for the period 31 March 2005 to 31 March 2006, and open positions at 31 March 2006

	Total gross flows		Open positions at 31 March 2006			
	Purchases / Transfer	Sales / Transfer	Open positions for purchase		Open positions for sale	
Number of shares			Purchase options purchased	Forward purchases	Purchase options sold	Forward sales
(1) Liquidity agreement	40,518	40,733				
(2) Purchase options attributed to employees, coverage of options by forward purchases and exercise of options	230,928	10,944		346,492	437,910	
Average maximum				16 months	28 months	
Average transaction price						
(1) Liquidity agreement	100.89	100.97				
Average strike price						
(2) See above	69	69		69	69	
Amounts	20,021,910	4,868,141		23,901,048	30,215,790	

4.1.13.2 Share buyback programme submitted to the General Meeting of shareholders of 31 May 2006 (2006 Share Buyback Programme)

A. Overview of the 2006 Share Buyback Programme

The Board of Directors would like the Company to continue to have a share buyback programme.

To this end, the Combined General Meeting of shareholders to be held on 31 May 2006 shall be asked to end, effective immediately, the authorisation granted to the Board of Directors by the Combined General Meeting of 18 May 2005 and, in accordance with the provisions of articles L.225-209 and following of the French Commercial Code, to approve a new share buyback programme (the "2006 Share Buyback Programme") under which the Company may purchase its own shares in an amount not exceeding 10% of its share capital at the date of the General Meeting.

B. Date of the General Meeting of Ipsos shareholders to approve the 2006 Share Buyback Programme

The General Meeting of Ipsos shareholders to be held on 31 May 2006 shall be asked to approve the 2006 Share Buyback Programme.

C. Number of Ipsos shares held by the Company

At 31 March 2006, the Company held 222,150 of its own shares, representing 2.62% of the Company's share capital, including 1,815 shares, representing 0.02% of its share capital, retained under the February 2003 liquidity agreement between the Company and Société Générale and SG Securities (Paris) SAS.

D. Distribution by objective of the shares held:

Of the 222,150 Ipsos shares held at 31 March 2006:

- 220,355 shares cover the Company's obligations with respect to stock option plans and other share allotments to employees of the Company and its subsidiaries;

- 1,815 shares are held under the liquidity agreement between the Company and Société Générale and SG Securities (Paris) SAS.

E. Objectives of the 2006 Share Buyback Programme

These share purchases may take place for any purpose permitted by law, the objectives of this share buyback programme being:

- to establish and honour obligations related to the stock option plans or other allocations of shares to employees of the Company or its affiliates and, in particular, to allocate shares to Ipsos Group employees in connection with: (1) employee profit-sharing schemes, (2) any share purchase plans or bonus share schemes intended for employees, in accordance with applicable legislation and, more specifically, articles L.443-1 and following of the French Labour Code; or (3) any stock option plans or bonus share schemes intended for some or all employees and officers of the Company;
- to purchase or sell shares as part of a liquidity agreement signed with an investment services provider, in accordance with to the requirements of the market authorities;
- to establish and honour obligations related to debt securities which are convertible into certificates of ownership and, in particular, to distribute shares subsequent to the exercise of rights attached to negotiable securities giving immediate or future entitlement, by any means, to the Company's shares;
- to retain shares to be subsequently used in exchange or as payment for any future acquisitions;
- to reduce the Company's share capital in accordance with and subject to adoption of the twenty-first resolution submitted for approval by the General Meeting of shareholders to be held on 31 May 2006.

F. Maximum portion of share capital covered by the 2006 Share Buyback Programme and maximum number of shares that can be purchased under the 2006 Share Buyback Programme

The maximum portion which the Company could purchase as part of the 2006 Share Buyback Programme is 10% of the Company's share capital as at the General Meeting of 31 May 2006.

Based on the Company's share capital at 31 December 2005, the maximum number of shares that can be purchased under the 2006 Share Buyback Programme is 846,583 shares.

G. Maximum purchase price

The maximum purchase price may not exceed €180 per share, with the stipulation that, in the event of capital operations, such as those involving the capitalisation of reserves, bonus share issues and/or increases or decreases in par value, this price will be adjusted accordingly.

The maximum amount of funds to be used for the share buyback programme would therefore total €152,385,048, based on the Company's share capital at 31 December 2005. This maximum amount may be adjusted to reflect the amount of share capital at the date of the General Meeting.

H. Type of shares covered by the 2006 Share Buyback Programme

The Ipsos shares covered by the 2006 Share Buyback Programme are ordinary shares.

I. Term of the 2006 Share Buyback Programme

The 2006 Share Buyback Programme would be authorised for a period of 18 months following the approval date, i.e. until 30 November 2007.

J. Other terms and conditions of the 2006 Share Buyback Programme

The shares may be purchased or transferred, including during a public offering period, provided that the purchase or transfer is fully paid in cash and complies with the terms and limits – such as those related to volumes and prices – stipulated by the regulations applicable on the date of the relevant transactions. These purchases and transfers may be carried out by any means, either on the market or by private contract, including block purchases or sales, or by the use of derivative instruments traded on a regulated or over-the-counter market, under the terms set out by the market authorities and at the time periods determined by the Board of Directors or the person acting on behalf of the Board of Directors.

The number of shares purchased by the Company for the purpose of retaining them and offering them subsequently as payment or exchange within the framework of a merger, spin-off or capital contribution may not exceed 5% of its share capital.

Moreover, in accordance with the provisions of article L.241-2 of the AMF's general regulations, any significant change in any information presented in this report will be made known to the public as rapidly as possible under the terms set out in article 212-13 of the AMF's general regulations.

4.1.14 DISPOSAL OF SHARES

There is no clause in the bylaws restricting the transfer of shares.

4.1.15 PLEDGES OF ASSETS

None of the Company's assets have been pledged.

4.2 INFORMATION ABOUT THE SHARE CAPITAL

4.2.1 SHARE CAPITAL

At the start of the year

At 1 January 2005, after taking into account the exercise of stock options during 2004, the share capital amounted to €7,099,418, divided into 7,099,418 fully paid-up shares, each with a par value of one euro (€1), and all of the same class.

Increases in share capital during the year

Pursuant to decisions by the Board of Directors on 5 October 2005, acting under the authority delegated by the thirteenth resolution approved by the Ordinary and Extraordinary General Meetings of shareholders on 18 May 2005, and by the Chairman on 24 and 25 October and 2 November 2005, acting under the authority delegated by the Board of Directors, the Company increased its capital by €1,250,000 through the issue of 1,250,000 new shares with a par value of one euro (€1) and a subscription price of €92, fully paid-up in cash, as part of an increase in the Company's share capital with pre-emptive subscription rights waived for shareholders. Gross proceeds from this new share issue amounted to €115 million.

Pursuant to a decision by the Board of Directors of 15 December 2005, acting under the authority delegated by the seventeenth resolution approved by the Combined General Meeting of shareholders on 18 May 2005, the Company increased its capital by €74,412 through the issue of 74,412 new shares with a par value of one euro (€1), fully paid up through the contribution in kind of 1,472,642 ordinary shares in the English company MORI Group Ltd, valued at £4,868,554.45, or €7,069,141.06, based on the terms of the contribution agreement of 5 December 2005. To calculate the number of shares to be issued in exchange for the contribution, one Ipsos share was valued at €95, which corresponds to the average listed share price for Ipsos, rounded up to the nearest euro, weighted by trading volumes, for the 50 trading days preceding 7 October 2005, the closing day prior to the signing of the sale and purchase agreement relating to the Company's acquisition of MORI. The shares issued in exchange for the contribution in kind are held in a trust on behalf of the shareholding executives of MORI. Participants in the contribution benefit from a special advantage consisting of a guaranteed value of €95 per Company share up to 21 October 2008, with an impact limited to €1 million. The terms of the contribution, the special advantage and the equity of the consideration for the contribution were the subject of a report by Claude Cazes and Dominique Lévêque, appointed auditors for the purposes of the contribution by order of the President of the Paris Commercial Court of 19 October 2005.

Exercise of stock options

In 2005, 42,006 stock options were exercised, resulting in the issue of 42,006 new shares with an average price of €46.41 (the Board of Directors granted 7,065 options on 28 July 1998 at a strike price of €20.58; 11,657 options on 10 May 1999 at a strike price of €22.87; 20,801 options on 8 August 2001 at a strike price of €67 and 2,483 options on 18 December 2002 at a strike price of €58). The total cost of these shares amounted to €1,949,674.

In a decision dated 3 February 2006, the Chairman and Chief Executive Officer acknowledged the increase in share capital following the exercise of these stock options, and modified the bylaws accordingly.

At the end of the year

At 31 December 2004, the share capital amounted to €8,465,836, divided into 8,465,836 fully paid-up shares, each with a par value of one euro (€1), and all of the same class.

4.2.2 CHANGE IN SHARE CAPITAL OVER THE PAST FIVE YEARS

Date	Operation	Par value	Gross issue premium	Cumulative par value	Cumulative number of shares
	Balance at 31 Dec 00	FRF5		FRF30,926,065	6,185,213
28 March 01	Conversion of share capital into euros and increase in capital by partial capitalisation of share premium account	€1	(FRF9,646,272)	€6,185,213 (FRF40,572,337)	6,185,213
EGM of 12 Dec 01	Increase in share capital through the issue of 227,520 new shares, as payment for shares acquired in Novaction	€1	€20,249,480	€6,412,733	6,412,733
31 Dec 01	Increase in share capital through the issue of 1,944 new shares, following the exercise of 1,944 stock options.	€1	€38,063,052	€6,414,677	6,414,677
Board meeting of 9 July 02	Issue of 577,320 new shares reserved for Ipsos Partnership Funds	€1	€39,257,760	€6,991,997	6,991,997
31 Dec 02	Increase in share capital through the issue of 12,600 new shares, following the exercise of stock options in 2002	€1	€259,926	€7,004,597	7,004,597
31 Dec 03	Increase in share capital through the issue of 43,360 new shares, following the exercise of stock options in 2003	€1	€865,268	€7,047,957	7,047,957
31 Dec 04	Increase in share capital through the issue of 51,461 new shares, following the exercise of stock options in 2004	€1	€1,297,392	€7,099,418	7,099,418
02 Nov 05	Increase in share capital through the issue of 1,250,000 new shares, with pre-emptive subscription rights waived for shareholders	€1	€113,750,000	€8,349,418	8,349,418
15 Dec 05	Increase in share capital through the issue of 74,412 new shares, as payment for shares acquired in MORI	€1	€6,994,729	€8,423,830	8,423,830
31 Dec 05	Increase in share capital through the issue of 42,006 new shares, following the exercise of stock options in 2005	€1	€1,907,668	€8,465,836	8,465,836

4.2.3 OWNERSHIP OF SHARE CAPITAL AND VOTING RIGHTS

4.2.3.1. At 31 March 2006

At 31 March 2006, Ipsos' share capital was divided into 8,465,836 shares with a par value of one euro (€1) each. As of this date, repartition of share capital and voting rights was as follows:

Ownership of Ipsos rights of shares capital at 31 March 2006	Number of shares	% of share capital	Number of voting rights	% of voting rights
LT Participations (1)	2,463,586	29.10%	4,927,172	44.05%
Ipsos Partnership Fund (2)	346,392	4.09%	692,784	6.19%
SG Capital Développement	97,400	1.15%	194,800	1.74%
Employees (3)	101,378	1.20%	130,543	1.17%
Treasury shares	220,335	2.60%		
Public	5,236,745	61.86%	5,240,881	46.85%
TOTAL (4)	8,465,836	100.00%	11,186,180	100.00%

(1) LT Participations is a holding company majority-owned by Didier Truchot and Jean-Marc Lech, co-chairmen of Ipsos (66.79% of the share capital). Other shareholders are: executive managers of the Ipsos Group (4.93% of the share capital), Eurazeo (19.02%), SG Capital Développement (6.84%) and the venture capital fund Sogecap Développement (2.42%).

(2) Ipsos Partnership Fund SAS is owned by nearly 80 key executives and managers of the Ipsos Group.

(3) Under a reserved new share issue as part of the Group employee savings plan, three tranches were offered to employees in 1999 and 2000. In addition, some managers purchased Ipsos shares directly at the IPO price (registered and non-registered shares). As part of the acquisition of MORI in 2005, the Company issued Ipsos shares to MORI shareholding executives in exchange for the transfer of MORI shares. This line only includes registered shares owned by existing and former employer.

(4) This total does not take into account the 23,153 new shares issued during the first quarter of 2006 subsequent to the exercise of 23,153 stock options. The Board of Directors will acknowledge at a later date the capital increase due to the exercise of these options.

None of the Company's shares are held by companies that the Company controls directly or indirectly. The Company held 220,335 of its own shares at 31 March 2006, as described in greater detail in paragraph 4.1.13.

As mentioned in section 4.1.12 above, shares registered in a shareholder's name for at least two years qualify for double voting rights. At 31 March 2006, 2,940,679 shares carried double voting rights.

On 29 October 2003, the Fidelity Investments group notified the Company that through the funds it manages it had exceeded the 10% ownership threshold of Ipsos shares, as described in section 4.2.3.3 ('Share ownership thresholds'). Since this date, Fidelity Investments has not notified Ipsos that it has crossed any share ownership thresholds, whether downwards or upwards.

Ipsos has approximately 5,000 shareholders.

LT Participations is the Company's main shareholder, holding 29.10% of its capital and 44.05% of voting rights. LT Participations also has a seat on the Company's Board of Directors.

In the interest of transparency and disclosure of information, the Company has implemented a series of measures based on the recommendations of the working committee on improving corporate governance chaired by Daniel Bouton, whose conclusions were presented to the public in the "Bouton Report" on 23 September 2002. Accordingly, the Board of Directors has five independent members, and the Company has set up an Audit Committee and a Remuneration Committee. Some of the independent directors sit on these committees to prevent any conflicts of interest (see paragraph 4.3).

4.2.3.2. Shareholders' agreements and undertakings to retain shares

Shareholder's agreements

There are no shareholders' agreements.

Undertakings to retain shares

Since 1 July 2001, there has been no undertaking to retain shares.

4.2.3.3 Share ownership thresholds

The Company was informed that its share ownership thresholds were exceeded by various entities of the Fidelity Investments group in 2003.

In accordance with article L.233-7, paragraphs 1 and 2, of the French Commercial Code, several entities of the Fidelity Investments group (FMR Corp., a US-registered company with its registered office at c/o Fidelity Investments, 82 Devonshire Street, Boston, Massachusetts 02109, United States, and Fidelity International Limited (FIL), a joint-stock corporation registered in Bermuda, with its registered office at P.O. Box HM 670, Hamilton HMCX, Bermuda) informed Ipsos and the Autorité des Marchés Financiers (AMF) in a letter dated 5 March 2003 that they had exceeded the ownership threshold of 5% of the Company's share capital and in a second letter dated 29 October 2003 that they had exceeded the ownership threshold of 10%.

Since these dates, the above companies have not notified Ipsos that their ownership of its share capital has crossed any thresholds.

The Company was informed that a shareholder had exceeded its share ownership threshold in 2004.

In accordance with article L.233-7 of the French Commercial Code, the company Ipsos Partnership Fund SAS, represented by its Chairman, the company Généfinance, informed Ipsos and the AMF in a letter dated 22 July 2004 that it had exceeded the threshold of 10% of the Company's voting rights subsequent to acquiring double voting rights on 9 July 2004, in accordance with article 8 of the Company's bylaws.

Together with its disclosure of 22 July 2004 confirming that it had exceeded the 10% share ownership threshold, Ipsos Partnership Fund declared that it had no intention over the course of the next twelve months of either purchasing further Ipsos shares, of acquiring control of the Company, or of securing representation on the Company's Board of Directors.

No shareholders informed Ipsos that they had crossed any share ownership thresholds in 2005.

4.2.3.4 Pledge of directly registered Ipsos shares

Shareholder	Beneficiaries	Start date of pledge	Expiry date of pledge	Condition for release from pledge	Number of shares pledged	% of the share capital pledged
LT Participations	Crédit Lyonnais, Natexis, Banques Populaires, San Paolo, Société Générale	30 Dec 03	Payment and full redemption of the secured obligations	Payment and full redemption of the secured obligations	800,393	9.45%

4.2.3.5 Ownership of share capital and voting rights at 1 April 2005 and 1 April 2004

To the Company's knowledge, the repartition of share capital and voting rights was as follows at 1 April 2005:

Shareholder	Number of shares	% of share capital	Number of voting rights	% of voting rights
LT Participations	2,463,586	34.70%	4,927,172	47.96%
Ipsos Partnership Fund	577,320	8.13%	1,154,640	11.24%
SG Capital Développement	97,400	1.37%	194,800	1.90%
Employees	47,087	0.66%	80,047	0.78%
Treasury shares	351	0.00%		
Public	3,913,674	55.13%	3,917,861	38.13%
Total	7,099,418	100.00%	10,274,520	100.00%

To the Company's knowledge, the repartition of share capital and voting rights was as follows at 1 April 2004:

Shareholder	Number of shares	% of share capital	Number of voting rights	% of voting rights
LT Participations	2,588,586	36.73%	5,177,172	52.96%
Ipsos Partnership Fund	577,320	8.19%	577,320	5.91%
SG Capital Développement	97,400	1.38%	194,800	1.99%
Employees	82,720	1.17%	130,766	1.34%
Treasury shares	9,351	0.13%	N/A	
Public	3,692,580	52.39%	3,463,550	37.80%
TOTAL	7,047,957	100.00%	9,774,942	100.00%

4.2.4 SHARE CAPITAL AUTHORISED BUT NOT ISSUED

General authorisations to increase the share capital

The General Meeting of shareholders of 18 May 2005 authorised the Board of Directors to increase the share capital, on one or more occasions during a period of no more than twenty-six months, by a maximum nominal amount of €4 million, by issuing, with or without preferential subscription rights: 1) ordinary Company shares; 2) securities giving immediate or future access by any means to ordinary shares existing or to be issued by the Company or an allotment of debt instruments; and 3) securities giving immediate or future access by any means to ordinary shares existing or to be issued by a company in which the Company directly or indirectly owns more than one half of the capital, provided that these shares can be subscribed for in cash or by set-off.

The Extraordinary General Meeting of 18 May 2005 also authorised the Board of Directors to issue ordinary shares and other securities giving entitlement to ordinary shares: 1) in the event that the Company initiates a public exchange offer; 2) in return for contributions in kind made to the Company in the form of capital shares or securities giving entitlement to share capital; or 3) in connection with the issue, by subsidiaries of the Company, of securities giving entitlement to ordinary shares in the Company.

Furthermore, the Extraordinary General Meeting of 18 May 2005 authorised the Board of Directors to increase the share capital by capitalisation of reserves, profits, share premiums or any other item that may be capitalised, up to a maximum of €4 million.

Lastly, the Extraordinary General Meeting of 18 May 2005 authorised the Board of Directors to issue securities entitling holders to an allotment of debt instruments.

The Board of Directors used these authorisations to make the two new share issues described in paragraph 4.2.1 and in the table below.

The following table lists the currently valid authorisations granted by the General Meeting of Ipsos shareholders to the Board of Directors for the purposes of increasing the share capital:

General Meeting that granted the authorisation to the Board of Directors	Description of the authorisation granted to the Board of Directors	Use of these authorisations in 2005
AGE of 11 June 2003 Fourth resolution	Authorisation to grant stock options to officers and designated employees of the Company. Period: 38 months. The twenty-fourth resolution of the AGM of 18 May 2005 (see below) cancelled the unused portion of this authorisation. A limit of 350,230 shares was set for options giving entitlement to shares.	Options giving entitlement to subscribe to 24,000 shares were granted at the Board meeting of 22 April 2005.

General Meeting that granted the authorisation to the Board of Directors	Description of the authorisation granted to the Board of Directors	Use of these authorisations in 2005
AGM of 18 May 2005 Twelfth resolution	Authorisation to issue ordinary shares and securities giving entitlement to the Company's shares, with preferential subscription rights retained for shareholders. Period: 26 months. Maximum limit: nominal amount of €4 million.	None
AGM of 18 May 2005 Thirteenth resolution	Authorisation to issue ordinary shares and securities giving entitlement to the Company's shares, with preferential subscription rights waived for shareholders. Period: 26 months. Maximum limit: nominal amount of €4 million.	€1,250,000 increase in share capital through the issue of 1,250,000 fully paid-up ordinary shares in compliance with the decisions of the Board of Directors of 5 October 2005 and the Chairman and Chief Executive Officer of 24 and 25 October and 2 November 2005.
AGM of 18 May 2005 Fourteenth resolution	Authorisation to set the issue price, pursuant to the terms agreed by the General Meeting, in the event of an issue of ordinary shares or other securities giving entitlement to ordinary shares, with preferential subscription rights waived for shareholders. Period: 26 months. Maximum limit: 10% of the Company's share capital at 18 May 2005, or 709,941 new shares.	None
AGM of 18 May 2005 Fifteenth resolution	Authorisation to increase the amount of the initial issue, in the event that the shares are issued with preferential rights waived or retained for shareholders. Period: 26 months. Maximum limit: 15% of the initial issue.	None
AGM of 18 May 2005 Sixteenth resolution	Authorisation to issue ordinary shares and other securities giving entitlement to ordinary shares, in the event that the Company initiates a public exchange offer. Period: 26 months. Maximum limit: nominal amount of €4 million, which is to be set off against the maximum amount stipulated in the thirteenth resolution described above.	None
AGM of 18 May 2005 Seventeenth resolution	Authorisation to issue ordinary shares and other securities giving entitlement to ordinary shares, in return for contributions in kind to the Company in the form of capital shares or securities giving entitlement to share capital. Period: 26 months. Maximum limit: the nominal amount of the new share issue is set at 10% of the Company's share capital at 18 May 2005, or €709,941.	€74,412 increase in share capital through the issue of 74,412 new ordinary shares with a special advantage, fully paid up by contribution in kind of 1,472,642 ordinary shares of the MORI Group Ltd., pursuant to the decision of the Board of Directors of 15 December 2005.

General Meeting that granted the authorisation to the Board of Directors	Description of the authorisation granted to the Board of Directors	Use of these authorisations in 2005
AGM of 18 May 2005 Eighteenth resolution	Authorisation to issue ordinary shares in connection with the issue, by subsidiaries of the Company, of securities giving entitlement to ordinary shares in the Company. Period: 26 months. Maximum limit: nominal amount of €4 million, which is to be set off against the maximum amount stipulated in the thirteenth resolution described above.	None
AGM of 18 May 2005 Nineteenth resolution	Overall limitation of authorisations. Maximum limit: nominal amount of €4 million.	The two capital increases described above.
AGM of 18 May 2005 Twentieth resolution	Authorisation to issue securities entitling holders to an allotment of debt instruments. Period: 26 months. Maximum limit: nominal amount of €350 million.	None
AGM of 18 May 2005 Twenty-first resolution	Authorisation to increase the share capital by capitalisation of reserves, retained earnings or share premiums. Period: 26 months. Maximum limit: amount of €4 million.	None
AGM of 18 May 2005 Twenty-second resolution	Authorisation to increase the share capital reserved for employees enrolled in a Company savings plan. Period: 26 months. Maximum limit: nominal amount of €354,971.	None
AGM of 18 May 2005 Twenty-fourth resolution	Authorisation to grant stock options to officers and designated employees of the Company. Period: 38 months. Maximum limit: The total number of options that may be granted shall not entitle holders to subscribe for or purchase a number of ordinary shares exceeding 5% of the Company's share capital at 18 May 2005, i.e. 354,970 shares.	None
AGM of 18 May 2005 Twenty-fifth resolution	Authorisation to grant free shares in the Company. Period: 38 months. Maximum limit: 5% of the share capital at 18 May 2005, i.e. 354,970 shares.	None

The Extraordinary General Meeting of shareholders to be held on 31 May 2006 will be asked to grant new authorisations to the Board of Directors, in which case the unused portions of the above-mentioned authorisations will become null and void.

4.2.5 SHARE ISSUE RESERVED FOR MEMBERS OF THE IPSOS GROUP EMPLOYEE SAVINGS PLAN

The twenty-second resolution of the Extraordinary General Meeting of 18 May 2005 authorised the Board of Directors, for a period of no more than twenty-six months, to issue shares reserved for members enrolled in the Company's employee savings plan, with a maximum nominal amount of €354,971.

The Board of Directors did not use this authorisation.

At the Extraordinary General Meeting to be held on 31 May 2006, shareholders will be asked to renew this authorisation and to approve a new maximum nominal amount of €423,290.

4.2.6 POTENTIAL SHARE CAPITAL

Initial share option plan

The Extraordinary General Meeting held on 28 July 1998 authorised the Board of Directors, pursuant to articles L. 227-177 and following of the French Commercial Code, to grant options to some or all Group employees and to Company officers, entitling them to subscribe for new shares in the Company to be issued in the form of a capital increase.

This initial plan to grant options to Group employees was implemented as follows:

- an initial tranche of 97,662 options (after the 50-for-1 stock split approved by the Extraordinary General Meeting of 28 July 1998 and the 2-for-1 stock split approved by the Extraordinary General Meeting of 31 May 1999) was granted by a decision of the Board of Directors on 28 July 1998;
- a second tranche of 98,240 options (after the 2-for-1 stock split approved by the Extraordinary General Meeting of 31 May 1999), corresponding to vested benefits at 28 July 1998 and contingent upon the achievement of profitability targets, was granted by a decision of the Board of Directors on 10 May 1999.

Date meeting of Board	Initial exercise date for options	Number of options granted ⁽¹⁾	Exercise price (1 share per option)	Options exercised at 31 Mar 06	Number outstanding at 31 Mar 06 ⁽²⁾	Final exercise date
28 July 98	28 July 03	97,662	FRF135	67,149	1,877	28 July 08
10 May 99	10 May 04	98,240	FRF150	60,397	5,985	28 July 08
Total		195,902		127,546	7,862	

(1) After the 50-for-1 stock split (EGM of 28 July 98) and 2-for-1 stock split (EGM of 31 May 99).

(2) Including options held by the eight members of the Executive Committee at 31 March 2006: 1,492 (1998: 0, 1999: 1,492).

Second share option plan

The Extraordinary General Meeting of 24 May 2000 authorised the Board of Directors, pursuant to articles L.225-177 and following of the French Commercial Code, to grant to some or all of the Company officers and employees of the Company and of related companies as defined in article L.225-180 of the French Commercial Code, options to subscribe for new ordinary shares in the Company to be issued in the form of a capital increase, as well as options granting the entitlement to purchase Ipsos shares bought by the Company itself under the conditions laid down by law.

The total number of stock options that may be granted was 6% of the total number of shares forming the Company's share capital at the date of the General Meeting, i.e. 314,080 options.

The plan approved by the General Meeting of 24 May 2000 replaced the authorisation given by the Extraordinary General Meeting of 28 July 1998.

This second plan to grant options to Group employees was implemented as follows:

- an initial tranche of 75,000 options, divided into three sub-tranches with different option exercise periods in order to take account of the specific features of various tax regulations, was granted following a decision by the Board of Directors on 9 June 2000;
- a second tranche of 119,800 options, split into two sub-tranches, was granted following a decision by the Board of Directors on 8 August 2001;
- a third tranche of 94,000 options, split into two sub-tranches, was granted following a decision by the Board of Directors on 18 December 2002.

Date of Board meeting	Initial exercise date for options	Number of options granted	Exercise price (1 share per option)	Options exercised at 31 Mar 06	Number outstanding at 31 Mar 06 ⁽¹⁾	Final exercise date
9 June 00	9 June 04	27,609	€120	0	20,737	9 June 08
9 June 00	9 June 03	11,594	€120	0	4,178	9 June 07
9 June 00	9 June 03	35,797	€120	0	17,997	9 June 08
8 Aug 01	8 Aug 05	27,148	€67	7,628	11,380	8 Aug 09
8 Aug 01	8 Aug 04	92,652	€67	25,508	34,586	8 Aug 09
18 Dec 02	18 Dec 05	84,670	€58	13,842	52,702	18 Dec 10
18 Dec 02	18 Dec 06	9,330	€58	0	7,380	18 Dec 10
TOTAL		288,800		46,978	148,960	

(1) Including options held by the eight members of the Executive Committee at 31 March 2006: 11,103 (2000: 8,316; 2001: 2,787; 2002: 0).

Third share option plan

The Extraordinary General Meeting of 11 June 2003 granted the Board of Directors full powers, including that of delegation to the Chairman, in accordance with articles L.225-177 and following of the French Commercial Code, to grant to some or all of the Company officers and employees of the Company and of related companies as defined in article L.225-180 of the French Commercial Code, options to subscribe for new ordinary shares in the Company to be issued in the form of a capital increase, as well as options giving the right to purchase Ipsos shares bought by the Company itself under the conditions laid down by law.

The Board of Directors may use all or part of this authorisation, on one or more occasions, up to 11 August 2006.

The total number of stock options that may be granted stands at 5% of the total number of shares forming the Company's share capital at the date of the General Meeting, i.e. 350,230 options.

Within the aforementioned limits, the General Meeting has granted the Board of Directors powers, including that of delegation within the terms and conditions as stipulated by law, to implement the option plan.

The plan approved by the General Meeting of 11 June 2003 replaced the authorisation given by the Extraordinary General Meeting of 24 May 2000.

The third share option plan for Group employees was implemented as follows:

- Allocation of 139,500 options pursuant to a decision by the Board of Directors on 2 March 2004, divided into two sub-tranches (France and the rest of the world) with different option exercise periods in order to take into account the specific features of various tax regulations.
- Allocation of 24,000 options pursuant to a decision by the Board of Directors on 22 April 2005, divided into two sub-tranches (France and the rest of the world) with different option exercise periods in order to take into account the specific features of various tax regulations.

Date of Board meeting	Initial exercise date for options	Number of options granted	Exercise price (1 share per option)	Options exercised at 31 Mar 06	Number outstanding at 31 Mar 06 ⁽¹⁾	Final exercise date
2 March 04	2/03/08	22 300	77 €	0	20 200	2/03/2012
2 March 04	2/03/07	117,200	77 €	0	92,960	2/03/2012
22 April 05	22/04/08	8,000	83 €	0	7,000	22/04/2013
22 April 05	22/04/09	16,000	83 €	0	15,500	22/04/2013
TOTAL		163,500		0	135,660	

(1) Including options held by the eight members of the Management Board at 31 March 2006: 10,000 (2004: 0; 2005: 10,000).

4.2.7 OTHER SECURITIES GIVING RIGHTS TO THE SHARE CAPITAL

There are no other securities giving rights to the Company's capital.

4.2.8 SECURITIES NOT REPRESENTING THE COMPANY'S SHARE CAPITAL

Private placement on the US market

In May 2003, the Company completed a \$90 million issue of 10-year notes (due to mature on 28 May 2013) in a private placement with US institutional investors.

There are no other securities that are non-representative of the Company's share capital.

4.2.9 SHARE PURCHASE OPTIONS

At its meeting of 9 July 2002, the Board of Directors used the authorisation given to it by the Combined General Meeting of 6 March 2002 to grant to certain officers and employees of the Company and of related companies or groupings who are shareholders of Ipsos Partnership Fund SAS, 19,244 options to purchase shares in the Company. Each option entitles the holder to purchase up to 30 shares, at a price of €69 per share. These options may be exercised between 9 July 2005 and 9 July 2008. The number of shares that may be acquired by exercising each option increases over time, reaching a maximum of 30 shares as of 9 July 2007. To exercise these options, the holder must continue to be an employee of the Ipsos Group and a shareholder of Ipsos Partnership Fund SAS. The Board of Directors made full use of the authorisation granted on 6 March 2002. These share purchase options do not represent potential capital or dilution.

At 31 March 2006, 1,408 options had been exercised enabling their beneficiaries to purchase 10,944 shares, and 14,597 options were still outstanding and could be exercised to purchase a total of 437,910 shares in the Company.

Date of Board meeting	Initial exercise date for options	Number of options granted ⁽¹⁾	Exercise price for 1 option	Options exercised at 31 Mar 06	Number outstanding at 31 march 2006 ⁽²⁾	Final exercise date
09/07/02	09/07/05	577,320	69 €	10,944	437,910	02/03/2012
TOTAL		577,320		10,944	437,910	

(1) Altogether, 19,244 options were allocated, each with the right to purchase up to 30 shares. This table shows the potential number of shares that could be purchased by exercising options.

(2) Including options held by the eight members of the Executive Committee at 31 March 2006, representing 94,080 shares.

The Company covered these options through the forward purchase of 577,320 of its own shares from Société Générale, pursuant to the share buyback programme approved by the Company's shareholders on 29 May 2002 and covered by the information memorandum approved by the COB on 13 May 2002 under registration no. 02-540. These shares were repurchased and paid immediately at a unit price of €69. Société Générale will deliver these shares to the Company between 8 July 2005 and 8 July 2007, in line with the aforementioned exercise schedule for the stock options.

4.2.10 DIVIDENDS AND DISTRIBUTION POLICY

In 2003, the Company decided to make its dividend policy even more favourable for shareholders. Ipsos now aims to pay out approximately 20 to 25% of consolidated net profit, provided this amount is compatible with the Company's interests. The above rate is before any tax rebates stipulated in article 158 of the French General Tax Code. Consolidated net profit is understood as being total net profit attributable to Group shareholders.

Year	Net dividend per share	Portion of dividend eligible for tax rebates ⁽²⁾
2005 ⁽¹⁾	1.00 €	100 %
2004	0.90 €	100 %

Year	Net dividend per share	Tax credit ⁽²⁾ per share	Gross dividend per share
2003	0.85 €	0.42 €	1.27 €
2002	0.30 €	0.15 €	0.45 €
2001	0.26 €	0.13 €	0.39 €

⁽¹⁾ Dividend to be proposed at the Ordinary General Meeting of 31 May 2006. Proposed payment date: 3 July 2006.

⁽²⁾ Tax rebate mentioned in article 158-3-2° of the French General Tax Code.

⁽³⁾ For the purposes of this table, a single 50% rate was used for all tax credits (concerning only the years 2002 and 2003).

In accordance with the law, annual and interim dividends that remain unclaimed after a period of five years revert to the French government.

4.2.11 KEY STOCK MARKET DATA

The Company's shares were admitted for trading on the Nouveau Marché of Euronext Paris on 1 July 1999. On 16 April 2003, the shares were transferred to the Premier Marché of Euronext Paris, which became Eurolist of Euronext Paris in January 2005. Ipsos is eligible for the SRD deferred settlement system and is part of the Next Prime segment and SBF 120 index.

Share price and trading volumes since the IPO on 1 July 1999

	High (€)	Low (€)	Average volume-weighted price (€)	Volume (number of shares)	Volume (€) millions
July 1999	38.7	36.0	37.8	1 342.689	50.7
August 1999	44.1	36.7	41.9	370.650	15.5
September 1999	50.4	43.5	47.6	199.879	9.5
October 1999	52.1	47.0	48.4	212.358	10.3
November 1999	60.0	48.0	52.4	252.422	13.2
Décember 1999	82.1	54.5	69.5	148.579	10.3
January 2000	100.1	71.0	87.7	312.150	27.4
February 2000	163.5	97.0	127.9	321.525	41.1
March 2000	203.0	146.0	159.8	564.365	90.2
April 2000	154.0	100.0	122.8	230.247	28.3
May 2000	128.0	109.5	120.5	76.994	9.3
June 2000	131.0	110.0	116.8	141.100	16.5
July 2000	149.9	103.1	129.1	214.100	27.6
August 2000	154.1	133.0	141.9	149.600	21.2
September 2000	150.0	127.4	137.1	174.700	24.0
October 2000	124.0	110.0	115.0	348.900	40.1
November 2000	124.0	93.7	108.8	176.400	19.2
Décember 2000	125.0	100.1	111.9	165.600	18.5
January 2001	114.0	86.5	100.1	317.100	31.7
February 2001	107.0	90.2	96.0	102.600	9.9

	High (€)	Low (€)	Average volume- weighted (€)	Volume (number of shares)	Volume (€) million
March 2001	98.0	81.5	88.9	288,208	25.6
April 2001	86.9	74	79.6	250,055	19.9
May 2001	92.9	87.8	90.6	123,667	11.2
June 2001	86.95	70.2	76.0	164,289	12.5
July 2001	70.3	56	63.3	236,737	15.0
August 2001	77	66	71.5	161,499	11.5
September 2001	71.9	41.85	51.4	304,188	15.6
October 2001	67.7	54.2	60.6	305,303	18.5
November 2001	66.3	59.35	63.1	288,882	18.2
December 2001	64.45	60	62.9	121,274	7.6
January 2002	70.5	63	67.7	205,752	13.9
February 2002	68.75	59.9	64.9	160,267	10.4
March 2002	77.6	64.8	70.2	290,377	20.4
April 2002	83.9	74.55	78.4	253,985	19.9
May 2002	82.65	75.75	78.8	238,748	18.81
June 2002	76.35	62	70.1	185,387	13
July 2002	69.9	54.8	62.9	247,271	15.55
August 2002	61.9	54	58.6	262,153	15.37
September 2002	59.5	40.77	51.6	271,404	14
October 2002	58	49.5	54.6	225,519	12.32
November 2002	61.25	57.4	59	230,025	13.58
December 2002	60.5	52	55.8	152,106	8.48
January 2003	54.85	40.5	46.4	276,497	12.86
February 2003	44.1	39.9	41.6	405,533	16.86
March 2003	45.5	39	41.9	296,453	12.41
April 2003	49	43	45.7	258,569	11.81
May 2003	55.05	45.7	51.5	343,194	17.68
June 2003	57.2	51.8	55.7	320,164	17.84
July 2003	62.1	53.6	59.2	364,951	21.59
August 2003	65.5	60.45	63.5	291,483	18.51
September 2003	69.5	62.9	65.3	405,984	26.5
October 2003	73.4	65.8	69.2	423,920	29.35
November 2003	76.85	72.6	74.8	472,879	35.39
December 2003	75.5	72.7	74.2	142,713	10.59
January 2004	74.6	68.6	71.2	231,854	16.50
February 2004	80.75	71.8	76.6	238,338	18.26
March 2004	83.1	71.2	78.0	268,174	20.91
April 2004	85.5	80.6	83.4	181,381	15.14
May 2004	87.9	78.5	83.9	262,399	22.03
June 2004	96	86	92.1	274,502	25.30
July 2004	93	82.6	84	147,341	12.37
August 2004	86.8	76	79.1	118,956	9.41

	High (€)	Low (€)	Average volume- weighted price (€)	Volume (number of shares)	Volume (€) millions
September 2004	85.8	73.3	76.3	461,282	35.20
October 2004	77.4	70.6	73	407,104	29.74
November 2004					
Décember 2004	77	74	76.4	209,729	16.02
January 2005	85	77	81.9	331,281	27.13
February 2005	86	79.8	80.3	373,792	30
March 2005	85.7	75.8	80.3	390,233	31.36
April 2005	84.7	78.5	82.3	293,323	24.15
May 2005	83	73.3	79.6	273,843	21.75
June 2005	88.6	80.2	84.1	208,905	17.56
July 2005	91.7	84.5	88	169,110	14.90
August 2005	92.5	89.1	91.1	195,516	18.16
September 2005	117.8	83.6	102.7	427,118	43.60
October 2005	107	92.25	99.4	295,204	29.34
November 2005	107	96	101.7	312,948	31.81
Décember 2005	112.1	102	106.9	332,049	35.51
January 2006	123.8	108.1	115.6	293,607	33.93
February 2006	123.8	110.8	115.3	295,966	34.13
March 2006	122.1	111.5	118.6	221,903	26.31

Ipsos share price on Eurolist of Euronext Paris on 24 April 2006 (€)

Ipsos share price on Eurolist of Euronext Paris on 24 April 2006 (€)



Source : Société Générale.

4.3. COMPOSITION AND OPERATIONS OF THE BOARD OF DIRECTORS AND COMMITTEES: THE BOARD OF DIRECTORS AS AT 26 APRIL 2006

4.3.1 MEMBERS OF THE BOARD OF DIRECTORS AS AT 26 APRIL 2006

Directors holding an executive office within the Ipsos Group:

Didier Truchot, Chairman & Chief Executive Officer
Jean-Marc Lech, Vice-Chairman & Deputy Chief Executive Officer
Carlos Harding, Deputy Chief Executive Officer
Laurence Stoclet, Chief Financial Officer
Henri Wallard, Deputy Chief Executive Officer

Directors that do not hold an executive office within the Ipsos Group and that have special ties with the Company, the Group or its management:

Yves-Claude Abescat,
LT Participations, represented by Pascal Cromback
Patrick Sayer,

Independent directors (those that do not hold an executive office within the Ipsos Group and that do not have special ties with the Company, the Group or its management, as defined by the Bouton Report of September 2002 and as such criteria are assessed by the Board):

Nicolas Bazire,
Jean-Michel Carlo,
Yann Duchesne,
Victoire de Margerie,
Wladimir Mollof.

The Board of Directors comprises thirteen directors, including eight external directors, five of whom are independent directors. No censor has been appointed.

On 26 April 2006, the Board of Directors reviewed the individual situation of each of its members. Directors who do not hold executive positions within the Ipsos Group are considered to be external directors. External directors who do not have any special ties with the Company, the Group or its management are considered to be independent directors (as defined by the Bouton Report of September 2002). The Board considers Jean-Michel Carlo to be an independent director, even though he held an executive position within Ipsos between 2002 and 2004.

The directorship of Pierre Haren expired during the General Meeting of 18 May 2005. Simon Kooyman resigned as director and notified the Board of his decision by letter dated 17 August 2005. The Board acknowledged his resignation during the meeting of 20 September 2005.

The Chairman of the Board of Directors is also the Chief Executive Officer of the Company.

The Board of Directors also has a Vice-Chairman, whose main role is to replace the Chairman in his absence and to preside over Board meetings when the Chairman is unable to attend.

Three directors, including the Vice-Chairman, have been appointed as Deputy Chief Executive Officers.

The directors were all appointed by General Meetings of shareholders. There are no Board members elected by the employees.

The directors meet all of the nomination criteria, including those pertaining to qualifications, conflicts of interest and restrictions. Moreover, pursuant to article 13 of the bylaws, each director holds at least one share in the Company.

4.3.2 ROLE OF THE BOARD OF DIRECTORS

The Board of Directors has at least three and no more than eighteen members, appointed by the General Meeting of shareholders.

Pursuant to article 12 of the bylaws, directors are appointed for six-year terms and can be re-elected indefinitely, as long as age restrictions are met. No more than a third of the individual directors or permanent representatives of companies on the Board of Directors may be over 68 years of age. Each director must hold at least one Company share throughout his term of office.

The Board of Directors meets upon the Chairman giving notice of meeting by any means he deems fit. Subject to applicable laws and regulations, Board of Directors meetings may be held by videoconference according to the terms specified in the bylaws adopted by the Board of Directors.

Members of the Board of Directors may receive fees for attendance. The aggregate amount of these fees is determined by the General Meeting of shareholders, and the allocation of the fees is freely decided by the Board of Directors. The Board of Directors may allocate a higher share of the attendance fees to directors who serve on committees.

There are no family relationships between members of the Board of Directors.

To the Company's knowledge, the members of the Board of Directors and executive management have not been subject to any conviction for fraud over the past five years. None of the Board's members have participated in a management position in an act of bankruptcy, sequestration or liquidation over the past five years. No official sanctions and/or convictions have been handed down against them by a statutory or regulatory authority. None of its members is subject to a court injunction preventing them from acting as a member of an administrative, management or supervisory body of an issuer, or from intervening in the management or business affairs of an issuer over the past five years.

The Board of Directors has five members who also hold executive positions within the Group (Didier Truchot, Jean-Marc Lech, Carlos Harding, Henri Wallard and Laurence Stoclet).

LT Participations, the main shareholder with a 29.10% share of the Company's capital, is also a member of the Board of Directors.

Patrick Sayer, an Ipsos director, is also Chairman of the Executive Board of Eurazeo, which has a 19.02% stake in LT Participations.

Yves-Claude Abescat, an Ipsos director, is also Director of the *Banque d'investissement des entreprises* and member of the Group Management Committee of Société Générale, one of the Company's banking partners, a fund of which, SG Capital Développement, holds a 1.15% stake in Ipsos, and a 9.26% stake, held jointly with the venture capital partnership (FCPR) Sogecap Développement, in LT Participations. Furthermore, Société Générale is a member of the underwriting syndicate for some of the loans granted to the Company. Lastly, SG Securities Paris SAS, a subsidiary of Société Générale, operates a liquidity agreement on Ipsos' behalf.

With the exception of the items detailed above, to the knowledge of the Company, there are no potential conflicts of interest between the private interests of the Company's directors and their duties pertaining to the Company.

In the interest of transparency and the disclosure of information, Ipsos takes into account the recommendations made by the working committee on improving corporate governance chaired by Daniel Bouton, whose conclusions were presented to the public in the "Bouton Report" on 23 September 2002. The Company's Board of Directors has five independent directors, as defined by the Bouton Report.

Lastly, at the date of the present document, none of the Company's officers is linked by a service contract with Ipsos or any of its subsidiaries which would grant them special advantages.

Preparation for board meetings:

Since 1 October 1999, the Board of Directors has set up two committees: the Audit Committee, which is responsible for exercising independent control over the Company's accounting policies and financial statements, and the Remuneration Committee, which is responsible for defining the remuneration policy for the Group's executive management.

The Audit Committee comprises Wladimir Mollof, Chairman, and Pascal Cromback.

The Remuneration Committee comprises Victoire de Margerie, Yves-Claude Abescat and Yann Duchesne.

More information on the above items can be found in the Chairman's report on the conditions for preparing and organising the work of the Board of Directors and the internal control procedures implemented by the Company, which is reprinted in section 4.3.4 below.

4.3.3 PROFESSIONAL EXPERIENCE AND OFFICES HELD BY MEMBERS OF THE BOARD OF DIRECTORS

- **Didier Truchot**, Chairman & Chief Executive Officer

Professional experience: Chairman of Ipsos since its foundation in 1975.

Professional domicile: 35, rue du Val de Marne, 75013 Paris

- **Jean-Marc Lech**, Vice-Chairman & Deputy Chief Executive Officer
Professional experience: Co-chairman of Ipsos since 1982, prior to which he was Chairman and Chief Executive Officer of IFOP.
Professional domicile: 35, rue du Val de Marne, 75013 Paris
- **Carlos Harding**, Deputy Chief Executive Officer
Professional experience: Responsible for managing the Company's acquisition programme since he joined Ipsos in 1991.
Professional domicile: 35, rue du Val de Marne, 75013 Paris
- **Henri Wallard**, Deputy Chief Executive Officer
Professional experience: Several high-level public offices. Before joining Ipsos' executive management in 2002, he was a member of Sofres' management team and an Executive Director of Taylor Nelson Sofrès plc.
Professional domicile: 35, rue du Val de Marne, 75013 Paris
- **Laurence Stoclet**, Chief Financial Officer
Professional experience: Manager for a major international audit firm before holding financial management positions for several European groups. She joined Ipsos as the Financial Officer in 1998.
Professional domicile: 35, rue du Val de Marne, 75013 Paris
- **Yves-Claude Abescat**
Professional experience: Director of the *Banque d'investissement des entreprises de la Société Générale* and member of the Executive Committee of the Société Générale Group. He has held numerous positions within the Société Générale Group, notably as a director of subsidiaries and funds. He is a member of the management or supervisory boards of numerous companies in which Société Générale holds equity investments.
Professional domicile: SG Capital Développement, 17 Cours Valmy, 92972 Paris La Défense Cedex
- **Nicolas Bazire**
Professional experience: Director of development and acquisitions for the LVMH group. Before joining the LVMH group's executive management team, he held various high-level public offices and was a partner at Rothschild & Cie Banque.
Professional domicile: Groupe Arnault, 22, avenue Montaigne, 75008 Paris
- **Jean-Michel Carlo**
Professional experience: An executive manager at BDDP and then Havas before serving as Chief Executive Officer for Ipsos Europe and Deputy Chief Executive Officer of Ipsos SA from 2002 to 2004. He was then named Chairman and Chief Executive Officer of BBDO.
Professional domicile: 15, rue du Belvédère, 92100 Boulogne-Billancourt
- **LT Participations**, represented by Pascal Cromback
Professional experience: LT Participations has been the controlling holding company since 1988. Mr Pascal Cromback was Chairman and CEO of ETAI for many years.
Professional domicile: 35, rue du Val de Marne, 75013 Paris
- **Yann Duchesne**
Professional experience: Served as the Chief Executive Officer France of McKinsey, before being named Chief Executive Officer France of the Doughty Hanson investment fund in 2004.
Professional domicile: Doughty Hanson, 60, avenue Hoche, 75008 Paris
- **Victoire de Margerie**
Professional experience: Victoire de Margerie is an independent director in different boards of listed companies. She also teaches management at ESC Grenoble and HEC. She thus shares her twenty-year experience of management for multinational industrial groups, in particular in the United States and Germany.
Professional domicile: 179 rue de la Croix-Nivert, 75015 Paris
- **Wladimir Mollof**
Professional experience: Chairman of the Executive Committee of Arjil Groupe Altium. Previously various posts with the Dupont de Nemours Group in the USA and Europe from 1965 to 1983. Since 1984 involved with the creation and management of European investment funds and M&A transactions (notably with Baring Brothers, Hambrecht & Quist, Aros Sodic and Apax Partners Finance).
Professional domicile: Altium Capital, 84 avenue d'Iéna, 75008 Paris
- **Patrick Sayer**
Professional experience: Before being appointed Chairman of the Management Board of Eurazeo, he was a managing partner of the Lazard Bank in Paris and New York. He is a member of the management or supervisory boards of numerous companies in which the Eurazeo Group holds equity stakes.
Professional domicile: Eurazeo, 3, rue Bingen, 75017 Paris

Details of offices held by members of the Board of directors

Name	First appointment date	End of term	Main position within the Company	Main position outside of the Company	Other positions and functions exercised in other companies within the past 5 years
Didier Truchot	GM of 23 February 1988	General Meeting to approve the accounts for the year ending 31 December 2009	Chairman and Chief Executive Officer	None	Current term of office Deputy Chief Executive Officer and director of LT Participations Past terms of office None
Jean-Marc Lech	GM of 23 February 1988	General Meeting to approve the accounts for the year ending 31 December 2009	Vice-Chairman and Deputy Chief Executive Officer	None	Current term of office Chairman and Chief Executive Officer of LT Participations Past terms of office Néant
Carlos Harding	GM of 27 March 1992	General Meeting to approve the accounts for the year ending 31 December 2009	Deputy Chief Executive Officer	None	Current term of office Director of LT Participations Past terms of office None
Laurence Stoclet	GM of 18 December 2002	General Meeting to approve the accounts for the year ending 31 December 2008	Deputy Chief Executive Officer	None	Current term of office None Past terms of office None
Henri Wallard	GM of 18 December 2002	General Meeting to approve the accounts for the year ending 31 December 2008	Chief Financial Officer	None	Current term of office None Past terms of office Director of TNS Plc Manager of Data-Service
Yves-Claude Abescat	GM of 18 December 2002	General Meeting to approve the accounts for the year ending 31 December 2008	Deputy Chief Executive Officer	Director of the Investment Bank, Société Générale	Current term of office Chairman and Chief Executive Officer of Salvepar (France); director of François Charles Oberthur Fiduciaire (France) and Groupe Gascogne (France); member of the Supervisory Board of Société Générale Marocaine de Banque (Morocco) and Oberthur Smart Cards (France); SG Capital Développement's permanent representative on the Board of Directors of LT Participations (France) and Touax SCA; permanent representative of Salvepar on the Supervisory Committee Past terms of office Director of 21 Centrale Partners (France) and SG Conseil Pays Emergents Chairman of SGCD and Soginnove Vice-Chairman of SG Private Equity Member of the Supervisory Board of Groupe Gascogne

Name	First appointment date	End of term	Main position within the Company	Main position outside of the Company	Other positions and functions exercised in other companies within the past 5 years
Nicolas Bazire	GM of 6 March 2002	General Meeting to approve the accounts for the year ending 31 December 2007	Director	Director of Development and Acquisitions LVMH	<p>Current terms of office Director, LVMH; member of the Supervisory Board, Rothschild & Cie Banque; Vice-Chairman of the Supervisory Board, Tajan SA; member of the Supervisory Board, LVMH Fashion Group</p> <p>Past terms of office None</p>
Jean-Michel Carlo	GM of 6 March 2002	General Meeting to approve the accounts for the year ending 31 December 2007	Director	-	<p>Current terms of office None</p> <p>Past terms of office Director, View; Chairman, CEO and director of BBDO Services SA; Vice-Chairman and Chief Executive Officer, Havas SA</p>
LT Participations, represented by Pascal Cromback	GM of 30 March 1990	General Meeting to approve the accounts for the year ending 31 December 2007	Director	-	<p>Current terms of office Chief Executive Officer, Sofetec; director, LT Participations; director, Bunbeg (Netherlands)</p> <p>Past terms of office Chairman and Chief Executive Officer, Etai; director, Salon du Jouet; director, Forum; director, Idexpo; director, Fournier; Chairman and Chief Executive Officer, Editions du May</p>
Yann Duchesne	GM of 18 December 2002	General Meeting to approve the accounts for the year ending 31 December 2008	Director	Chief Executive Officer France, Doughty Hanson	<p>Current terms of office Chairman of the Supervisory Board, Saft; member of the Supervisory Board, Laurent-Perrier; director, Balta; director, Tumi; Chairman of the Board of Directors, NAMG; director, Moeller</p> <p>Past terms of office Director, Altran Technologies</p>
Victoire de Margerie	GM of 23 June 2004	General Meeting to approve the accounts for the year ending 31 December 2009	Director	Professor of management, ESC Grenoble	<p>Current terms of office Director, Baccarat; director, Bourbon</p> <p>Past terms of office Director and member of the Strategy Committee of the Société du Louvre; director, Petplas (UK)</p>

Name	First appointment date	End of term	Main position within the Company	Main position outside of the Company	Other positions and functions exercised in other companies within the past 5 years
Wladimir Mollof	GM of 23 June 2004	General Meeting to approve the accounts for the year ending 31 December 2009	Director	Chairman of the Executive Committee, Argil Groupe Altium	<p>Current terms of office Chairman, Altium Capital SAS, Altium Capital Gestion SAS; Chairman, Arjil SAS; director, Révillon SAS; director, LTI SA</p> <p>Past terms of office None</p>
Patrick Sayer	GM of 14 November 1997	General Meeting to approve the accounts for the year ending 31 December 2009	Director	Chairman of the Management Board, Eurazeo	<p>Current terms of office Director, Eutelsat SA; director and member of the Remuneration & Nomination Committee, Eutelsat Communications; director, RedBirds Participations SA; director, Rexel; director, Colyzeo Investment Advisors; Vice-President, AFIC; member of the Board of Directors, Ray Holding (SAS) and Ray Acquisition (SAS); Chairman, Eurazeo Partners (SAS); permanent representative for ColAce Sarl on the Supervisory Board, Groupe Lucien Barrière; Vice-Chairman of the Supervisory Board, ANF; Vice-Chairman of the Supervisory Board, B&B Hotels group; Chairman of the Supervisory Board, Fraikin Group; Chairman and CEO, BlueBirds Participations SA (Luxembourg); member of the Management Board, Eurazeo</p> <p>Past terms of office Vice-Chairman of the Supervisory Board, Galaxie SA; board member, Lazard LLC (United States); managing partner, BlueBirds Participations Sarl (Luxembourg) renamed BlueBirds Participations SA; Eurazeo's permanent representative on the boards of François-Charles Oberthur Fiduciaire, Oberthur Card System and Infogrames Entertainment; permanent representative of Lux Tiles SARL on the Management Board, Clay Tiles Sponsors (Luxembourg); Vice-Chairman of the Supervisory Board, Financière Galaxie; Chairman, Eurazeo Editions (SAS); co-manager, BlueBirds II Participations SARL (Luxembourg); member of the Supervisory Committee, SatBirds SAS (renamed Eutelsat Communications); director and member of the Remuneration & Nomination Committee, Eutelsat</p>

4.3.4 CHAIRMAN'S REPORT ON THE CONDITIONS FOR PREPARING AND ORGANISING THE BOARD OF DIRECTORS' WORK, AND ON THE COMPANY'S INTERNAL CONTROL PROCEDURES

To the Shareholders,

I - Introduction

A. The aim of this report

This report covers the year 2005 and was established pursuant to article L.225-37 of the French Commercial Code and the principles of sound corporate governance. It is also joined as an appendix to the Management Report.

I have the honour of describing for you the events and factors relating to the conditions for preparing and organising the work of the Board of Directors and certain significant internal control procedures implemented by the Company.

Like all companies, Ipsos is faced with a number of internal and external risks and hazards within the framework of its operations and the pursuit of its strategy. Consequently, Ipsos strives in its organisation and procedures to identify, quantify, prevent and control these risks as much as possible, to limit their negative effects.

As you are surely aware, as with any control system, this organisation and these procedures cannot eliminate these risks entirely but can only contribute to minimising their impact. The effectiveness of the control system depends largely on it being respected by the individuals concerned.

To fulfil my duty of providing you with a clear and succinct description of our procedures, the present report will first describe the conditions for preparing and organising the work of the Board of Directors, and then describe the Company's internal control procedures.

B. Preparation of the Chairman's report

For the purposes of preparing this report, I drew on the observations of the following persons:

- the Group's Chief Financial Officer,
- the Head of the Group's legal department,
- the Head of the Group's human resources department, and
- the Group's development director.

A draft version of the present report was also presented to the Company's Board of Directors and the Statutory Auditors.

II. Conditions for preparing and organising the work of the Board of Directors

A. Composition of the Board of Directors

The Board of Directors comprises thirteen directors, of which eight are external directors who do not hold executive functions within the Ipsos Group. Of these external directors, five are independent directors who do not have any special relationships with the Company, the Group or its management (as defined by the Bouton Report of September 2002). The Board considers Jean-Michel Carlo to be an independent director, even though he managed Ipsos between 2002 and 2004. No censor has been appointed.

Simon Kooyman resigned from the Board in a letter dated 17 August 2005. The Board of Directors acknowledged his resignation during the Board meeting of 20 September 2005.

The Chairman of the Board of Directors is also the Chief Executive Officer of the Company.

A Vice-Chairman has been appointed. The Vice-Chairman's main role is to replace the Chairman in his absence, notably to preside over Board meetings when the Chairman is unable to attend.

Three directors, including the Vice-Chairman, have been appointed as Deputy Chief Executive Officers.

All of Ipsos' directors were appointed by General Meetings of shareholders. There are no Board members elected by employees.

At 21 March 2006, the members of the Board of Directors are as follows:

Directors holding an executive office within the Ipsos Group:

- Didier Truchot, Chairman & Chief Executive Officer

- Jean-Marc Lech, Vice-Chairman & Deputy Chief Executive Officer
- Carlos Harding, Deputy Chief Executive Officer
- Laurence Stoclet, Chief Financial Officer
- Henri Wallard, Deputy Chief Executive Officer

Directors that do not hold an executive office within the Ipsos Group and that have special ties with the Company, the Group or its management:

- Yves-Claude Abescat,
- LT Participations, represented by Pascal Cromback
- Patrick Sayer.

Independent directors (as defined by the Bouton Report of September 2002 and understood by the Board of Directors):

- Nicolas Bazire,
- Jean-Michel Carlo,
- Yann Duchesne,
- Victoire de Margerie,
- Wladimir Mollof.

The directors meet all of the nomination criteria, including those pertaining to qualifications, conflicts of interest and restrictions. Moreover, pursuant to article 13 of the bylaws, each director holds at least one share in the Company.

In the Management Report presented by the Board of Directors to the Annual General Meeting of shareholders of 31 May 2006, Appendix 3 lists the different offices exercised by the members of the Board at 31 December 2005.

B. Role of the Board of Directors

The role of the Board of Directors is to determine the strategic direction of the Company and to monitor its performance. Within the powers expressly granted by the General Meeting of shareholders, and within the limits of the corporate purpose of the Company, the Board may deliberate on all questions pertaining to the functioning of the Company and settle any matters of business.

1. Bylaws

The Board has adopted a bylaw authorising directors to participate in meetings by videoconference. Directors participating in meetings via videoconference are considered to be physically present for the purpose of calculating the quorum and majority. In accordance with the law, this operating mode is not applicable when making decisions on more sensitive issues (notably the dismissal of the Chairman or the preparation of accounts).

The next General Meeting of shareholders will be asked to amend the Company's bylaws to reflect the flexibility recently introduced into the French Commercial Code concerning the means of participating in Board meetings. If the Company's bylaws are amended, then the Board's bylaws will be adapted accordingly.

The Company has decided that the Board's bylaws be made available to the public upon written request, addressed to the Secretary of the Board at the Company's corporate office.

2. Report on the Board of Directors' activities in 2005

In 2005 the Board of Directors held seven meetings at the Company's registered office. The rate of attendance of directors or their representatives was 83%. On average, board meetings lasted two hours.

The Statutory Auditors were present at the Board meetings of 22 March, 20 September and 5 October 2005.

The Board of Directors discussed the following key issues in 2005:

- planned or actual operations for external development, notably the acquisition of MORI;
- market trends in the Group's business lines;
- analysis of the Group's results, and the review and approval of the interim and full-year financial statements;
- presentation of the budget;
- financing of the Company, through banks loans and through increases in the share capital (one via the issue of new shares on the market with pre-emptive subscription rights waived for shareholders, and another through a share exchange);
- review of the performance-based remuneration system for key management and executives, the remuneration of co-chairmen, granting of severance benefits for co-chairmen, remuneration of members of the executive committee, and the creation of a conscience clause for executive committee members;
- allocation of stock options;
- authorisation of related-party agreements.

The directors, the Chief Executive Officer and the Deputy Chief Executive Officers of Ipsos were informed of their obligation to report directly to the Autorité des Marchés Financiers (AMF) any personal transactions involving Ipsos shares, made either in their own name or through persons with whom they have a close personal relationship.

The members of the Board of Directors were also reminded of their obligation to hold Ipsos shares, and of the recommendation that these be registered shares.

Utilisation of authorisations in full or in part: At the meeting of 5 October 2005, the Board of Directors granted the Chairman and Chief Executive Officer the power to increase the Company's share capital through the issue of new ordinary shares without preferential subscription rights for shareholders, and to set the definitive subscription price for the shares to be issued. Accordingly, on 24 and 25 October and 2 November 2005, the Chairman and Chief Executive Officer made the decision to carry out this operation, which is described in greater detail in the supplementary Report of the Board of Directors. The Board of Directors also used the authority granted by shareholders to allocate stock options on 22 April 2005, and to increase the share capital through a share exchange on 15 December 2005.

C. Preparation of Board meetings

1. Schedule for Board meetings and documents sent to directors

At the beginning of each year, a preliminary schedule of Board meetings is determined for the year.

Information is sent to Board members in advance of Board meetings, including the minutes to be approved from the previous Board meeting and, depending on the agenda, technical information explaining the key points to be reviewed at the forthcoming Board meeting.

2. Organisation and contribution of special committees to the work of the Board of Directors

To improve the effectiveness of the decision-making process, the Board of Directors has set up two committees, the Audit Committee and the Remuneration Committee, made up of independent directors.

• Audit Committee

The Audit Committee, set up by the Board of Directors on 1 October 1999, is responsible for exercising independent control over the Company's accounting policies and financial statements.

It is currently chaired by an independent director, Mr Wladimir Mollof, who was appointed Chairman of the Audit Committee by the Board of Directors at its meeting of 23 June 2004. The committee is made up of its Chairman and Pascal Cromback. The Group's Chief Financial Officer attends the meetings of the Audit Committee.

The Audit Committee has adopted bylaws approved by the Board meeting of 15 December 2004. The bylaws govern the relations between the Audit Committee and the Statutory Auditors, with whom it may request hearings, without the presence of the Chairman of the Board.

The Audit Committee met three times in 2005, notably to review the annual financial statements for the year ended 31 December 2004, the half-year financial reports at 30 June 2005, and the impact of the first-time adoption of IFRS.

The Board of Directors instructed the Chairman of the Audit Committee to enter into discussions with the Statutory Auditors with the aim of reducing or stabilising their fees. These discussions revealed a profound disagreement between the Company and the Statutory Auditors concerning their fees, and resulted in the resignation of the Statutory Auditors. The Chairman of the Audit Committee immediately launched a tender to select new Statutory Auditors to replace the resigning auditors.

• Remuneration Committee

The Remuneration Committee, which was also created by the Board of Directors on 1 October 1999, is responsible for defining the general remuneration policy for the Group's executive management.

The Committee is made up of Victoire de Margerie, Yves-Claude Abescat and Yann Duchesne.

The Group Human Resources Director and the Secretary of the Board of Directors also attend Remuneration Committee meetings.

The Remuneration Committee met twice in 2005 in order to review the new performance-based remuneration policy applicable to the Ipsos Group since 2005, and to examine proposals for fixed and performance-based remuneration for the Co-Chairmen and the members of the Executive Committee. The Committee also examined the severance pay and conscience clauses that were granted to management and which are described in greater detail in the Management Report. The Committee also examined the proposal for the allocation of stock options.

III. Internal control procedures established within the Company

The procedures described below concern the Company and its subsidiaries.

A. Definition and purpose of internal control at Ipsos

In the absence of a standard legal framework for internal control, we should point out that, for Ipsos, the term 'internal control' refers to all the control systems established by or at the request of the senior management with a view to monitoring:

- the effectiveness and efficiency of operations,
- the reliability of reporting,
- compliance with applicable laws and regulations,
- protection of the Company's assets.

The overall objective of the internal control system is to anticipate and control risks arising from the Company's business, as well as risks of error or fraud, particularly in financial and accounting matters. Like any control system, however, it cannot absolutely guarantee the elimination of these risks, and depends largely on individual respect for the procedures put in place.

Ipsos strives to control these risks by implementing measures to ensure that management action, the Company's transactions and employee behaviour comply with applicable laws and regulations, the guidelines provided by general management, and the Company's bylaws.

These procedures also aim to ensure that the accounting, financial and management information communicated to the Company's management bodies gives a true and fair picture of the Group's business activity and its position.

B. General organisation of internal control procedures and overview of the procedures established by the Company

1. Structures responsible for control activities within the Company

Apart from the Board of Directors and the committees whose role and operation are described above, executive management has set up a number of departments, whose sphere of action includes drawing up policies and procedures allowing the Group to achieve its different goals, as well as the control procedures aimed at ensuring compliance with these internal regulations, and, more generally, the rules and regulations applicable to the Group's activity and corporate life.

The following divisions are more specifically involved in internal control:

- the finance department
- the legal department
- the information systems department
- the human resources department
- the corporate development department

With the exception of the corporate development department, similar structures are generally set up at the regional and national level.

Furthermore, the Ipsos Group is in the process of setting up an internal control team.

• **The finance department**

The Group's finance department encompasses the functions of management controls, accounting & consolidation, cash management and management of financial information systems. It is supported by local financial teams working at the regional and national level.

Management control is responsible for monitoring the quality of financial information, including supervising the quality of closing accounts and reporting operations. It also monitors the performance of business units based on budget forecasts, and may suggest corrective actions when necessary. The finance department objectively evaluates the quality of internal financial controls at all levels of the organisation.

The heads of accounting supervise the work of the accounting teams and ensure the quality of the accounting information produced.

The Chief Financial Officer is also responsible for implementing the Group's financing policy and supervises its application in the subsidiaries.

The finance directors responsible for subsidiaries and national or regional operations guarantee the quality of the accounting and financial information reported to the Group's central bodies by the entities that they supervise.

Finance directors occupy a key role at the national and regional level, and appointments to these functions are carefully examined by the Group's central financial division to ensure that appointees have the required level of expertise.

• **The legal department**

The main tasks of the Group's legal department are to:

- execute and ensure the security of all Group operations and transactions
- implement the systems set up by the Group to control its subsidiaries and assets
- ensure the smooth operation of corporate life in the Group as a whole.

Wherever possible, the management bodies of all significant subsidiaries include at least one member of the Group's senior management. The legal division is also responsible for placing limitations on managers' individual powers.

• **The information systems department**

The information systems department makes an active contribution to controlling risks, since it is responsible for:

- supervising investments in technology infrastructures;
- drawing up and ensuring the implementation of Group-wide rules and standards with respect to selecting and managing information technologies;
- approving and overseeing the implementation of multinational projects and large-scale regional projects;
- setting up the necessary procedures for ensuring the reliability and security of the Group's technology operations.

• **The human resources department**

The remit of the human resources department includes:

- developing methods and rules for human resources management
- overseeing the various performance-related remuneration schemes set up within Ipsos
- supervising the implementation of a consistent human resources policy throughout the different Group companies.

As well as establishing the various human resources systems and policies, the Group's human resources department is directly involved in the supervision of all the Group's senior executives.

• **The corporate development department**

Working in conjunction with the finance and legal departments, the corporate development department is responsible for identifying potential acquisition targets and ensuring the security of all such transactions undertaken by the Group.

A detailed review of the target company is undertaken by outside experts, notably to ensure the accuracy and reliability of financial data and the financial information system and audit risks of all types. Newly consolidated companies are very closely monitored during the first few years to ensure that the different internal policies and procedures are correctly implemented.

2. Significant control procedures put in place

Ipsos has adopted a Green Book, which details the organisation, structures and procedures set up within the Group. It describes the professional obligations, rules and principles that must be observed, notably codes of practice and ethics.

The various departments mentioned above also define a general policy, which is broken down into specific procedures applicable to their line of business and then implemented by regional management.

Procedures that have been codified, or that are in the final stages of codification, concern acquisitions, acquisition payments, the delegation of powers, signatures with banks, cash flow management, the review and approval of investments and the preparation and implementation of budgets.

The document de référence lists the main risks that have been identified, along with specific measures for preventing and handling these risks.

Evaluating the effectiveness of internal control procedures:

Internal control procedures enabled the Group to detect a fraudulent act committed in the United States by an employee in charge of organising cash payments to survey participants. The embezzlement of \$1,134,054 is covered by the American subsidiaries' insurance policies, less a \$5,000 deductible. The guilty employee and his two direct hierarchical supervisors were terminated, and legal action has been taken against the employee. While such frauds cannot be entirely prevented, the finance and accounting structures in the United States have been modified so as to make it much more difficult to commit this type of fraud in the future, and to accelerate the discovery process.

This act of fraud is a clear reminder of the constant need to improve standard procedures and controls. Yet the discovery of the fraud by our internal control teams before it could reach proportions not covered by our insurance policies is convincing proof of the effectiveness of our internal control procedures.

C. Organisation and presentation of internal control procedures relating to the preparation of financial and accounting information

1. Control over the preparation of financial and accounting information

The subsidiaries prepare detailed monthly financial reports. Twice a year, they also prepare the exhaustive consolidation file required to prepare the consolidated financial statements. Reviews of results and forecasts are carried out very regularly to ensure that the targets set will be achieved and, if such is not the case, to take any corrective action that might be necessary.

Accounting rules are defined in a Group manual. Explanatory notes are issued for each order, emphasising subjects to be given particular attention in light of changes in accounting rules or problems that may have been identified in previous years.

Consolidation of accounting data is based on a statutory consolidation IT system, one that is widely recognised and used by many listed groups.

The Group is provided with a timetable for reporting information, to allow the various accounting teams to organise their work and identify any delays or difficulties as soon as possible.

The information reported by the different subsidiaries complies with International Financial Reporting Standards (IFRS). These consolidation files are controlled by a central team, which verifies the accounting options used throughout the year and carries out elimination and consolidation operations. It also verifies those items that present the highest risk.

All of the Group's main subsidiaries are audited by the local networks of the Statutory Auditors and by JPA International.

2. Transition to International Financial Reporting Standards (IFRS)

After reporting the main impact of the first-time adoption of IFRS in the first half of 2005, the Company presented its IFRS-compliant consolidated first-half financial statements for the period ended 30 June 2005, along with comparable statements for 30 June 2004 and the balance sheet at 31 December 2004. The financial statements for the year ended 31 December 2005, approved by the Board of Directors on 21 March 2006, were also IFRS compliant.

D. Limitation of the powers of the Chief Executive Officer and Deputy Chief Executive Officers

Other than the limitations imposed by applicable laws and regulations, the Board of Directors has not placed any limitations on the powers of the Chief Executive Officer.

Didier Truchot
Chairman of the Board of Directors

4.3.5 THE STATUTORY AUDITORS' REPORT, ESTABLISHED IN ACCORDANCE WITH THE FINAL PARAGRAPH OF ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE, WITH REGARD TO THE CHAIRMAN OF THE BOARD'S REPORT, INsofar AS IT CONCERNS THE INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

YEAR ENDED 31 DECEMBER 2005

To the shareholders,

In our capacity as Statutory Auditors of Ipsos, and in accordance with article L.225-235 of the French Commercial Code, we hereby present our report on the report prepared by Ipsos' Chairman pursuant to article L.225-37 of the French Commercial Code, for the year ended 31 December 2005.

The Chairman is required, in his report, to give an account of the conditions for preparing and organising the tasks of the Board of Directors, and the internal control procedures implemented by the Company.

We are charged with reporting our observations concerning the information contained in the Chairman's report, with regard to the internal control procedures used for preparing and processing accounting and financial information.

We conducted our review in accordance with French auditing standards. These standards require the auditor to perform tests and procedures to assess the fairness and accuracy of the information given in the Chairman's report concerning the internal control procedures for preparing and processing accounting and financial information. These procedures consist notably of:

- reviewing the objectives and general organisation of internal control, together with the internal control procedures used to prepare and process accounting and financial information, as presented in the Chairman's report; and,
- reviewing the background work carried out in order to produce the information given in the report.

As a result of this audit, we have no observations to make with regard to the information provided concerning the Company's internal control procedures for preparing and processing the accounting and financial information as contained in the Chairman's report established in accordance with the final paragraph of article L. 225-37 of the French Commercial Code.

Signed in Neuilly-sur-Seine and Paris-La Défense, 28 April 2006

The Statutory Auditors

Ernst & Young Audit

Deloitte & Associés

François VILLARD

Michel SELLIER

4.3.6 PROPOSAL FOR THE NOMINATION OF A NEW DIRECTOR

At the Board meeting of 26 April 2006, the Board of Directors decided to ask the General Meeting of shareholders of 31 May 2006 to approve the nomination of Henry Letulle as director. Mr Letulle is currently Group Secretary of Ipsos.

The Board of Directors proposes to appoint Henry Letulle as Director for a six-year term, lasting until the Ordinary General Meeting to be held in 2012 to approve the financial statements for the year ending 31 December 2011.

The information regarding candidates for director, as required by article 135-5 of the decree of 23 March 1967, is as follows:

Henry Letulle, age 30, has law and economics degrees. After practicing as a lawyer, he joined the Ipsos Group in April 2001 as Group Secretary, and serves as the Secretary of the Executive Committee. Later he was also named Secretary of the Company's Board of Directors, and head of the legal department of the Ipsos Group.

Mr. Letulle is in the process of becoming a notary public. He is currently an intern at the SCP Maurice Letulle, Christiane Letulle-Joly and Guy Deloison, which has a notarial office in Paris.

Following a few month's transition period, Mr Letulle would no longer exercise any functions within the Ipsos Group other than that of member of the Board, if elected by the General Meeting.

Mr. Letulle does not hold any offices within the Company or any other company, other than the following offices in Company subsidiaries:

- Director of the Swedish company New Media Research AB;
- Auditor of three Japanese companies: Ipsos Japan Holdings, Ipsos JSR and Japan Marketing Organization;
- Auditor of the Taiwanese company Ipsos Taiwan Ltd.

He does not receive any remuneration for these offices. As part of the transition period, other Group executives would replace Mr Letulle in his functions within the Ipsos Group. Mr Letulle currently does not hold any Ipsos shares and will regularise this situation within the three months following his nomination.

4.4 REMUNERATION PAID TO MEMBERS OF MANAGEMENT BODIES

4.4.1. INDIVIDUAL DETAILS ON THE TOTAL REMUNERATION AND BENEFITS PAID TO COMPANY OFFICERS BY THE COMPANY AND BY COMPANIES UNDER ITS CONTROL

Pursuant to article L.225-102-1 of the French Commercial Code, in this report the Board of Directors is required to provide individual details on the total remuneration and benefits paid to each of its officers by the Company and the companies under its control during the previous financial year, as well as the breakdown by fixed, variable and exceptional compensation; the criteria used for their application; any commitments of any kind engaged by the Company on behalf of its officers that correspond to a form of compensation, allowance or benefit for accepting, terminating or changing functions currently or in the future; and the terms and conditions for calculating these commitments.

Directors holding an executive office within the Ipsos Group:

In 2005:

- Didier Truchot, Chairman & Chief Executive Officer, received €308,686
- Jean-Marc Lech, Vice-Chairman and Deputy Chief Executive Officer, received €307,918
- Carlos Harding, Deputy Chief Executive Officer and director, received €278,636
- Simon Kooyman, director until 17 August 2005, received €694,497
- Laurence Stoclet, director, received €260,000
- Henri Wallard, Deputy Chief Executive Officer and director, received €347,188

Breakdown between fixed and variable remuneration (none of the above-mentioned persons received exceptional compensation)

(€)	Fixed remuneration received in 2005*	Variable remuneration received in 2005	Variable remuneration earned in 2005 **
Didier Truchot	308,686	0	73,440
Jean-Marc Lech	307,918	0	73,440
Carlos Harding	278,636	0	95,700
Simon Kooyman	200,263	494,234	80,302
Laurence Stoclet	260,000	0	72,000
Henri Wallard	347,188	0	96,143

* Including any vacation bonuses, the value of company cars or other benefits, and payment of compensation for paid leave not taken.

** To be paid in 2006 (except for Simon Kooyman, who was paid in September 2005).

At the beginning of each year, the Remuneration Committee and the Board of Directors review the fixed remuneration of each of these officers.

Terms and conditions for calculating variable remuneration: each of these officers may receive a performance-related bonus, the amount of which is set by the Remuneration Committee and the Board of Directors. The Company's policy, though not contractually binding, is to base the level of performance-related bonuses submitted to the Remuneration Committee and the Board of Directors at 40% of fixed remuneration. This bonus can reach as much as 150% of this amount, or 60% of fixed remuneration, if performance targets are surpassed by 120%. No bonus is paid if only 90% of performance targets are met. For Didier Truchot and Jean-Marc Lech, the sole performance criterion is the level of consolidated operating profitability before bonuses. For Laurence Stoclet, Carlos Harding and Henri Wallard, other valuation criteria are also used in addition to this criterion, which accounts for 70% of the bonus. For Laurence Stoclet, a personal target is set for the generation of free cash flow. For Carlos Harding, the operating profit of the Ipsos Novaction & Vantis business line accounts for 20% and the Latin America region for 10%. For Henri Wallard, the operating profit of the Ipsos Loyalty business line accounts for 10%, the Asia-Pacific region for 10% and personal targets for the remaining 10%. In 2005, this target consisted of setting up a dedicated structure for the management of Ipsos' IT infrastructure. Except for the co-chairmen, these performance-based criteria were adjusted slightly in 2006, with more widespread use of personal targets.

Present or future commitments that could arise from accepting, terminating or changing functions currently or in the future:

After consideration at the meeting of 22 March 2005, the Board of Directors decided that should either Jean-Marc Lech or Didier Truchot be dismissed from office before the end of their terms, they will each be entitled, unless convicted of malfeasance, to severance pay equal to twice the gross remuneration received during the civil year prior to the termination of their functions within the Company.

Laurence Stoclet, Carlos Harding and Henri Wallard each:

- benefit from a conscience clause, entitling them to benefit from severance pay equal to the legal indemnity increased by twelve months pay in case of a change in the shareholding structure, the composition of the Board of Directors or the management structure of Ipsos SA or the Ipsos Group that would directly lead to a change in the nature of the attributions or powers of Jean-Marc Lech and Didier Truchot such that they would no longer be in a position to define the strategy of the Ipsos Group;
- signed a temporary non-competition clause in favour of the Ipsos Group for a period of twelve months, with payment of compensation equal to the remuneration received during the previous calendar year or twelve-month period, paid on a monthly basis. The Company, or in some cases the Ipsos Group GIE, has the authority to renounce this temporary non-competition clause and not to proceed with the payment of compensation.

Furthermore, Mr Wallard, as a minority shareholder of Ipsos Asia, is linked to the Company via a shareholders' agreement that contains put options for his benefit and call options for the benefit of the Company, which can be exercised if Mr Wallard's functions are terminated within the Ipsos Group, and a temporary non-competition clause following his departure from the Ipsos Group.

External directors

Other than attendance fees, Victoire de Margerie, Yves-Claude Abescat, Nicolas Bazire, Jean-Michel Carlo, Pascal Cromback, Yann Duchesne, Pierre Haren (a director until 18 May 2005), Patrick Sayer and Wladimir Mollof did not receive any remuneration for their duties as directors in 2005.

The General Meeting of 18 May 2005 authorised the Board of Directors to pay attendance fees to directors and to set the aggregate annual budget for attendance fees at €60,000.

The Board of Directors decided to allocate this amount as follows: Attendance fees are paid to each of the Group's external directors at the end of the first Board meeting following the close of each half-year period, based on €1,000 per meeting of the Board or one of the standing committees that was attended physically during the preceding period, and €500 for participation via telephone. The Chairman of the Audit Committee also receives an annual retainer fee of €10,000. Attendance fees are reduced on a pro-rata basis should the annual aggregate budget approved by the General Meeting to be exceeded.

Attendance fees for 2005 amounted to €60,000 and were allocated as follows:

- Yves-Claude Abescat received €8,976.38
- Nicolas Bazire received €0
- Jean-Michel Carlo received €4,724.41
- Pascal Cromback received €9,448.82
- Yann Duchesne received €6,614.17
- Pierre Haren received €2,834.65
- Patrick Sayer received €4,251.97, paid to Eurazeo
- Wladimir Mollof received €15,118.10
- Victoire de Margerie received €8,031.50

The General Meeting of shareholders to be held on 31 May 2006 will be asked to increase the annual aggregate budget for director attendance fees to €70,000.

Company officer	Gross compensation in 2005				Gross compensation in 2004			
	Fixed portion	variable portion	Benefits in kind	Attendance fees	Fixed portion	variable portion	Benefits in kind	Attendance fees
Didier Truchot	308,686				303,208	150,000		
Jean-Marc Lech	307,918				302,291	150,000		
Carlos Harding	275,273		3,363		230,191	103,500	3,121	
Simon Kooyman	188,244	494,234	12,019		280,915	422,931	17 383	
Laurence Stoclet	260,000				180,376	60,000		
Henri Wallard	347,188				330,694	67,000		
Yves-Claude Abescat				8,976				4,000
Nicolas Bazire								2,000
Jean-Michel Carlo				4,724	330,287	95,000	2,276	1,000
Pascal Cromback, permanent representative of LT Participations				9,449				9,000
Yann Duchesne				6,614				7,000
Pierre Haren				2,835				6,500
Victoire de Margerie				8,032				5,000
Wladimir Mollof				15,118				9,000
Patrick Sayer paid to Eurazéro				4,252				4,000

4.4.2 TRANSACTIONS BY OFFICERS IN SECURITIES ISSUED BY THE COMPANY (ARTICLE L.681-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE)

Company officers informed the Company of the following transactions made during the year in securities issued by the Company, in their own name or by persons with close personal relationships to them:

Name	Date	Type of transaction	Number of Ipsos shares	Unit price (€)
Simon Kooyman	20/06/2005	Exercise of stock options	333	67,00
Simon Kooyman	20/06/2005	Sale of shares	333	80,35
Simon Kooyman	28/07/2005	Exercise of stock options	1 826	69,00
Simon Kooyman	28/07/2005	Sale of shares	1,826	89,42
Simon Kooyman	29/07/2005	Exercise of stock options	1,630	69,00
Simon Kooyman	29/07/2005	Sale of shares	1,630	90,08
Simon Kooyman	23/08/2005	Exercise of stock options	333	67,00
Simon Kooyman	23/08/2005	Sale of shares	333	89,66
Jean-Marc Lech	25/08/2005	Exercise of stock options	10	67,00
Jean-Marc Lech	25/08/2005	Sale of shares	10	89,15
Jean-Marc Lech	26/08/2005	Exercise of stock options	500	67,00
Jean-Marc Lech	26/08/2005	Sale of shares	500	89,69
Jean-Marc Lech	26/08/2005	Exercise of stock options	624	67,00
Jean-Marc Lech	26/08/2005	Sale of shares	624	89,65
Victoire de Margerie	02/11/2005	Subscription of new shares	500	92,00
Didier Truchot	28/11/2005	Exercise of stock options	10	67,00
Didier Truchot	28/11/2005	Sale of shares	10	103,20
Didier Truchot	28/11/2005	Exercise of stock options	1,124	67,00
Didier Truchot	28/11/2005	Sale of shares	1,124	103,20
Laurence Stoclet	05/12/2005	Exercise of stock options	150	22,87
Laurence Stoclet	05/12/2005	Sale of shares	150	104,60

4.4.3 STOCK OPTIONS

Pursuant to article L. 225-184 of the French Commercial Code, shareholders must be provided a special report each year on transactions executed by the Company under the provisions of articles L. 225-177 through L. 225-186 of the Commercial Code relating to stock options.

I. Allocation of stock options in 2005

Allocation of stock options on 22 April 2005

At the meeting of 22 April 2005, the Board of Directors used the authority granted by the Extraordinary General Meeting of 11 June 2003 to allocate 24,000 stock options, each entitling the holder to subscribe to one ordinary share at a strike price of €83 per option.

These options were allocated to Company officers and employees of the Ipsos Group. They are valid for eight years and may be exercised as from the third anniversary of their allocation date, except for French tax residents, who must wait until the fourth anniversary before exercising these options. In other words, these options may be exercised from 22 April 2008 – or 22 April 2009 for French tax residents – through 22 April 2013.

No other stock options were allocated by Ipsos SA or any other company of the Ipsos Group in 2005.

II. Exercise of stock options in 2005

In 2005, 51,798 shares in the Company were subscribed to or purchased through the exercise of stock options at an average strike price of €50.68, including both stock options and share purchase options.

A. Stock options

In 2005, 42,006 stock options were exercised, resulting in the issue of 42,006 new shares at an average price of €46.41 (the Board of Directors granted 7,065 options on 28 July 1998 at a strike price of €20.58; 11,657 options on 10 May 1999 at a strike price of €22.87; 20,801 options on 8 August 2001 at a strike price of €67 and 2,483 options on 18 December 2002 at a strike price of €58). The total cost of these shares amounted to €1,949,674.

B. Share purchase options

In 2005, 1,280 share purchase options allocated by the Board of Directors on 9 July 2002 were exercised, entitling their beneficiaries to purchase a total of 9,792 shares at a unit price of €69, or an aggregate price of €675,648.

III. Company officers and key employees

A. Allocation of options

1. Company officers

The Company did not grant stock options to any of its officers in 2005.

No other company in the Ipsos Group granted stock options in 2005.

2. Key employees

Excluding Company officers, the following ten employees were granted the most stock options by the Company in 2005:

- Pierre Le Manh: 10,000,
- Alain Péron: 1,000,
- Arielle Dinard: 1,000,
- Carlo Oldrini: 1,000,
- Ian Wright: 1,000,
- Pamela Welch: 1,000,
- Jennifer Hubber: 1,000,
- Jeff Stewart: 1,000,
- Lana Busignani: 1,000,
- David Pring: 1,000.

The Board of Directors allocated these options on 22 April 2005 (see above). One third of the options may be exercised each year, starting on 22 April 2008, except for those attributed to French residents (Pierre Le Manh, Alain Péron, Arielle Dinard and Carlo Oldrini), which can be exercised in their entirety as of 22 April 2009. These options may be exercised up to 22 April 2013. Each option entitles the holder to subscribe to one new share at a price of €83.

No other company in the Ipsos Group granted stock options in 2005.

B. Options exercised

1. Options exercised by Company officers

Pursuant to the authorisations granted by the Extraordinary General Meetings of 28 July 1998, 24 May 2000 and 6 March 2002, stock options or share purchase options granted by the Board of Directors on 10 May 1999, 8 August 2001 and 9 July 2002 were exercised by Company officers in 2005, entitling them to subscribe to or purchase a total of 6,540 shares in the Company.

The exercise of stock options by Company officers are detailed below:

- Didier Truchot (Chairman & Chief Executive Officer) subscribed to 1,134 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share;
- Jean-Marc Lech (Vice-Chairman and Deputy Chief Executive Officer) subscribed to 1,134 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share;
- Laurence Stoclet Stoclet (director) subscribed to 150 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share;

- Simon Kooyman (director until 17 August 2005) subscribed to 666 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share, and purchased 3,456 shares by exercising share purchase options granted by the Board of Directors on 9 July 2002 at a strike price of €69 per share.

2. Options exercised by the ten employees (not Company officers) with the highest number of stock subscription or purchase options

Excluding Company officers, the ten employees who exercised the most options in 2004 subscribed to or purchased a total of 23,634 shares, as described below. These options were granted by the Board of Directors on 28 July 1998 and 10 May 1999, pursuant to the authorisation given by the Extraordinary General Meeting of 28 July 1998; by the Board of Directors on 8 August 2001, pursuant to the authorisation given by the Extraordinary General Meeting of 24 May 2000; and by the Board of Directors on 9 July 2002, pursuant to the authorisation given by the Extraordinary General Meeting of 6 March 2002.

- Rupert Walters subscribed to 1,650 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share, and purchased 4,608 shares by exercising options granted by the Board of Directors on 9 July 2002 at a strike price of €69 per share;
- Ian Wright subscribed to 1,426 shares by exercising options granted by the Board of Directors on 28 July 1998 at a strike price of €20.58 per share, and to 848 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share, and purchased 1,728 shares by exercising options granted by the Board of Directors on 9 July 2002 at a strike price of €69 per share;
- Pierre Giacometti : subscribed to 2,248 shares by exercising options granted by the Board of Directors on 28 July 1998 at a strike price of €20.58 per share, and to 1,730 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22,87 per share;
- Antje Fangrat subscribed to 1,360 shares by exercising options granted by the Board of Directors on 28 July 1998 at a strike price of €20.58 per share, to 760 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share, and to 196 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share;
- Benoît Tranzer : subscribed to 913 shares by exercising options granted by the Board of Directors on 28 July 1998 at a strike price of €20.58 per share, and to 938 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share;
- Elisabeth Landy subscribed to 950 shares by exercising options granted by the Board of Directors on 28 July 1998 at a strike price of €20.58 per share, and to 848 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share;
- Joerg Hoehner subscribed to 946 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share, and to 120 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share;
- Patricia Riehl subscribed to 915 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share;
- Jennifer Hubber subscribed to 800 shares by exercising options granted by the Board of Directors on 10 May 1999 at a strike price of €22.87 per share;
- Steve Levy subscribed to 650 shares by exercising options granted by the Board of Directors on 8 August 2001 at a strike price of €67 per share.

C. Summary tables

Stock options granted to and exercised by each Company officer

Company officers	Options granted in 2005			Options exercised in 2005	
	Number of options (in number of shares that can be purchased)	Price (€)	Expiration date	Number of shares subscribed to or purchased	Subscription or pur- chase price per share
Didier Truchot	None	-	-	1 134	67
Jean-Marc Lech	None	-	-	1 134	67
Carlos Harding	None	-	-	None	-
Jean-Michel Carlo	None	-	-	None	-
Simon Kooyman	None	-	-	Total : 4 122	-
				666	67
				3 456	69
Laurence Stoclet	None	-	-	150	22,87
Henri Wallard	None	-	-	None	-
Nicolas Bazire	None	-	-	None	-
Yves-Claude Abescat	None	-	-	None	-
Wladimir Mollof	None	-	-	None	-
Victoire de Margerie	None	-	-	None	-
Patrick Sayer	None	-	-	None	-
Yann Duchesne	None	-	-	None	-

Stock options allocated to the ten employees who are not company officers holding the most options and options exercised by these employees.

	Total options alloca- ted/shares acquired	Weighted average price (euros)
Options granted in 2005 by Ipsos or any other company within the scope of the stock options program to the ten employees of Ipsos or of any other company within the program receiving the greatest number of options	19,000	83
Options held on Ipsos or the companies referred to above exercised during 2005 by the ten employees of Ipsos or of any other company referred to above having exercised the greatest number of options	23,634	41.16

The table below shows for each company officer the number of shares and voting rights in Ipsos, and the number of shares that could be acquired by that company officer by exercising stock options or share purchase options as at 31 March 2006.

Company officer	Number of Ipsos SA shares	Number of Ipsos SA voting rights	Number of shares that can be subscribed to by exercising stock options	Number of shares that can be acquired by exercising share purchase options
LT Participations	2,463,586	4,927,172	0	0
Didier Truchot	100	200	1,958	15,360
Jean-Marc Lech	100	200	1,958	15,360
Henri Wallard	1,500	3,000	0	17,280
Carlos Harding	1,198	2,396	2,010	15,360
Laurence Stoclet	100	100	4,202	15,360
Yves-Claude Abescat	1	2	0	0
Nicolas Bazire	1	1	0	0
Jean-Michel Carlo	465	465	0	0
Yann Duchesne	10	20	0	0
Victoire de Margerie	600	600	0	0
Wladimir Mollof	1	1	0	0
Patrick Sayer	100	200	0	0

4.5 PROVISION OF INFORMATION TO SHAREHOLDERS AND INVESTORS

The Company communicates with its shareholders at least once a year at its Annual General Meeting. It also regularly issues press releases to all business and financial media, reporting its quarterly revenues, interim and full-year results and any major events affecting the Group.

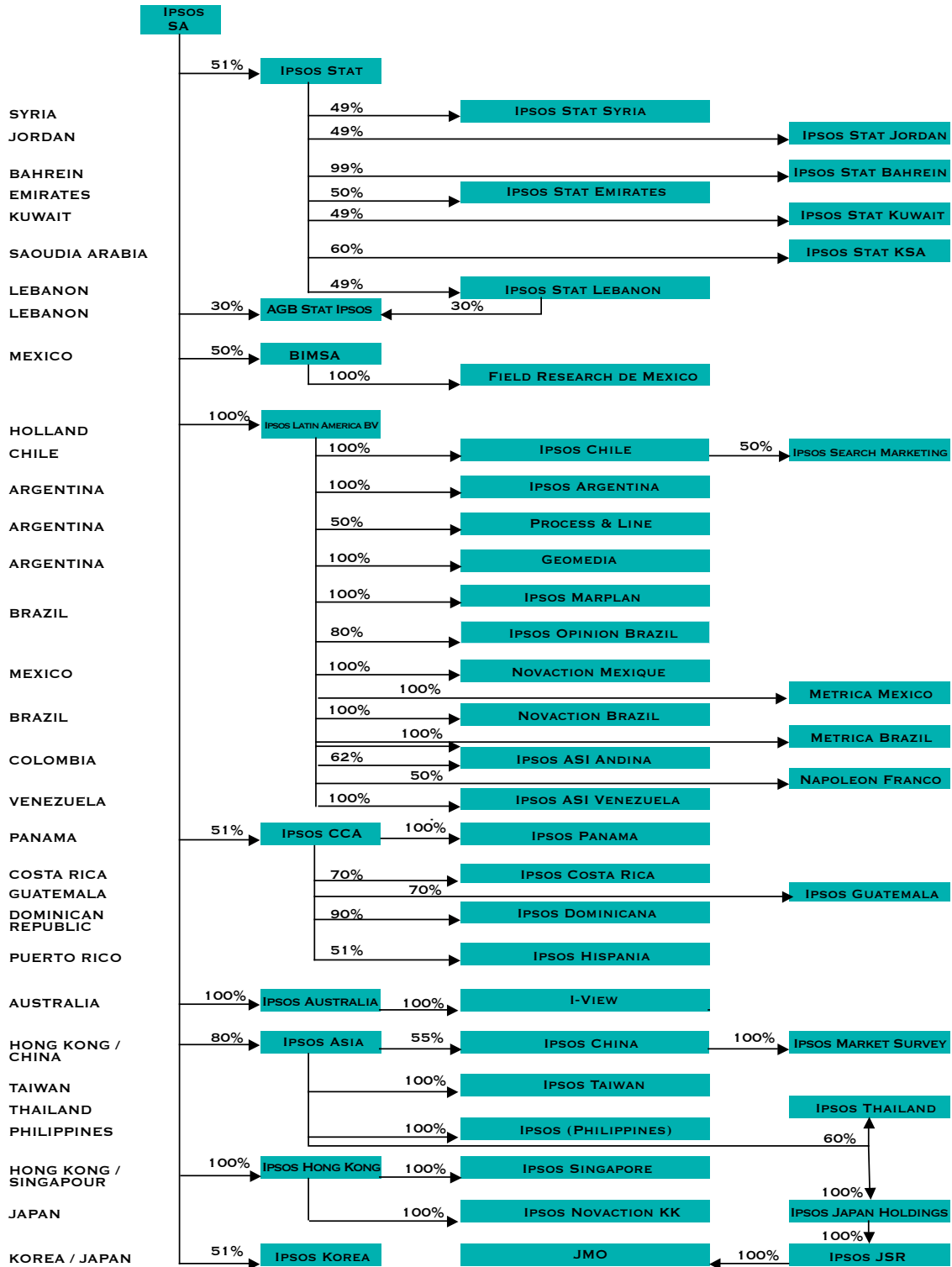
All prospectuses, annual reports and other information memorandums, as well as press releases, are available in French and English on the Group's web site (www.ipsos.com) and on request from the Company.

At least two analyst meetings a year are organised for members of the SFAF (French financial analysts' association) to present the full-year and interim financial statements, and these are generally followed by a series of other presentations in France and abroad.

The Group's management frequently meets with journalists, analysts and investors at their request (contact Mrs Laurence Stoclet, Chief Financial Officer - Telephone: +33 1 41 98 90 21. email: finance@ipsos.com).

4.6 ORGANISATION CHART





RESOLUTIONS SUBMITTED TO THE GENERAL MEETING OF SHAREHOLDERS ON 31 MAY 2006

AGENDA

ORDINARY BUSINESS:

- Approval of the parent company accounts for financial year ending 31 December 2005;
- Approval of the consolidated accounts for the financial year ending 31 December 2005;
- Appropriation of results and distribution of dividends;
- Approval of agreements covered by Article L. 225-38 of the Commercial Code;
- Appointment of a Director;
- Directors' fees;
- Replacement of an acting Auditor and of a replacement Auditor;
- Replacement of an acting Auditor and of a replacement Auditor;
- Authorisation to be granted to the Board of Directors to purchase, retain or transfer Ipsos shares.

EXTRAORDINARY BUSINESS:

- Delegation of power to the Board of Directors to issue ordinary shares of the Company and negotiable securities giving access to ordinary shares of the Company or of any of its subsidiaries, while maintaining shareholders' preferential subscription rights;
- Delegation of power to the Board of Directors to issue ordinary shares of the Company and negotiable securities giving access to ordinary shares of the Company or of any of its subsidiaries, while cancelling shareholders' preferential subscription rights;
- Authorisation of the Board of Directors, in the event of the issue of ordinary shares or negotiable securities giving access to ordinary shares while cancelling shareholders' preferential subscription rights, to fix the issue price in the manner determined by the General Meeting;
- Authorisation of the Board of Directors to increase the number of securities to be issued in the event of an increase in the share capital while maintaining or cancelling shareholders' preferential subscription rights;
- Delegation of power to the Board of Directors to issue ordinary shares and negotiable securities giving access to ordinary shares in the event of a public exchange offer initiated by the Company;
- Delegation of powers to the Board of Directors to issue ordinary shares and negotiable securities giving access to ordinary shares in order to pay for asset transfers to the Company in the form of equity securities or negotiable securities giving access to capital;
- Delegation of powers to the Board of Directors to issue ordinary shares as a result of the issue by subsidiaries of the Company of negotiable securities giving access to ordinary shares of the Company;
- Global limitation on the authorisations granted;
- Delegation of powers to the Board of Directors to issue negotiable securities conferring a right to the allocation of debt securities;
- Delegation of powers to the Board of Directors to increase the share capital of the Company by the incorporation of reserves, profits or premiums;
- Delegation of powers to the Board of Directors to make increases in the share capital reserved for employed members of a company savings plan;
- Authorisation of the Board of Directors to reduce the share capital by the cancellation of ordinary shares;
- Amendments to the Memorandum and Articles of Association;
- Use of financial delegated powers in periods of public tender offers for the Company's securities;
- Authorisation to issue share warrants in periods of public tender offers for the Company's securities;

- Authorisation to take certain management measures in periods of public tender offers for the Company's securities;
- Division of the nominal value of the Company's shares by four;
- Amendment of Article 13 of the Company's Memorandum and Articles of Association;
- Powers to carry out formalities.

TEXT OF THE RESOLUTIONS ORDINARY BUSINESS:

FIRST RESOLUTION

Approval of the parent company accounts for the financial year ending 31 December 2005

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the report of the Auditors on the financial year ending 31 December 2005, approves the parent company accounts for the financial year ending 31 December 2005 comprising the balance sheet, income statement and notes to the accounts, as presented, together with the transactions reflected in those accounts and summarised in those reports. It formally records the profit for the financial year in the sum of €6,751,306.

The General Meeting of shareholders gives the members of the Board of Directors a discharge in respect of the performance of their duties in the said financial year. It also gives a discharge to the Auditors in respect of the performance of their duties.

SECOND RESOLUTION

Approval of the consolidated accounts for the financial year ending 31 December 2005

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the report of the Auditors on the consolidated accounts, approves the consolidated accounts for the financial year ending 31 December 2005 comprising the consolidated balance sheet, consolidated income statement and notes to the accounts, as presented, together with the transactions reflected in those accounts and summarised in those reports.

THIRD RESOLUTION

Appropriation of results and distribution of dividends

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the report of the Auditors on the annual accounts:

- (1) resolves to appropriate to the legal reserve an amount of €136,643, from the profits for the financial year in the amount of €6,751,306;
- (2) having regard to previous retained earnings in the amount of €16,536,607, formally notes that the distributable profit for the financial year, after appropriation to the legal reserve, amounts to ?23,151,270; and
- (3) resolves to pay the shareholders a dividend of one euro per share and to appropriate the balance of the distributable profit to retained earnings.

Based on the 8,465,836 shares comprising the share capital of the Company as at 31 December 2005, the distributable profit would be appropriated as follows:

Dividends paid to shareholders: €8,465,836

The balance allocated to retained earnings: €14,685,434

The dividend will be paid on 3 July 2006.

Natural persons resident for tax purposes in France will be entitled to the 40% allowance referred to in Paragraph 3-2 of Article 158 of the General Taxation Code in respect of the whole amount of the income distributed in this way.

As provided by law, shares held by the Company on the date of payment of the dividend shall not be entitled to receive it. The General Meeting of shareholders therefore resolves to confer all necessary powers on the Board of Directors to determine the global amount of the dividend and consequently the amount of the balance of the distributable profit to be allocated to retained earnings, taking into account the number of shares held by the Company on the date the dividend is paid.

Dividends paid in respect of the last three financial years were as follows:

Financial year	Net dividend per share	Proportion of the dividend for tax allowance ²
2004	€0,90	100%

Financial year	Net dividend per share	Tax credit ¹	Actual income per share
2003	€0.85	€0.42	€1.27
2002	€0.30	€0.15	€0.45

(1) The tax credit has only been shown at the 50% rate for the purposes of this table (only in relation to the financial years 2002 and 2003)

(2) The tax allowance of 50% referred to in Paragraph 3-2 of Article 158 of the General Taxation Code

FOURTH RESOLUTION

Approbation des conventions visées par l'article L. 225-38 du Code de commerce

Approval of agreements covered by Article L. 225-38 of the Commercial Code The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors on agreements covered by Article L. 225-38 of the Commercial Code in respect of the financial year ending 31 December 2005, formally notes the conclusions of [XXX those reports xxx singulier dans le français] and approves the agreements to which [XXX they refer].

FIFTH RESOLUTION

Appointment of a Director

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors, resolves to appoint Mr Henry Letulle as a Director for a term of six years, namely until the General Meeting called in 2012 to approve the accounts for the financial year ending 31 December 2011.

Mr Henry Letulle has indicated his acceptance of the office of Director and that he satisfies all the current legal and regulatory conditions, particularly as regards the cumulative number of Directorships that an individual may hold, and that he satisfies the age limit provided by the Articles of Association.

SIXTH RESOLUTION

Directors' fees

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors, resolves to set the global annual amount to be distributed between members of the Board of Directors by way of Directors' fees for the current financial year and subsequent financial years, at ?70,000, until further resolution of the General Meeting.

SEVENTH RESOLUTION

Replacement of an acting Auditor and of a replacement Auditor

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors, formally notes the resignation with effect from the date of this meeting of the firm of Ernst & Young Audit from its office as acting Auditor, and of Mr Bruno Perrin from

his office as replacement Auditor, and resolves to appoint as their replacements the firm of PricewaterhouseCoopers Audit, of 63 rue de Villiers, 92200 Neuilly-sur-Seine, as acting Auditor, and Mr Etienne Boris, of 63 rue de Villiers, 92200 Neuilly-sur-Seine, as replacement Auditor, until the expiry of the terms of office of their predecessors, namely until the end of the Ordinary General Meeting held during the year 2010 to approve the accounts for the financial year ending 31 December 2009.

The firm of PricewaterhouseCoopers Audit and Mr Etienne Boris have indicated their acceptance of the offices of acting Auditor and replacement Auditor of the Company, respectively, and that they satisfy all the conditions provided by current laws and regulations.

EIGHTH RESOLUTION

Replacement of an acting Auditor and of a replacement Auditor

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors, formally notes the resignation with effect from the date of this meeting of the firm of Deloitte & Associés from its office as acting Auditor, and of the firm of BEAS from its office as replacement Auditor, and resolves to appoint as their replacements the firm of Grant Thornton, of 100 rue de Courcelles, 75017 Paris, as acting Auditor, and the firm of Institut de Gestion et d'Expertise Comptable IGEC, of 3 rue Léon Jost, 75017 Paris, as replacement Auditor, until the expiry of the terms of office of their predecessors, namely until the end of the Ordinary General Meeting held during the year 2011 to approve the accounts for the financial year ending 31 December 2010.

The firms of Grant Thornton and Institut de Gestion et d'Expertise Comptable IGEC have indicated their acceptance of the offices of acting Auditor and replacement Auditor of the Company, respectively, and that they satisfy all the conditions provided by current laws and regulations.

NINTH RESOLUTION

Authorisation of the Board of Directors to purchase, retain or transfer Ipsos shares

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors:

- terminates with immediate effect the unused part of the authorisation to purchase shares of the Company conferred by the eleventh resolution of the Combined General Meeting of 18 May 2005;
- in accordance with Articles L. 225-209 and following of the Commercial Code, authorises the Company to purchase its own shares, subject to a maximum of 10% of the existing authorised share capital on the date of this General Meeting, on the following terms:
 - The maximum purchase price shall not exceed ?180 per share, on the understanding that in the case of operations in relation to the share capital, particularly by the incorporation of reserves, the allocation of free shares and/or the division or consolidation of shares, this price shall be adjusted accordingly,

The maximum amount of the funds used for the buyback programme shall consequently be ?152,385,048 calculated on the basis of the authorised share capital as at 31 December 2005, this maximum amount being subject to adjustment to take into account the amount of the share capital on the date of the General Meeting;

- This authorisation shall be valid for a period of eighteen months;
- Purchases made by the Company pursuant to this authorisation shall not in any circumstances cause it directly or indirectly to hold more than 10% of the shares comprising the authorised share capital;
- These shares may be acquired or transferred, including in periods of public tender offers where such offers are to be paid for entirely in cash, under the conditions and subject to the limits, particularly in terms of volumes and prices, provided by the current legal provisions on the date of the transactions in question, by any means, and in particular on the market or over-the-counter, including by the acquisition or sale of blocks of shares or by the use of derivative financial instruments traded on a regulated market or over-the-counter under the conditions provided by the regulatory authorities and at such times as the Board of Directors or the person acting on the authority of the Board of Directors shall consider appropriate.

These purchases of shares may take place with a view to being used for any purpose permitted by law, the intended purposes of this share buyback programme being:

- to arrange and honour obligations associated with stock option plans or other allocations of shares to members of staff of the Company or of associated companies, and particularly to allocate shares to employees of the Ipsos group in the context (1) of company profit-sharing schemes, (2) of any plan for the purchase or free allocation of shares for the benefit of employees under the conditions provided by law, and in particular by Articles L. 443-1 and following of the Employment Code, or (3) of any stock option plan or free allocation of shares for the benefit of employees and company officers, or some of them;
- to enter into purchase or sale transactions in the context of a liquidity contract entered into with an investment services provider under the conditions provided by the regulatory authorities;
- to arrange and honour obligations associated with debt securities convertible into shares and particularly to deliver shares upon the exercise of rights attached to negotiable securities giving access by any means to shares of the Company whether immediately or in the future;
- to retain shares for subsequent delivery by way of exchange or payment in the context of any external growth transactions;
- to reduce the share capital of the Company pursuant to the twenty-first resolution of this General Meeting, subject to its adoption.

The number of shares purchased by the Company with a view to their retention or subsequent delivery by way of payment or exchange in the context of a merger, demerger or asset transfer transaction shall not exceed 5% of its share capital.

Each year, the Board of Directors shall inform the General Meeting of shareholders of transactions carried out in the context of this resolution, in accordance with Article L. 225-209 of the Commercial Code.

The General Meeting of shareholders confers all necessary powers on the Board of Directors, including the power to delegate such powers, to place any stock market orders, enter into any agreements, draw up any documents (and particularly prospectuses), to carry out any formalities including the allocation or reallocation of the shares purchased for their various intended purposes, to make any declarations to any organisations and, in general terms, to do whatever is necessary.

EXTRAORDINARY BUSINESS:

TENTH RESOLUTION

Delegation of power to the Board of Directors to issue ordinary shares of the Company and negotiable securities giving access to ordinary shares of the Company or of any of its subsidiaries, while maintaining shareholders' preferential subscription rights

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, having formally noted that the authorised share capital is fully paid-up, and in accordance with Articles L. 225-129-2, L. 228-92 and L. 228-93 of the Commercial Code:

- terminates with immediate effect the unused part of the power conferred by the twelfth resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors for a period of twenty-six months with effect from the date of this General Meeting, its power to issue, for valuable consideration or free of charge, while maintaining shareholders' preferential subscription rights: (1) ordinary shares of the Company, (2) negotiable securities giving access by any means, whether immediately or in the future, to existing or future ordinary shares of the Company, and (3) negotiable securities giving access by any means, whether immediately or in the future, to existing or future ordinary shares of a company in which the Company directly or indirectly owns more than half the share capital (hereinafter "Subsidiary"), which may be subscribed for either in cash or by the set-off of receivables.

Issues of preference shares and of negotiable securities giving immediate or future access to preference shares are expressly excluded.

The nominal maximum amount of the immediate or future increase in the share capital of the Company resulting from all the issues completed pursuant to this delegated power, shall be €4,500,000, on the understanding that this maximum

amount has been determined without taking into account the nominal amount of the ordinary shares of the Company, if any, to be issued in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares.

The negotiable securities giving access to ordinary shares of the Company or of a Subsidiary issued in this way may consist of debt securities, may be associated with the issue of such securities, or may enable the issue of such securities as interim securities.

They may, in particular, be in the form of subordinate or other, fixed-term or other, securities, and may be issued in euros, in other currencies, or in any monetary units established by reference to a basket of currencies.

The nominal amount of the debt securities issued in this way may not exceed ?450 million or the exchange value thereof on the date of the decision to issue, on the understanding that (1) this amount does not include any repayment premium or premiums in excess of par, if any were provided for, (2) this amount applies in common to all the debt securities issued pursuant to the eleventh, fourteenth and fifteenth resolutions set out below and submitted to this General Meeting, but (3) this amount is autonomous and distinct from the amount of any negotiable securities conferring a right to the allocation of debt securities issued pursuant to the eighteenth resolution submitted to this General Meeting and from the amount of any debt securities the issue of which might be decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the Commercial Code.

The term of the bonds (giving access to ordinary shares of the Company or of a subsidiary) other than those in the form of perpetual floating rate notes, shall not exceed 50 years. Bonds (giving access to ordinary shares of the Company or of a subsidiary) may be subject to fixed and/or variable interest rates or capitalisation, and may also be the subject of guarantees or securities, repayment with or without premium or redemption, and the securities may, in addition, be bought back on the stock market or be the subject of a tender or exchange offer made by the Company.

Shareholders shall have preferential subscription rights in respect of ordinary shares and negotiable securities issued pursuant to this resolution, in proportion to the number of shares they hold.

The Board of Directors may introduce reducible subscription rights for the benefit of shareholders in respect of the ordinary shares or negotiable securities issued, which shall be exercised in proportion to their subscription rights and subject to the amount of their applications.

If irreducible and, if applicable, reducible subscriptions do not absorb the entirety of the issue, the Board of Directors may use the options provided below, or some of them, in such order as it may decide: (1) to limit the issue to the amount of the subscriptions received, on condition that such amount is at least equal to three quarters of the issue decided upon; (2) to distribute all or part of the unsubscribed securities as it sees fit; or (3) to offer all or part of the unsubscribed securities to the public by way of a public offering on the French and/or international and/or foreign markets.

The General Meeting of shareholders formally notes that this delegated power involves the waiver by the shareholders of their preferential subscription right in respect of the ordinary shares of the Company to which the negotiable securities to be issued pursuant to this delegated power may confer a right.

The General Meeting of shareholders resolves that warrants in respect of the Company's shares may be issued by way of a subscription offer but also by way of a free distribution to the owners of the old shares, and that in the event of the free allocation of share warrants, the Board of Directors shall have the power to decide that allocation rights in respect of fractional shares shall not be negotiable and that the corresponding securities shall be sold.

The Board of Directors shall settle the characteristics, amount and terms of any issue and of the securities issued. In particular, it shall determine the category of the securities issued and having regard to the conditions contained in its report shall fix their subscription price (with or without premium), the terms and conditions of payment, the date on which such securities shall carry entitlement to dividends (which may be retrospective), the terms and conditions under which the negotiable securities issued pursuant to this resolution shall give access to ordinary shares of the Company or of a subsidiary and, in the case of debt securities, their rank in terms of subordination.

The Board of Directors shall have all necessary powers to implement this resolution, particularly by entering into any agreement for that purpose and in particular with a view to the successful completion of any issue, and on one or more occasions, in the proportions and at such times as it shall see fit, whether in France and/or, if applicable, abroad and/or on the international market, to make the aforementioned issues, (including, if applicable, the power to defer them), formally to record the completion of such issues and to make the corresponding amendments to the Articles of Association, and to carry out any formalities and declarations and apply for any authorisations which may prove to be necessary for the successful completion of such issues.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

ELEVENTH RESOLUTION

Delegation of power to the Board of Directors to issue ordinary shares of the Company and negotiable securities giving access to ordinary shares of the Company or of any of its subsidiaries, while cancelling shareholders' preferential subscription rights

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, having formally noted that the authorised share capital is fully paid-up, and in accordance with Articles L. 225-129-2, L. 225-135, L. 228-92 and L. 228-93 of the Commercial Code:

- terminates with immediate effect the unused part of the power conferred by the thirteenth resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors for a period of twenty-six months with effect from the date of this General Meeting, its power to issue: (1) ordinary shares of the Company, (2) negotiable securities giving access by any means, whether immediately or in the future, to existing or future ordinary shares of the Company, and (3) negotiable securities giving access by any means, whether immediately or in the future, to existing or future ordinary shares of a company in which the Company directly or indirectly owns more than half the share capital (hereinafter "Subsidiary"), which may be subscribed for either in cash or by the set-off of receivables.

The General Meeting of shareholders resolves to cancel shareholders' preferential subscription rights in respect of such ordinary shares and negotiable securities.

Issues of preference shares and of negotiable securities giving immediate and/or future access to preference shares are expressly excluded.

The nominal maximum amount of the immediate or future increase in the share capital of the Company resulting from all the issues completed pursuant to this delegated power, shall be ?4,500,000, on the understanding that this maximum amount has been determined without taking into account the nominal amount of the ordinary shares of the Company, if any, to be issued in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares.

The negotiable securities giving access to ordinary shares of the Company or of a Subsidiary issued in this way may consist of debt securities, may be associated with the issue of such securities, or may enable the issue of such securities as interim securities. They shall be subject, upon their issue and throughout their existence, to the provisions relating to any negotiable securities of the same nature issued pursuant to the previous resolution in respect of their access to ordinary shares, their repayment, their rank in terms of subordination or their redemption.

The nominal amount of the debt securities issued in this way may not exceed ?450 million or the exchange value thereof on the date of the decision to issue, on the understanding that (1) this amount does not include any repayment premium or premiums in excess of par for which provision might be made, (2) this amount applies in common to all the debt securities issued pursuant to the previous resolution and the fourteenth and fifteenth resolutions set out below and submitted to this General Meeting, but (3) this amount is autonomous and distinct from the amount of any negotiable securities conferring a right to the allocation of debt securities issued pursuant to the eighteenth resolution submitted to this General Meeting and from the amount of any debt securities the issue of which might be decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the Commercial Code.

The Board of Directors may introduce an irreducible and/or reducible preferential right for the benefit of shareholders to subscribe for the ordinary shares or negotiable securities, and shall, in the manner provided by law, determine the terms and conditions for its exercise, without creating any negotiable rights. Securities that are unsubscribed pursuant to this right shall be the subject of a public placement in France and/or abroad and/or on the international market.

If subscriptions, including, if applicable, those of shareholders, do not absorb the whole amount of the issue, the Board of Directors may limit the amount of the operation under the conditions provided by law.

The General Meeting of shareholders formally notes that this delegated power involves the waiver by the shareholders of their preferential subscription right in respect of the ordinary shares of the Company to which the negotiable securities to be issued pursuant to this delegated power may confer a right.

The Board of Directors shall settle the characteristics, amount and terms of any issue and of the securities issued. In particular, it shall determine the category of the securities issued and having regard to the conditions contained in its report shall fix their subscription price (with or without premium), the date on which such securities shall carry entitlement to dividends (which may be retrospective), together with, if applicable, the period and terms and conditions under which the negotiable securities issued pursuant to this resolution shall give access to ordinary shares and, in the case of debt securities, their rank in terms of subordination, on the understanding that:

- (a) the issue price of the ordinary shares shall be at least equal to the minimum amount provided by the laws and regulations in force at the time this delegated power is used, after correction of this amount, if necessary, to take account of the difference in the date of entitlement to dividends;
- (b) the issue price of the negotiable securities shall be such that the sum immediately received by the Company, or, in the case of negotiable securities giving access to ordinary shares of a subsidiary, by the subsidiary, plus any amount received subsequently by the Company or by the subsidiary, if any, shall in respect of each ordinary share issued as a result of the issue of such negotiable securities be at least equal to the amount referred to in paragraph (a) above, after correction of this amount, if necessary, to take account of the difference in the date of entitlement to dividends.

The Board of Directors shall have all necessary powers to implement this resolution, particularly by entering into any agreement for that purpose and in particular with a view to the successful completion of any issue, and on one or more occasions, in the proportions and at such times as it shall see fit, whether in France and/or, if applicable, abroad and/or on the international market, to make the aforementioned issues, (including, if applicable, the power to defer them), formally to record the completion of such issues and to make the corresponding amendments to the Articles of Association, and to carry out any formalities and declarations and apply for any authorisations which may prove to be necessary for the successful completion of such issues.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

TWELFTH RESOLUTION

Authorisation of the Board of Directors, in the event of the issue of ordinary shares or negotiable securities giving access to ordinary shares while cancelling shareholders' preferential subscription rights, to fix the issue price in the manner determined by the General Meeting

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Article L. 225-136 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the fourteenth resolution of the Combined General Meeting of 18 May 2005; and
- authorises the Board of Directors, for a period of twenty-six months with effect from the date of this General Meeting, in respect of each of the issues decided pursuant to the eleventh resolution above and subject to a maximum of 10% of the Company's share capital (as existing on the date of this General Meeting) per 12-month period, to derogate from the conditions as to the fixing of the prices provided by the eleventh resolution referred to above and to fix the issue price of the ordinary shares and/or negotiable securities issued in the following manner:

- (a) The issue price for the ordinary shares shall be at least equal to the average of the last 20 stock exchange sessions subject to a discount of 15%;
- (b) The issue price of the negotiable securities giving access to ordinary shares shall be such that the sum immediately received by the Company, or in the event of the issue of negotiable securities giving access to ordinary shares of a subsidiary, by the subsidiary, plus, if applicable, any amount liable to be received subsequently by the Company or the subsidiary, as the case may be, shall in the case of each ordinary share issued as a result of the issue of such negotiable securities be at least equal to the amount referred to in paragraph (a) above, after correction of this amount, if necessary, to take account of the difference in the date of entitlement to dividends.

The nominal total amount of the increase in the share capital of the Company resulting from issues carried out pursuant to this delegated power shall be charged to the maximum amount of the increase in the share capital laid down by the eleventh resolution above.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

THIRTEENTH RESOLUTION

Authorisation of the Board of Directors to increase the number of securities to be issued in the event of an increase in the share capital while maintaining or cancelling shareholders' preferential subscription rights

The General Meeting, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Article L. 225-135-1 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the fifteenth resolution of the Combined General Meeting of 18 May 2005; and
- authorises the Board of Directors for a period of twenty-six months with effect from the date of this General Meeting, to decide, in respect of each of the issues decided pursuant to the tenth and eleventh resolutions above, and within 30 days of the closing of the subscription for the initial issue, to increase the number of securities to be issued subject to a maximum of 15% of the original limit and subject to compliance with the ceiling provided for by the resolution pursuant to which the issue was decided.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

FOURTEENTH RESOLUTION

Delegation of power to the Board of Directors to issue ordinary shares and negotiable securities giving access to ordinary shares in the event of a public exchange offer initiated by the Company

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Articles L. 225-129-2, L. 225-148 and L. 228-92 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the sixteenth resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors, for a period of twenty-six months with effect from the date of this General Meeting, its power, pursuant to and under the conditions provided by the eleventh resolution above, to issue ordinary shares of the Company or negotiable securities giving access by any means, whether immediately and/or in the future, to existing or future ordinary shares of the Company, to pay for securities transferred in respect of a public exchange offer initiated by the Company in France or abroad in accordance with local rules, in respect of the securities of another company admitted for trading on one of the regulated markets referred to in Article L. 225-148 referred to above, and resolves, insofar as necessary, to cancel shareholders' preferential subscription rights in respect of such ordinary shares and negotiable securities in favour of the holders of such securities.

The General Meeting of shareholders formally notes that this delegated power involves the waiver by shareholders of their preferential subscription rights in respect of the ordinary shares to which the negotiable securities to be issued pursuant to this delegated power may confer a right.

The maximum amount of the immediate or future nominal increase in the share capital resulting from all issues completed pursuant to this delegated power shall be ?4,500,000, such amount being charged to the maximum amount laid down by the eleventh resolution, on the understanding that this maximum amount has been fixed without taking account of the nominal amount of the ordinary shares of the Company to be issued, if any, in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares.

The General Meeting of shareholders resolves that the Board of Directors shall have all necessary powers for the purpose of implementing the public exchange offers referred to in this resolution, and particularly:

- to determine the exchange parity and, if necessary, the amount of the balancing payment to be made in cash;
- formally to record the number of securities transferred by way of exchange;
- to determine the issue dates and conditions, and in particular, the price and date of entitlement to dividends, of the new ordinary shares, or, if applicable, of the negotiable securities giving access, whether immediately and/or in the future, to ordinary shares of the Company;
- to enter the difference between the issue price of the new ordinary shares and their nominal value as a liability in the balance sheet under "transfer premiums";

- if necessary, to charge all the expenses and duties occasioned by the authorised transactions to the said “transfer premiums”; and
- in general, to take any necessary steps and enter into any agreements to ensure the successful completion of the authorised transaction, formally to record the resulting increase or increases in the share capital and to make the corresponding amendments to the Articles of Association.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

FIFTEENTH RESOLUTION

Delegation of powers to the Board of Directors to issue ordinary shares and negotiable securities giving access to ordinary shares in order to pay for asset transfers to the Company in the form of equity securities or negotiable securities giving access to capital

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and in accordance with Article L. 225-147 of the Commercial Code,

- terminates, with immediate effect, the unused part of the delegated power conferred by the seventeenth resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors, for a period of twenty-six months with effect from the date of this General Meeting, the power, upon a report from the auditor or auditors referred to in the first and second paragraphs of Article L. 225-147 referred to above, and pursuant to and under the conditions provided by the eleventh resolution set out above, to issue ordinary shares of the Company or negotiable securities giving access by any means, whether immediately and/or in the future, to existing or future ordinary shares of the Company, in order to pay for asset transfers in kind made to the Company in the form of equity securities or negotiable securities giving access to capital, in circumstances where the provisions of Article L. 225-148 of the Commercial Code do not apply, and resolves, insofar as necessary, to cancel shareholders' preferential subscription rights in respect of the ordinary shares and negotiable securities thus issued in favour of the holders of the shares or negotiable securities the subject of the asset transfers in kind.

The maximum amount of the immediate or future nominal increase in the share capital resulting from all the issues carried out pursuant to this delegated power shall be 10% of the share capital of the Company (as existing on the date of this General Meeting).

The General Meeting formally notes that this delegated power involves the waiver by shareholders of their preferential subscription rights in respect of the ordinary shares to which the negotiable securities to be issued pursuant to this delegated power may confer a right.

The Board of Directors shall have all necessary powers to implement this resolution, and in particular to draw up the list of shares or negotiable securities to be exchanged, to fix the exchange parity and if necessary the amount of the balancing payment to be made in cash, to decide on the basis of the report of the auditor or auditors referred to in the first and second paragraphs of Article L. 225-147 referred to above, the valuation of the transfers and the granting of special benefits, formally to record the definitive completion of the increases in the share capital completed pursuant to this delegated power, to make the corresponding amendments to the Articles of Association, and to carry out any formalities, make any declarations and apply for any authorisations that might prove necessary for the completion of such transfers.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

SIXTEENTH RESOLUTION

Delegation of powers to the Board of Directors to issue ordinary shares as a result of the issue by subsidiaries of the Company of negotiable securities giving access to ordinary shares of the Company

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Articles L. 225-129-2 and L. 228-93 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the eighteenth resolution of the Combined General Meeting of 18 May 2005;
- with a view to the issue with the Company's agreement, and on one or more occasions, in France, on foreign markets and/or on the international market, of any negotiable securities giving access by any means, whether immediately or in the future, to ordinary shares of the Company, by one or more companies of which the Company directly or indirectly owns at least half the authorised share capital (the "Subsidiary" or "Subsidiaries");
- delegates to the Board of Directors, in the context of the eleventh resolution set out above, the power to issue ordinary shares of the Company to which the negotiable securities issued by Subsidiaries and referred to above confer a right.

This resolution automatically involves waiver by the Company's shareholders of their preferential subscription rights in respect of the ordinary shares to which the negotiable securities issued by the Subsidiaries and referred to above confer a right, in favour of the holders of the negotiable securities issued by such Subsidiaries.

The General Meeting formally notes that the Company's shareholders do not have preferential subscription rights in respect of the negotiable securities issued by the Subsidiaries and referred to above.

The maximum nominal amount of the increase in the share capital of the Company resulting from all the issues completed pursuant to this delegated power shall be ?4,500,000, this amount being charged to the maximum amounts set by the eleventh resolution, on the understanding that this maximum has been set without taking into account the nominal value of the ordinary shares of the Company that may be issued by way of adjustments made to protect the holders of rights attached to negotiable securities giving access to the ordinary shares.

In any event, the sum paid at the time of the issue or which may subsequently be paid to the Company must, in accordance with the provisions of the eleventh resolution, and for each ordinary share issued as a consequence of the issue of such negotiable securities, be at least equal to the minimum amount provided by the laws and regulations in force at the time this delegated power is used, after adjustment of that amount, if necessary, to take account of the difference in the date of entitlement to dividends.

This delegated power is conferred for a period of twenty-six months with effect from the date of this General Meeting.

The Board of Directors shall have all necessary powers to implement this resolution, by agreement with the Boards of Directors, Management Boards or other managerial or administrative bodies of the issuing Subsidiaries, and in particular, to determine the amount, terms and conditions of the issue, the category of negotiable securities to be issued, the date of entitlement to dividends (including retrospectively) of the securities to be created, and generally, to take any necessary steps and enter into any agreements and contracts to ensure the success of the intended issues, in all cases in accordance with French, and if applicable, foreign laws and regulations.

The Board of Directors shall have all necessary powers to make the necessary amendments to the Articles of Association required by the use of this delegated power in accordance with the terms of its report to this General Meeting.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

SEVENTEENTH RESOLUTION

Global limitation on the authorisations granted

The General Meeting, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors, and as a result of the adoption of the seven foregoing resolutions, resolves that the nominal maximum amount of the immediate and/or future increase in the authorised share capital resulting from the delegated powers conferred by those seven resolutions shall be ?4,500,000, on the understanding that to this nominal amount may potentially be added the nominal amount of the ordinary shares of the Company to be issued by way of adjustments made to protect the holders of rights attached to the negotiable securities giving access to ordinary shares.

EIGHTEENTH RESOLUTION

Delegation of powers to the Board of Directors to issue negotiable securities conferring a right to the allocation of debt securities

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Articles L. 225-129-2 and L. 228-92 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the twentieth resolution of the Combined General Meeting of 18 May 2005;
- delegates to the Board of Directors its power, on one or more occasions, in France, abroad and/or on the international market, to issue any negotiable securities conferring a right to the allocation, whether immediately or in the future, of debt securities such as bonds or similar securities, perpetual or other floating rate notes or any other securities conferring the same rights to a receivable in respect of the Company, in one and the same issue.

The nominal amount of all the issued negotiable securities mentioned above may not exceed ?450 million or the exchange value of this amount in currencies or in any monetary units established by reference to a basket of currencies, on the understanding that this maximum nominal amount shall be applied globally to the debt securities to which the negotiable securities confer allocation rights, whether immediately or in the future, but that this amount shall not include any repayment premium or premiums in excess of par for which provision might be made.

This delegated power is given for a period of twenty-six months with effect from the date of this General Meeting.

The Board of Directors shall have all necessary powers:

- to make the said issues within the limitations set out above and to determine the date, nature, amounts and currency of the issues,
- to settle the characteristics of the negotiable securities to be issued and of the debt securities to which the negotiable securities shall confer allocation rights, and particularly their nominal value, the date on which they shall be entitled to dividends, their issue price, if necessary with a premium, their interest rates, whether fixed and/or variable, their rank in terms of subordination and their date of payment, or in the case of variable rate securities, the terms and conditions for determining their interest rate, or the conditions for capitalisation of interest;
- according to market conditions, to fix the terms and conditions of redemption and/or early repayment of the negotiable securities to be issued and of the debt securities to which the negotiable securities shall confer allocation rights, if applicable, with a fixed or variable premium, or the terms and conditions of the buyback by the Company;
- if applicable, to give a guarantee or securities in respect of the negotiable securities to be issued and in respect of the debt securities to which the negotiable securities confer allocation rights, and to settle the nature and characteristics thereof;
- in general, to settle all the terms and conditions of each of the issues, to enter into any agreements and contracts with any banks and other bodies, to take any steps and complete any required formalities, and generally to do whatever is necessary.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

NINETEENTH RESOLUTION

Delegation of powers to the Board of Directors to increase the share capital of the Company by the incorporation of reserves, profits or premiums

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors, and in accordance with Articles L. 225-129-2 and L. 225-130 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the twenty-first resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors, for a period of twenty-six months with effect from the date of this General Meeting, its power to increase the authorised share capital on one or more occasions at the times and on such terms as it shall determine, by the incorporation in the capital of reserves, profits or premiums, followed by the creation and free alloca-

tion of shares or by an increase in the nominal value of existing ordinary shares, or a combination of these two methods. The General Meeting delegates to the Board of Directors the power to decide that rights to fractional shares shall not be negotiable or transferable, and that the corresponding securities shall be sold; sums resulting from such sales shall be allocated to the holders of such rights within the time limits provided by the regulations.

The maximum nominal amount of the immediate or future increase in the share capital resulting from all the issues completed pursuant to this delegated power shall be 780 million, on the understanding that this ceiling has been determined (1) without taking account of the nominal amount of the ordinary shares of the Company to be issued, if any, in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares, and (2) in an autonomous manner, distinct from the maximum amounts of the increases in the share capital resulting from the issue of ordinary shares or negotiable securities authorised by the tenth to sixteenth resolutions above.

The Board of Directors shall have all necessary powers to implement this resolution, and generally to take any measures and complete any formalities required for the successful completion of each increase in the share capital.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

TWENTIETH RESOLUTION

Delegation of powers to the Board of Directors to make increases in the share capital reserved for employed members of a company savings plan

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Articles L. 225-129-6, L. 225-138, I and II, and L. 225-138-1 of the Commercial Code, and Articles L. 443-1 and following of the Employment Code:

- terminates with immediate effect the unused part of the delegated power conferred by the twenty-second resolution of the Combined General Meeting of 18 May 2005; and
- delegates to the Board of Directors, for a period of twenty-six months with effect from the date of this General Meeting, its power to increase the authorised share capital in its sole discretion, on one or more occasions, at the times and on such terms as it shall determine, by the issue of ordinary shares or negotiable securities giving access to existing or future ordinary shares of the Company reserved for employees and former employees of the Company and of the French or foreign companies or groupings associated with the Company within the meaning of the current regulations, and who are members of a company savings plan, or by the free allocation of ordinary shares or negotiable securities giving access to existing or future ordinary shares of the Company, particularly by the incorporation in the capital of reserves, profits or premiums, subject to the limitations provided by current laws and regulations.

The maximum nominal amount of the immediate or future increase in the share capital of the Company resulting from all the issues completed pursuant to this delegated power, shall be 423,290, on the understanding that this ceiling has been determined (1) without taking account of the nominal amount of the ordinary shares of the Company to be issued, if any, in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares, and (2) in an autonomous manner, distinct from the maximum amount of the increase in the share capital resulting from the issue of ordinary shares or negotiable securities authorised by the tenth to sixteenth resolutions above.

The maximum nominal amount of the increase in the share capital of the Company resulting from all the issues completed pursuant to this delegated power by the incorporation of reserves, profits or premiums under the conditions and subject to the limits set out in the Articles of the Employment Code referred to above and in their enabling provisions, shall be 423,290, on the understanding that this ceiling has been determined (1) without taking account of the nominal amount of the ordinary shares of the Company to be issued, if any, in respect of adjustments made to protect the holders of rights attached to negotiable securities giving access to ordinary shares, and (2) in an autonomous manner, distinct from the ceiling provided by the nineteenth resolution above.

If the subscriptions do not absorb the entirety of the securities issued, the increase in the share capital may only be completed up to the amount of the securities subscribed for.

The General Meeting of shareholders resolves to cancel shareholders' preferential subscription rights in respect of the ordinary shares or negotiable securities giving access to ordinary shares to be issued in the context of this delegated

power, in favour of such employees and former employees, and to waive any right to the shares or other negotiable securities allocated free of charge pursuant to this delegated power.

The General Meeting of shareholders resolves:

- that the subscription price for the new shares shall be equal to the average prices quoted during the 20 stock exchange sessions preceding the date of the decision fixing the opening date of the subscription, less the maximum discount provided by law on the date of the decision of the Board of Directors, on the understanding that the Board of Directors may reduce this discount if it considers it appropriate to do so, particularly in the event of an offer of securities made to members of a company savings plan on the international and/or foreign markets in order to satisfy the requirements of applicable local laws. The Board of Directors may also replace all or part of the discount by the allocation of shares or other negotiable securities pursuant to the following provisions:
- the Board of Directors may provide for the allocation free of charge of ordinary shares or negotiable securities giving access to ordinary shares of the Company, on the understanding that the total benefit resulting from such allocations and, if applicable, from the discount mentioned in the above subparagraph, may not exceed the legal limits; and on condition that when account is taken of the monetary exchange value of the ordinary shares allocated free of charge, assessed at the subscription price, this does not have the effect of exceeding the legal limits.

The Board of Directors shall have all necessary powers to implement this resolution and particularly:

- to settle the characteristics, amount and terms of any issue or free allocation of securities;
- to determine that the issues shall take place directly in favour of the beneficiaries or through collective organisms acting as intermediaries;
- under the conditions provided by law, to draw up a list of companies or groupings whose employees and former employees may subscribe for the ordinary shares or negotiable securities issued, and, if applicable, receive the ordinary shares or negotiable securities allocated free of charge;
- to determine the nature and terms of the increase in the share capital and the terms of the issue or allocation free of charge;
- to fix the conditions of seniority to be satisfied by beneficiaries of ordinary shares or new negotiable securities resulting from the increase or increases in the share capital or from the securities the subject of each free allocation the subject of this resolution;
- to determine the terms and conditions of the issues of shares or negotiable securities to be made pursuant to this delegated power and particularly the date of their entitlement to dividends, and the terms and conditions of payment for such shares and securities;
- to fix the opening and closing dates of subscriptions;
- formally to record the completion of the increase in the share capital by the issue of ordinary shares in the amount of the ordinary shares actually subscribed;
- if necessary, to determine the nature of the securities allocated free of charge, together with the terms and conditions of their allocation;
- if necessary, to determine the amount of the sums to be incorporated in the share capital subject to the limit set out above, the elements of equity capital from which they shall be deducted and the date of entitlement to dividends of the shares thus created;
- in its sole discretion, and if it considers it appropriate to do so, to charge the expenses of the increases in the share capital to the amount of the premiums relating to such increases, and to deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase;
- to take any steps to complete the increases in the share capital, to complete any consequential formalities relating thereto, and particularly those relating to the listing of the securities created, to make any corresponding amendments to the Articles of Association resulting from such increases in the share capital, and generally, to do whatever is necessary.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

TWENTY-FIRST RESOLUTION

Authorisation of the Board of Directors to reduce the share capital by the cancellation of ordinary shares

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Article L. 225-209 of the Commercial Code:

- terminates, with immediate effect, the unused part of the delegated power conferred by the twenty-third resolution of the Combined General Meeting of 18 May 2005;
- delegates to the Board of Directors all necessary powers, on one or more occasions, to cancel all or part of the ordinary Ipsos shares purchased in the context of the share buyback programme authorised by the ninth resolution submitted to this General Meeting or in the context of share buyback programmes authorised before or after this General Meeting, subject to a maximum of 10% of the share capital of the Company per 24-month period;
- resolves that the amount of the purchase price of the ordinary shares in excess of their nominal value shall be charged to "issue premiums" or to any other available reserve account, including the legal reserve, the latter subject to a limit of 10% of the completed reduction in the share capital;
- delegates to the Board of Directors all necessary powers, including the power to subdelegate under the conditions provided by law, to complete the reduction in the share capital resulting from the cancellation of ordinary shares and the charging of such reduction as aforesaid, and to make the consequential amendments to Article 6 of the Articles of Association;
- resolves that the duration of this authorisation shall be eighteen months with effect from the date of this General Meeting.

TWENTY-SECOND RESOLUTION

Amendments to the Memorandum and Articles of Association

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors, resolves to amend the Articles of Association of the Company for the reasons set out in the report of the Board of Directors, and particularly to harmonise the Articles of Association with certain provisions of Law no. 2005-842 of 26 July 2005, and in consequence, to amend Articles 15, 22 and 23 the Articles of Association of the Company as follows:

The sixth paragraph of Article 15 "Notices of meetings and resolutions" shall now read as follows:

"The Board of Directors, under the conditions provided by current laws and regulations, may draw up internal regulations containing the terms and conditions according to which Directors participating in meetings of the Board by means of videoconferencing or telecommunication shall be deemed to be present for the purposes of calculating the quorum and majority".

The first paragraph of Article 22 "Ordinary General Meetings – Quorum and majority" shall be amended as follows:

"Upon a first notice of meeting, the Ordinary General Meeting may only validly deliberate if the shareholders present, represented or having voted in their absence hold at least one fifth of shares carrying voting rights".

The first and second paragraphs of Article 23 "Extraordinary General Meetings – Quorum and majority" shall be amended as follows:

The first paragraph of Article 23 shall now read as follows: "Upon a first notice of meeting, the Extraordinary General Meeting may only validly deliberate if the shareholders present, represented or having voted in their absence hold at least one quarter of shares carrying voting rights".

The second paragraph of Article 23 shall now read as follows: "If no quorum is present at the first General Meeting, a further General Meeting shall be called in the manner and within the time limits provided by law, by a notice of meeting which shall mention the date of the first meeting. The second General Meeting may validly deliberate if the shareholders present, represented or having voted in their absence hold at least one fifth of shares carrying voting rights."

TWENTY-THIRD RESOLUTION

Use of financial delegated powers in periods of public tender offers for the Company's securities

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings, having considered the report of the Board of Directors and the report of the Auditors, and in accordance with Article L. 233-33 of the Commercial Code, resolves that the financial delegated powers held by the Board of Directors pursuant to the tenth to twentieth resolutions may be used by the Board of Directors during periods of public tender offers for the Company's securities, in circumstances where the first paragraph of Article L. 233-33 of the Commercial Code applies.

The General Meeting resolves that the duration of this authorisation shall be eighteen months with effect from the date of this General Meeting.

VINGT-QUATRIÈME RÉOLUTION

Authorisation to issue share warrants in periods of public tender offers for the Company's securities

The General Meeting of shareholders, under the conditions as to quorum and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the special report of the Auditors, and in accordance with Article L. 233-33 of the Commercial Code, authorises the Board of Directors during periods of public tender offers for the Company's securities, to issue warrants to subscribe for shares in the Company on preferential conditions of the kind referred to in Article L. 233-32, II, of the Commercial Code, and to allocate such warrants free of charge to shareholders of the Company qualifying as such before the end of the period of the public tender offer, in accordance with the provisions of the said Article L. 233-32, II.

This authorisation may only be used in circumstances where the first paragraph of Article L. 233-33 of the Commercial Code applies.

The General Meeting of shareholders resolves that the nominal maximum amount of the increase in the share capital resulting from the exercise of warrants issued pursuant to this authorisation may not exceed 29 million, and that the maximum number of warrants that may be issued pursuant to this authorisation may not exceed 9 million. This ceiling has been determined in an autonomous manner, distinct from the ceilings applicable to increases in the share capital resulting from the issue of ordinary shares or negotiable securities authorised by the tenth resolution above.

The Board of Directors shall determine the terms of exercise of the warrants by reference to the terms of the offer for the Company's securities or any other potential competing offer, together with the other characteristics of the warrants, including their exercise price or the manner in which such price will be determined.

The General Meeting of shareholders resolves that the Board of Directors shall have all necessary powers to implement this resolution, and in particular to complete the issues and allocations referred to above, formally to record their completion, and for that purpose, to enter into any agreements, take any steps and complete any formalities necessary for that purpose, to make the corresponding amendments to the Articles of Association, to complete any formalities and declarations, and to apply for any authorisations which might prove necessary for the completion of such issues and allocations.

The General Meeting of shareholders formally notes that this authorisation involves a waiver by the shareholders of their preferential subscription rights in respect of the ordinary shares of the Company to which warrants issued pursuant to this authorisation confer a right.

The Board of Directors may, within the limitations that it shall have set in advance, delegate to the Managing Director or, with the latter's agreement, to one or more Deputy Managing Directors, the powers conferred on it pursuant to this resolution.

The General Meeting resolves that the duration of this authorisation shall be eighteen months with effect from the date of this General Meeting.

TWENTY-FIFTH RESOLUTION

Authorisation to take certain management measures in periods of public tender offers for the Company's securities

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings and having considered the report of the Board of Directors, authorises the Board of Directors, during periods of public tender offers for the Company's securities, to purchase or sell any assets with a view to making the public tender offer for the Company's securities fail, on such terms as they may determine (including by making a public tender

offer for the securities of a company), and authorises the Board of Directors to subdelegate this power to the Managing Director or, with the latter's agreement, to Deputy Managing Directors.

This power may only be used in circumstances where the first paragraph of Article L. 233-33 of the Commercial Code applies.

The General Meeting of shareholders resolves that the duration of this authorisation shall be eighteen months with effect from the date of this General Meeting.

TWENTY-SIXTH RESOLUTION

Division of the nominal value of the Company's shares by four

The General Meeting of shareholders, under the conditions as to quorum and majority of Extraordinary General Meetings and having considered the report of the Board of Directors, resolves to divide the nominal value of the shares comprising the authorised share capital by four, the authorised share capital itself remaining unchanged.

Consequently, the General Meeting of shareholders resolves that:

- the nominal value of the shares of the Company shall be reduced from one euro (€1) to twenty-five euro cents (€0.25);
- the number of shares in circulation shall be multiplied by four;
- the number of shares capable of being obtained by the beneficiaries of options to subscribe for new, or to purchase existing, shares of the Company pursuant to options granted by the Board of Directors before the division of the nominal value of the shares, shall be multiplied by four, while the unit prices for the subscription of new shares or the purchase of existing shares subject to options, as determined by the Board of Directors at the time the said options were granted, shall be divided by four;
- the number of shares capable of being obtained by the beneficiaries of allocations of free shares in respect of allocations made by the Board of Directors prior to the division of the nominal value of the shares, shall be multiplied by four;
- the prices of Ipsos shares referred to in Articles 6 bis to 6 quater of the Articles of Association of the Company shall be divided by four;
- the maximum purchase price of Ipsos shares referred to in the ninth resolution above shall be divided by four;
- the maximum number of shares capable of being issued or purchased under the terms of (voir français au terme de XXX) current delegated powers or authorisations conferred by the General Meeting of shareholders, including this General Meeting, and particularly pursuant to the twenty-fourth resolution submitted to this General Meeting, shall be adjusted to take into account the division of the nominal value by four.

The division of the nominal value of Ipsos shares the subject of this resolution shall have no effect on the double voting rights provided by Article 10 of the Company's Articles of Association, which shall thus be granted to all new shares arising from all old shares that benefited from such voting rights, on the understanding that the period of at least two years referred to in the said Article will be assessed by reference to the date of the registration, in the name of the shareholder concerned, of the old shares from which the new shares arise.

The General Meeting of shareholders delegates all necessary powers to the Board of Directors, including the power to subdelegate subject to the limitations provided by law, to determine within a maximum period of one year from the date of this General Meeting the date on which this division of the nominal value of the shares shall take effect, to make any adjustments made necessary by this division, and to complete any acts, formalities or declarations consequential upon such decision, and in particular, to determine the number of new shares of twenty-five euro cents (€0.25) to be issued by reference to the number of euro (€1) shares existing on the effective date, to complete the exchange of new shares for old shares, to carry out any formalities, and more generally, whether directly or through an agent, to do whatever is necessary for this resolution to be implemented, and to make consequential amendments to Article 6 of the Articles of Association relating to the amount of the share capital and the nominal value of the shares.

TWENTY-SEVENTH RESOLUTION

Amendment of Article 13 of the Company's Memorandum and Articles of Association

The General Meeting of shareholders, under the conditions as to quorum and majority required for Extraordinary General Meetings and having considered the report of the Board of Directors, resolves, subject to the approval of the twenty-sixth resolution relating to the division of the nominal value of the shares by four, and subject to that division taking effect, that fix the minimum number of shares that each Director must own throughout his term of office shall be four.

Consequently, the General Meeting resolves, subject to the reservations set out above, that the first paragraph of Article 13 of the Articles of Association of the Company shall read as follows: "Every Director must be the owner of at least four shares throughout his term of office" (the remainder of Article 13 remaining unchanged).

TWENTY-EIGHTH RESOLUTION

Powers to carry out formalities

The General Meeting of shareholders confers all necessary powers on the holder of an original, copy or extract of the minutes of this General Meeting, to carry out any legal or administrative formalities, file any documents and issue any advertisements provided for by the legislation in force.

The following table provides a list cross-referencing: (i) the main headings required under Commission Regulation (EC) 809/2004, in application of Directive 2003/71/EC, called the "Prospectus" Directive; and (ii) the pages in the present reference document on which the information can be found. Information that is not applicable to Ipsos is indicated with "N/A".

European Legislation		Section of the Reference Document
1.	Persons responsible	
1.1	Persons responsible for the information provided in the reference document	1.1, 1.4
1.2	Declaration by the persons responsible for the information provided in the reference document	1.2
2.	Statutory Auditors	
2.1	Names and addresses of the issuer's auditors	1.3.1, 1.3.2
2.2	Resignations/non-renewal of appointments	1.3.3
3.	Selected financial information	
3.1	Presentation for each financial year of the period covered	2.1.3
3.2	Presentation for interim periods	N/A
4.	Risk factors	2.2
5.	Information about the issuer	
5.1	History and development of the issuer	2.1.1
5.1.1	Legal and commercial name of the issuer	4.1.1
5.1.2	Place and registration of the issuer and its registration number	4.1.3, 4.1.5
5.1.3	Date of incorporation	4.1.3
5.1.4	Domicile and legal form of the issuer	4.1.2, 4.1.4
5.1.5	Important events in the development of the issuer's business	2.1.1
5.2	Investments	2.8
5.2.1	A description (including the amount) of the issuer's principal investments for each financial year for the period covered by the historical financial information up to the date of the registration document	2.8.2
5.2.2	A description of the issuer's principal investments that are in progress, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external)	2.8.2
5.2.3	Information concerning the issuer's principal future investments on which its management bodies have already made firm commitments	2.10, 3.2.6.5.3
6.	Business overview	
6.1	Principal activities	2.3
6.1.1	Nature of the issuer's operations	2.3, 2.6
6.1.2	New products	2, 2.3.2.2, 2.3.2.3, 2.3.5
6.2	Principal markets	2.4, 2.5
6.3	Exceptional factors	2.11
6.4	Extent of dependency on patents, licences or contracts	N/A
6.5	Competitive position	2.4.2
7.	Organisational structure	
7.1	Organigramme	2.1.2
7.2	List of the issuer's significant subsidiaries	3.2.2.3
8.	Property, plants and equipment	
8.1	Information regarding any existing or planned material fixed assets	2.8, 3.3.5.2
8.2	Environmental issues	N/A
9.	Operating and financial review	

European Legislation		Section of the Reference Document
9.1	Financial condition	3.1
9.2	Operating results	3.1
9.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations, indicating the extent to which income was so affected	2.2
9.2.2	Where the financial statements disclose material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	N/A
9.2.3	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	2.2
10.	Capital resources	3.1, 3.2, 3.2.6
10.1	Information concerning the issuer's capital resources (short- and long-term)	
10.2	Sources and amounts and a narrative description of the issuer's cash flows	
10.3	Information on the borrowing requirements and funding structure of the issuer	
10.4	Information regarding any restrictions on the use of capital resources	
10.5	Information regarding the anticipated sources of funds needed to fulfil commitments	
11.	Research and development	3.1, 2.10.2
12.	Trend information	
12.1	Most significant trends	2.10
12.2	Factors likely to have a material effect on the issuer's prospects	2.2, 2.10
13.	Profit forecasts or estimates	
13.1	A statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate	2.10.3
13.2	A report prepared by independent accountants or auditors	2.10.4
13.3	The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.	2.10.3
13.4	If a profit forecast in a prospectus has been published which is still outstanding, then provide a statement setting out whether or not that forecast is still correct as at the time of the registration document, and an explanation of why such forecast is no longer valid if that is the case.	N/A
14.	Administrative, management and supervisory bodies, and senior management	
14.1	Names, business addresses and functions of members of the administrative bodies	4.3
14.2	Conflicts of interest in administrative, management and supervisory bodies, and senior management	4.3.2, 3.4
15.	Remuneration and benefits	
15.1	Amount of remuneration paid and benefits in kind	4.4
15.2	Total amounts set aside or accrued to provide pension, retirement or similar benefits	N/A
16.	Board practices	4.3
16.1	Date of expiration of current term of office	4.3.3
16.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries	4.3.2, 4.3.4
16.4	A statement as to whether the issuer complies with the corporate governance regime in its country of incorporation	4.2.3.1, 4.3.2
17.	Employees	
17.1	Number of employees and breakdown by main category of activity and geographic location	2.9.2
17.2	Shareholdings and stock options	4.2.6, 4.2.9, 4.4.3, 2.9.2

European Legislation		Section of the Reference Document
17.3	Arrangements for involving the employees in the issuer's capital	4.2.5, 2.9.2
18.	Major shareholders	4.2.3
18.1	Shareholders' owning more than 5% of the share capital or voting rights	4.2.3.3
18.2	Whether the issuer's major shareholders have different voting rights	4.1.12
18.3	Control over the issuer	4.2.3.1
18.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	4.2.3.2
19.	Related-party transactions	3.4
20.	Financial information concerning the issuer's assets and liabilities, financial positions and profits and losses	
20.1	Historical financial information	3.2
20.2	Pro forma financial information	N/A
20.3	Financial statements	3.2, 3.5
20.4	Auditing of historical annual financial information	
20.4.1	A statement that the historical financial information has been audited	1.2
20.4.2	Indication of other information in the registration document which has been audited by the auditors	1.3.4
20.4.3	Where financial data in the registration document is not extracted from the issuer's audited financial statements, state the source of the data and state that the data is unaudited.	N/A
20.5	Age of latest financial information	3.2
20.6	Interim and other financial information	N/A
20.6.1	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half-yearly financial information has been reviewed or audited, the audit or review report must also be included. If the quarterly or half-yearly financial information is unaudited or has not been reviewed, state that fact.	2.10.2
20.6.2	If the registration document is dated more than nine months after the end of the last audited financial year, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. The interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year-end balance sheet.	N/A
20.7	Dividend policy	4.2.10
20.7.1	The amount of the dividend per share for each financial year for the period covered by the historical financial information, adjusted, where the number of shares in the issuer has changed, to make it comparable	4.2.10
20.8	Legal and arbitration proceedings	2.11
20.9	Significant change in the issuer's financial or commercial position	N/A
21.	Additional information	
21.1	Share capital	4.2
21.1.1	The amount of issued capital	4.2.1
21.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A
21.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer or by subsidiaries of the issuer	4.1.13
21.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription	N/A

European Legislation	Section of the Reference Document
21.1.5 Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital	4.2.4, 4.2.5, 4.2.6, 4.2.7
21.1.6 Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	3.2.6.5.3
21.1.7 History of the share capital	4.2.2
21.2 Memorandum and Articles of Association	4.1
21.2.1 A description of the issuer's objects and purposes and where they can be found in the memorandum and articles of association.	4.1.8
21.2.2 A summary of any provisions of the issuer's articles of association, statutes, charter or bylaws with respect to the members of the administrative, management and supervisory bodies	4.1.4, 4.3
21.2.3 A description of the rights, preferences and restrictions attached to each class of the existing shares	N/A
21.2.4 A description of what action is necessary to change the rights of holders of the shares, indicating where the conditions are more significant than is required by law	4.1.10
21.2.5 A description of the conditions governing the manner in which annual general meetings and extraordinary general meetings of shareholders are called including the conditions of admission	4.1.10
21.2.6 A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer	4.1.12
21.2.7 An indication of the articles of association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed	4.1.12
21.2.8 A description of the conditions imposed by the memorandum and articles of association, statutes, charter or bylaws governing changes in the capital, where such conditions are more stringent than is required by law	N/A
22. Material contracts	3.2.6.5.3
23. Third party information and statement by experts and declarations of any interest	
23.1 Where a statement or report attributed to a person as an expert is included in the registration document, provide such person's name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer's request, a statement to the effect that such statement or report is included, in the form and context in which it is included, with the consent of the person who has authorised the contents of that part of the registration document.	N/A
23.2 Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	N/A
24. Documents on display	1.4, 4.1.7, 4.5
25. Information on holdings	3.3, 3.11



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