



2015 First-half Results

An encouraging half year,
despite its challenges

July 23, 2015

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GAME CHANGERS



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Trends vary by region

OUR ACTIVITY

Contrasting trends

CHANGE IN REVENUE AT CONSTANT SCOPE AND EXCHANGE RATES

%	H1-13	H2-13	H1-14	H2-14	H1-15
Developed countries 67% of revenue	-1.4	-0.3	-2.6	-1.3	+0.5
Emerging countries 33% of revenue	-0.3	+7.5	+5.3	+3.8	-2.1

IMPROVEMENT IN THE DEVELOPED COUNTRIES

Growth rate slightly positive at **0.5%**:

- **Clear improvement** in the United States, Germany, the United Kingdom and Japan
- Performance in line with our 2015 objective (stable over the year)

INFLUENCE OF THE GEOPOLITICAL ENVIRONMENT ON PERFORMANCE IN EMERGING MARKETS

A 2.1% drop:

- Particularly in Russia and the Middle East

Change in revenue at constant scope and exchange rates

%	H1 2014	H1 2015
Russia	+15	-16
Middle East	+15.5	-2.5

→ Impact on the Group's organic growth in H1: -1.3%

- Certain countries such as **Turkey, Mexico** and those in **sub-Saharan Africa** continue solid growth
- Trend at the half year below the year's objective (+5%)

OUR BUSINESS

Diversifying the client base

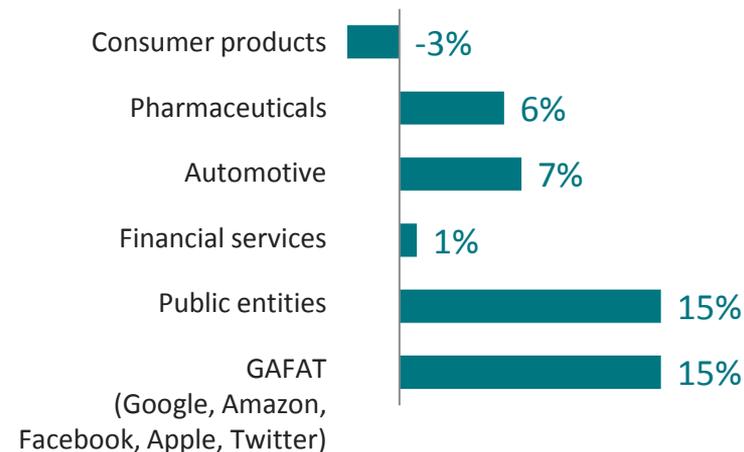
LOCAL CLIENTS MORE AGGRESSIVE THAN GLOBAL CLIENTS

- International companies are adopting conservative strategies in emerging countries, which is not always the case with local clients

Change in revenue at constant scope and exchange rates

%	H1-13	H2-13	H1-14	H2-14	H1-15
Global clients	+6.2	+6.6	-6.5	-4.9	-2.0

CLIENT SECTORS ON AN UPWARD TREND



OUR CLIENTS

The "4S's" that help clients transform



- **Large corporations in the West continue to evolve**
These companies, particularly those in consumer goods, are constantly being challenged in their own businesses
- **Facing complex issues, our clients express a need for services that meet 4 fundamental criteria:**
Speed, Security, Simplicity and Substance
- **Client interaction is at the heart of our business model**
In addition to global teams, strong local teams are essential



The “New Way”, for renewed growth

THE NEW WAY

Reasserting the axes that drive transformation...

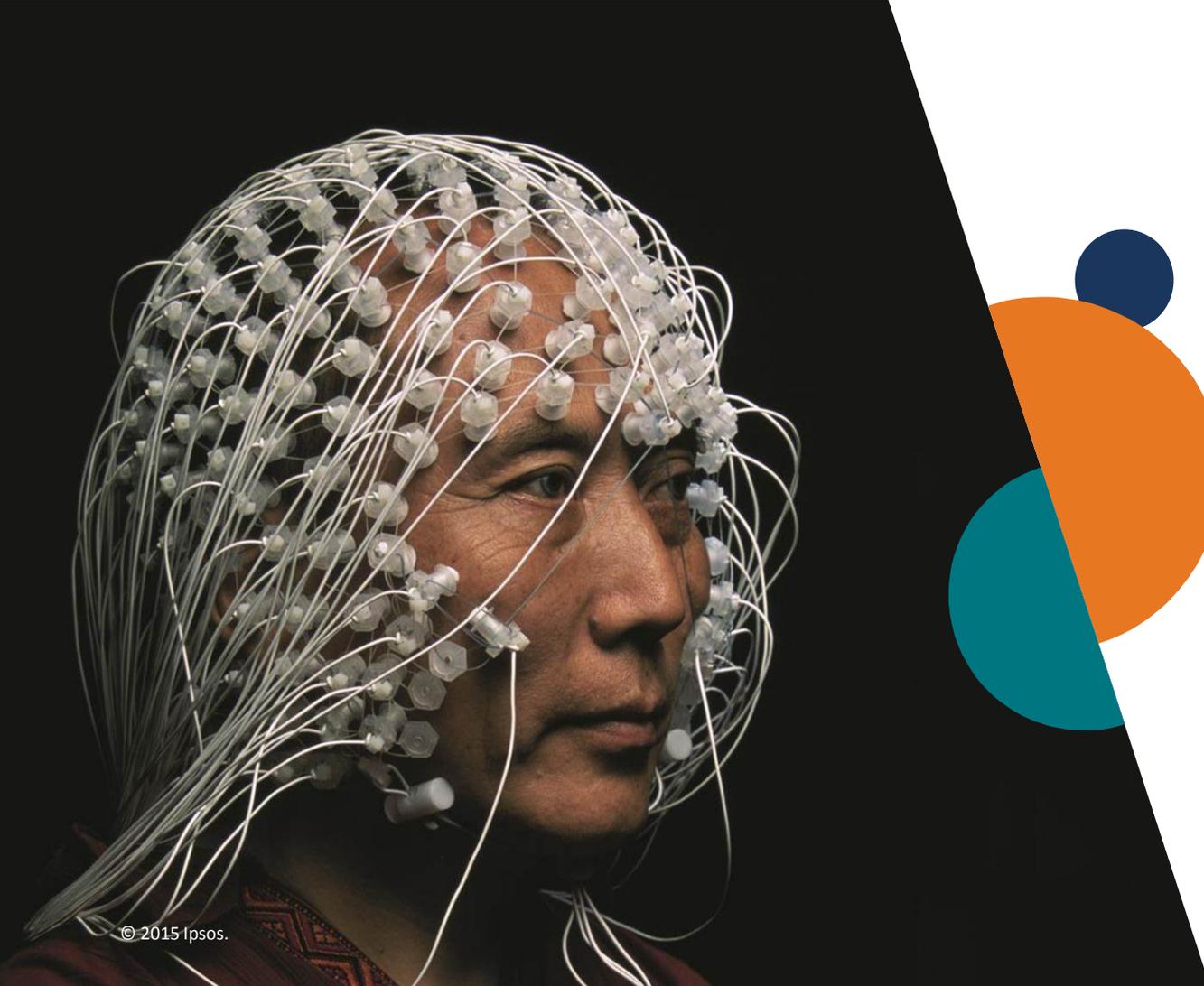
WHAT HAS NOT CHANGED

- Ipsos is an **independent company**
- Ipsos' mission is to observe people—and so **measure**, **understand** and **anticipate** society, markets and consumers better
- Ipsos has a **global presence** with strong local roots
- Ipsos will continue to operate using its current matrix:
 - by specialisation: responsibility for services offered
 - At country level: client relationships

DRIVERS OF TRANSFORMATION

- **Simplifying** our organisation for greater operational efficiency
- **Developing** our new services and managing our resources and talents to that end
- **Pooling** our production assets
- **Globalising** our offer

...To accelerate growth and increase speed



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New Services

GAME CHANGERS



NEW SERVICES

Proven momentum

**OBSERVE/MEASURE BEHAVIOUR
DIFFERENTLY/LANGUAGE**

- Mediacell
- Ethnography
- Web listening/Communities
- Neurosciences
- Behavioural economics
- Consumer and Retail Audit

INFORM WITHOUT DELAY

- Mobile
- Services Overnight
- Enterprise Feedback Management (EFM)

INTEGRATE DATA

- Data analytics / Data Science
- Ipsos Science Centre

**FORMALISE AND MONETISE
KNOWLEDGE AND POINTS OF
VIEW**

- Market Entry Research
- Workshops
- Advisory services
- Ipsos Knowledge Centre

REVENUE UP 28% IN THE FIRST HALF (AT CONSTANT SCOPE AND EXCHANGE RATES)

New services represent 9% of revenue

PENETRATION RATES HIGHER IN DEVELOPED COUNTRIES

DOUBLE-DIGIT GROWTH EXPECTED FOR THE FULL YEAR

11% of revenue in developed countries

6% in emerging markets

NEW SERVICES

In the United States

- US is where the new services have advanced the most
- Clients are reacting positively to the roll-out, in particular of: Analytics, Workshops, Mobile, Communities and web Listening, EFM and Overnight Services

Revenues up: **+38% in H1**,
representing **15%** of revenue in North America

NEUROSCIENCES

→ During the **2015 Super Bowl**, Ipsos, in partnership with Realeyes, measured the subconscious emotional responses of consumers. **86 adverts** were tested in real time among **1,400 consumers**.

MOBILE

→ Ipsos conducted a study to analyse the customer experience during their vehicle purchase in the United States and drew up recommendations for targeted marketing strategies. Carried out using mobile phones, the study analysed the progress of consumers at each step of the purchasing process by incorporating data on website visits and the use of apps.

SETTING UP A PARTNERSHIP WITH GOOGLE CONSUMER SURVEYS

→ Based on the *Google Consumer Surveys* geolocation service, the **partnership**, announced in April 2015, enables Ipsos to conduct surveys in real time using a panel of **600,000 consumers** with mobiles. Pilots have been carried out with retailers.



Ipsos Loyalty, a strengthened position in the automotive sector

IPSOS LOYALTY

Leader in measuring customer satisfaction

HIGH POTENTIAL DUE TO THE NEED FOR MANAGING CUSTOMER RELATIONSHIPS IN REAL TIME

86%* of CEOs believe that customer loyalty is a priority issue, given greater volatility in a digitalised environment

MISSION

- Assisting our clients in managing the customer experience and relationship,
- helping them to optimise their investments and maximise customer value,
- enabling them to manage their loyalty strategy in real time,
- making recommendations to improve their sales performance.

- **13% of Group revenue**
- **Strong positions in automotive and financial services**

<i>In millions of euros</i>	H1 2010	H1 2011	H1 2012	H1 2013	H1 2014	H1 2015
Ipsos Loyalty Revenue	51.4	59.3	105.8	102.7	100.8	106.5

* KPMG study, Global CEO Outlook 2015, 1,276 interviews, companies with revenues from \$500 million to over \$10 billion.

IPSOS LOYALTY

From measuring to managing in real time

Quality measurement

Mystery Shopping

Ideal Customer Experience

Enterprise Feedback Management (EFM)

Employee Relationship Management (ERM)

Wallet Allocation Optimizer

IPSOS LOYALTY

The strategic opportunity in acquiring the RDA Group

Acquisition in July 2015 of the **US company the RDA Group**, a global provider of quality measurement (VQS - Vehicle Quality Survey) and customer satisfaction research on behalf of the world's major automotive manufacturers.

 RDA Group

BASED IN DETROIT

Revenue of
\$25 million

- Running a platform for measuring quality and customer satisfaction
- Data integration (survey results, customer data, technical product evaluation)
- Strategic and operational recommendations

ACQUIRING RDA BRINGS SEVERAL ADVANTAGES:

- **Strengthened position in the automotive sector**, a key area for Ipsos Loyalty, which is already well established in Germany, France, China, Brazil and South Africa
- **Acquisition of market share in the US**, supplementing our current geographic position
- **Stronger presence with the 10 major manufacturers**, with the ability to manage multi-client projects

→ **THE OBJECTIVE IS TO BECOME THE STANDARD-SETTER IN QUALITY MEASUREMENT, WITH AN INTEGRATED, GLOBAL PRODUCT OFFERING**



2015 FIRST-HALF RESULTS

GAME CHANGERS



2015 FIRST-HALF RESULTS

Highlights of the year



2015 FIRST-HALF RESULTS

Adjusted net profit up sharply

<i>In millions of euros</i>	H1 2015	H1 2014	Variation H1 2015 / H1 2014	Reminder 31 December 2014
Revenue	832.9	756.0	10.2%	1,669.5
Gross profit	536.4	485.6	10.4%	1,072.2
Gross profit/Revenue	64.4%	64.2%		64.2%
Payroll	(368.3)	(335.1)	9.9%	(680.0)
Overhead costs	(116.9)	(103.8)	12.3%	(207.4)
Operating margin	46.8	39.1	19.7%	173.1
Operating margin/Revenue	5.6%	5.2%		10.4%
Total of exceptional, non-recurring items	(11.2)	(7.9)	-	(17.2)
Finance charge	(12.1)	(11.8)	2.4%	(22.8)
Tax	(4.5)	(4.2)	6.8%	(34.1)
Net profit (attrib. to the Group)	12.9	10.1	27.3%	89.7
Adjusted net profit* (attrib. to the Group)	30.5	26.1	16.9%	120.8

* Adjusted net profit is calculated before non-cash items linked to IFRS 2 (share-based payments), amortisation of acquisition-related intangible assets (client relationships), deferred tax liabilities related to goodwill on which amortisation is tax-deductible in certain countries and the impact net of tax of other non-recurring income and expenses.

2015 FIRST-HALF RESULTS

Share of turnover by geographical region

	H1 2015 Revenue (in millions of euros)	Share	Total growth H1 2015 / H1 2014	Organic growth
EMEA	369.5	44%	3.9%	0.5%
Americas	326.4	39%	17.5%	0%
Asia-Pacific	137.0	16%	11.8%	-3.5%
First-half Revenue	832.9	100%	10.2%	-0.4%

2015 FIRST-HALF RESULTS

Share of turnover by specialisation

	H1 2015 Revenue (in millions of euros)	Share	Total growth H1 2015 / H1 2014	Organic growth
Media and Advertising Research	193.3	23%	1.0%	-6%
Marketing Research	446.5	54%	14.3%	1,5%
Opinion & Social Research	86.6	10%	18.6%	8%
Client and employee relationship management	106.5	13%	5.6%	-2.5%
First-half Revenue	832.9	100%	10.2%	-0.4%

2015 FIRST-HALF RESULTS

Cash flow statement

<i>In millions of euros</i>	H1 2015	H1 2014	Variation	Reminder 31 December 2014
Gross Operating cash flow	55.4	48.1	15.4%	192.6
Change in WCR	36.9	13.4	-	(18.7)
Tax and interest expense	(26.4)	(25.4)	-	(44.5)
Purchase of PP&E and intangible assets	(12.2)	(7.7)	58.4%	(15.6)
Free cash flow	53.7	29.4	82.5%	113.7
Acquisitions	(5.4)	(6.0)	-	(9.0)
Share repurchase	(9.5)	(9.9)	-	(11.5)
Net change in debt	(23.2)	(25.5)	-	(61.6)
Dividends	(1.9)	(2.0)	-	(35.3)
Cash at end of period	169.9	135.7	25.2%	149.3

2015 FIRST-HALF RESULTS

Decrease in debt despite the negative effect of the dollar

	30 June 2015	30 June 2014	30 June 2013	Reminder 31 December 2014
Shareholders' equity	914	821	804	901
Net debt	547	542	634	545
Gearing	59.8%	66.0%	78.8%	60.5%
Net debt/EBITDA	x 2.5	x 2.6	x 2.9	x 2.6



Outlook

OUTLOOK

Volatility in emerging countries

After 2 years of decline, our business **stabilised** in developed countries during the first half, demonstrating **the positive effect of the new services**. We expect levels to be **maintained** through the year.

Business in emerging markets shows **high volatility**. We believe that the low point has been reached.

