2017
Annual results

An encouraging year

1ST MARCH 2018

GAME CHANGERS

Agenda

1. AN ACTIVE MARKET
2. SUCCESS OF THE NEW WAY PROGRAMME
3. A GOOD FINANCIAL PERFORMANCE IN 2017
4. THE TOTAL UNDERSTANDING PROJECT
5. OUTLOOK

AN ACTIVE MARKET

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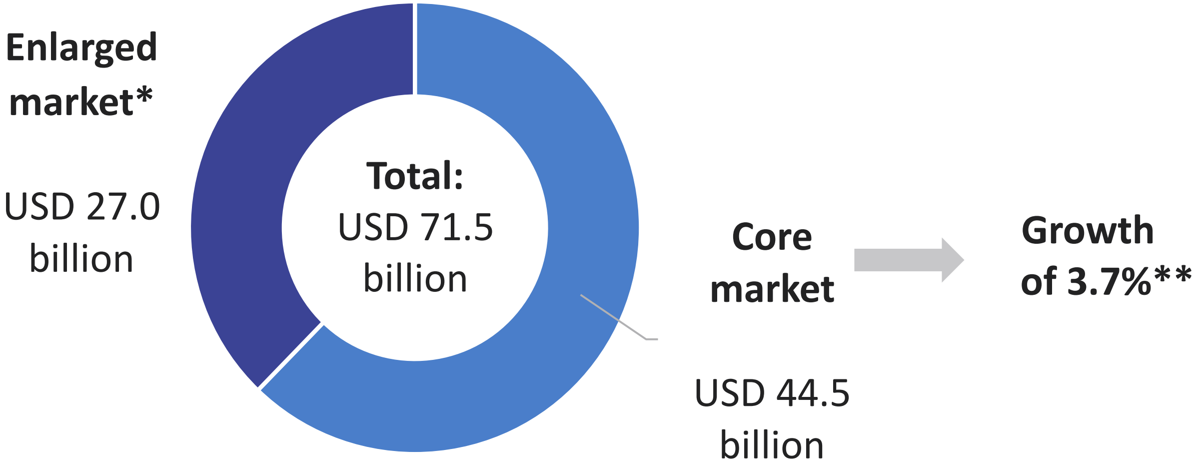
AN ACTIVE MARKET

A growing market



Source: 2017 ESOMAR Report, 2016 figures

** Enlarged market: online analytics, management consultancies, IT & telecom research, etc.*

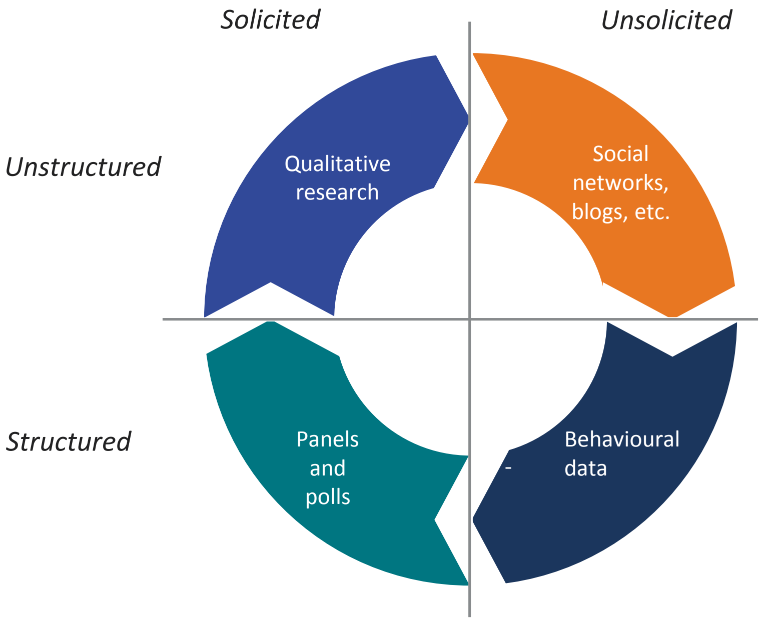
*** At constant exchange rates and variable scope*

AN ACTIVE MARKET

A market undergoing transformation

- Multiplication of information sources
- Multiplication of offers/technologies
- Abundance of financing

Integrating the various data sources



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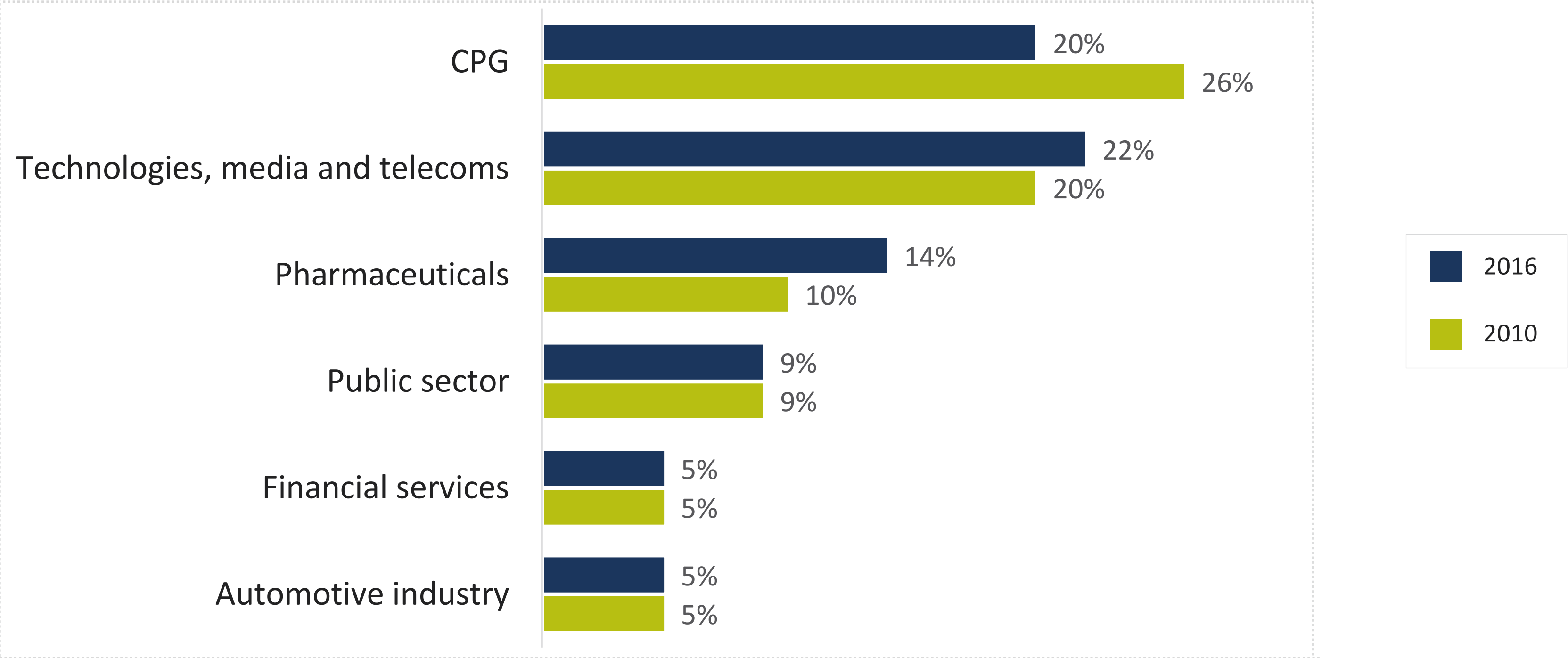
AN ACTIVE MARKET

The sectors are becoming more evenly balanced

Research expenditure by area in 2010 and 2016 in %



Source: 2017 ESOMAR Report, 2016 figures - 2011 ESOMAR Report, 2010 figures

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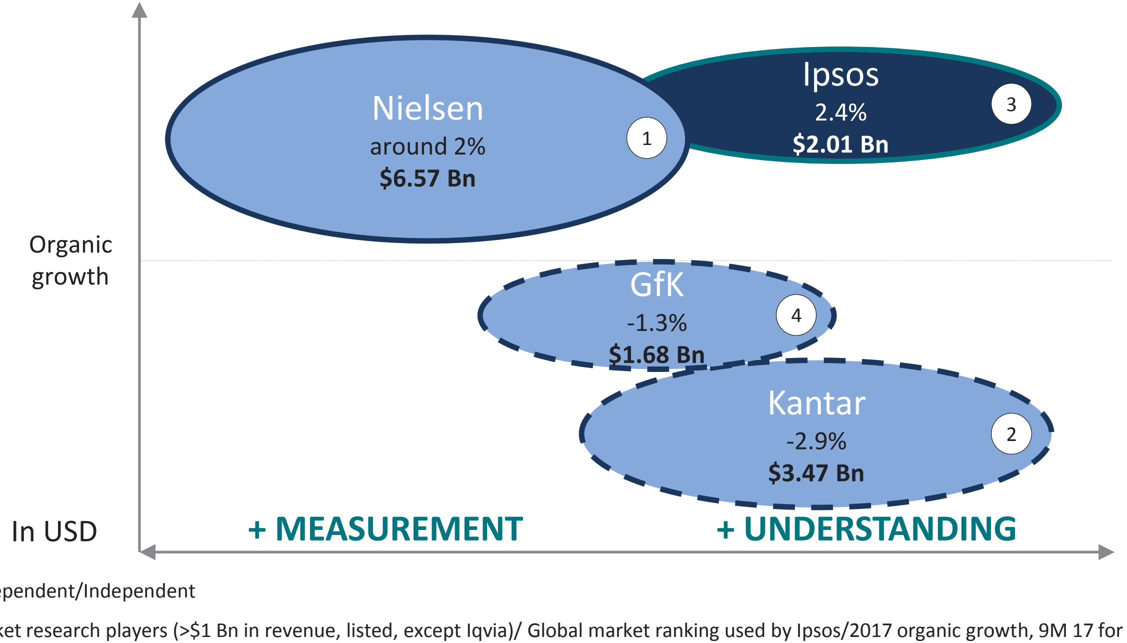
AN ACTIVE MARKET

The independent players overlap more rapidly



Non-independent/Independent

Top market research players (>$1 Bn in revenue, listed, except Iqvia)/ Global market ranking used by Ipsos/2017 organic growth, 9M 17 for Kantar (Data Investment Management Division), H1 17 for GfK/2017 revenue, Kantar (Data Investment Management Division), 2016 for GfK at 2017 average rates

Sources: Company publications, Ipsos estimates of Nielsen organic growth based on indications provided by management during quarterly analyst calls, ESOMAR 2017 GMR Report ranking used by Ipsos

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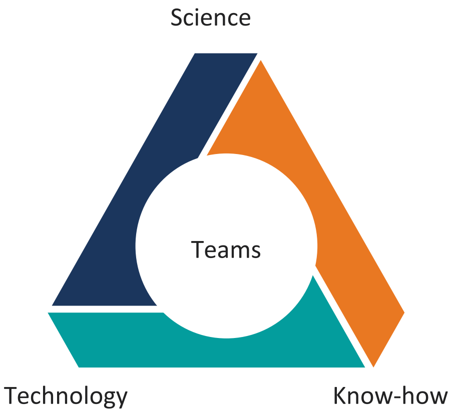
AN ACTIVE MARKET

Ipsos' assets in its market



Science

- Use science to better understand people, whether they are consumers, clients, citizens or employees

Technology

- Use the latest technologies to process all types of data and provide clients with speed and efficiency

Know-how

- 42 years of experience, 89 countries, 200 cities, 5,000 clients
- Independence and neutrality

Teams

- 16,700 employees trained in the latest knowledge and expertise
- Multicultural teams
- Attracting new talent
- Adhering to the 5 Ipsos values redefined as part of the New Way programme: Integrity, Curiosity, Collaboration, Client First, Entrepreneurial Spirit

SUCCESS OF THE NEW WAY PROGRAMME

SUCCESS OF THE NEW WAY PROGRAMME

Its ambition and its objective

To make Ipsos the preferred partner in its clients' transformations

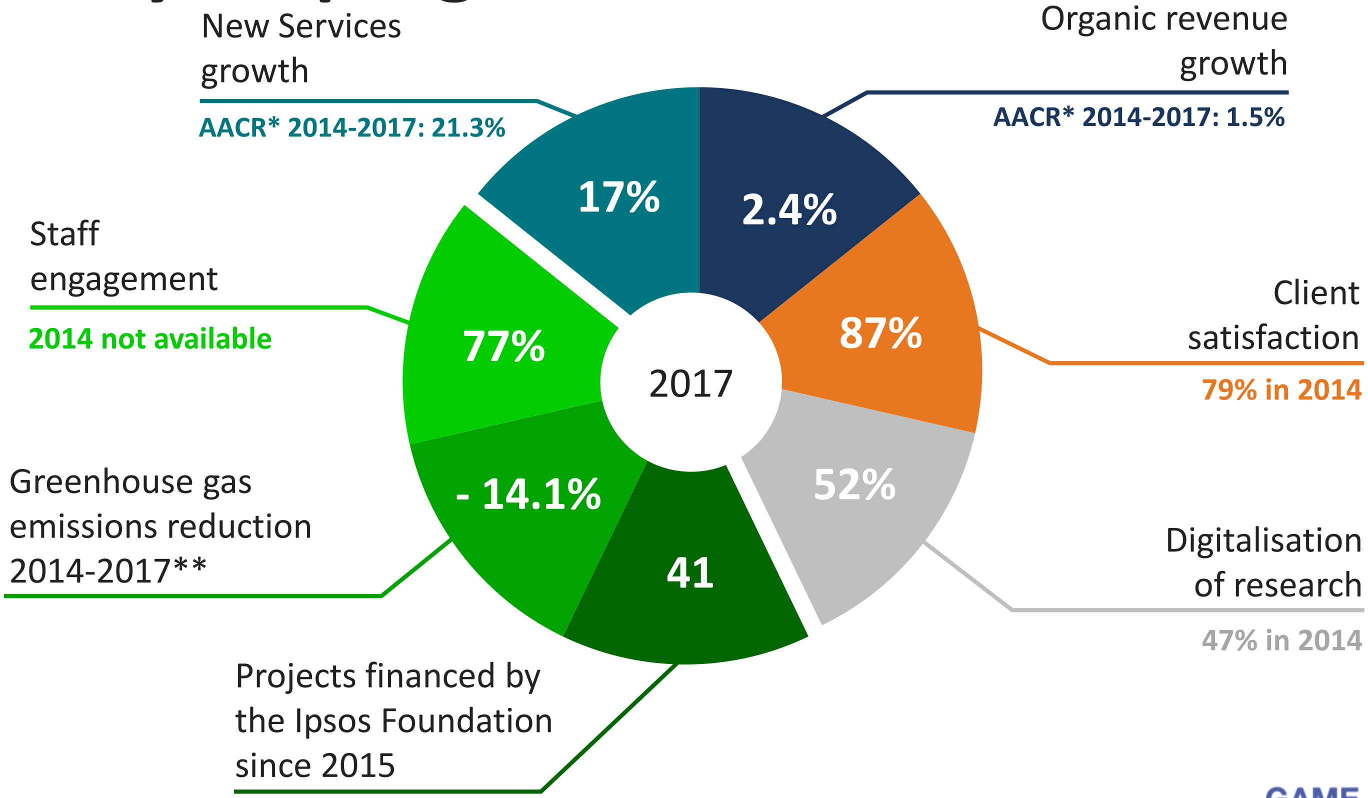
To renew Ipsos' market approach and organisation, and the tools and offers proposed to clients with New Services that meet the 4S's

4S's

- **Security**
- **Simplicity**
- **Speed**
- **Substance**

SUCCESS OF THE NEW WAY PROGRAMME

A three-year programme



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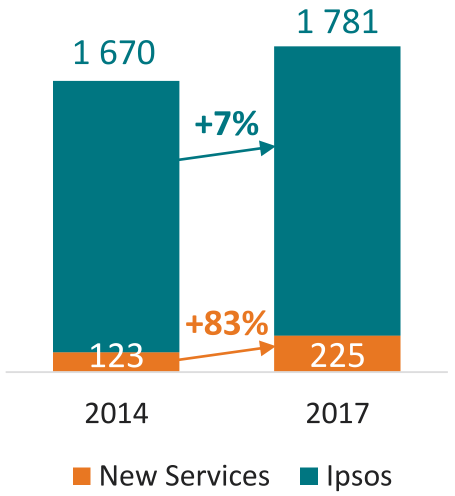
* Average Annual Compound Rate (AACR) over the period 2015-2016-2017 **vs. an objective of -10% Sources: Pulse survey 2017, GCS survey 2014 and 2017

SUCCESS OF THE NEW WAY PROGRAMME

New Services revenue has almost doubled

Objectives	New Services
Measure differently	Web listening, Communities, Behavioural economics, Ethnography, Neuroscience, Consumer and Retail Audit, Mediacell
Have the data in real time	Mobile, Overnight Services, Enterprise Feedback Management (EFM)
Analyse big data	Data analytics/Data Science, Ipsos Science Center, Path to Purchase
Offer expert advisory services	Market Entry Research, Workshops, Advisory services, Insight Cloud

Revenue in millions of euros and current revenue growth rates



The Group's entire organic growth over the period 2015-2017 comes from New Services

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A new balance between the sectors for Ipsos

Areas	Growth 2014–2017 *	% 2014 revenue	% 2017 revenue
CPG	-2%	32%	29%
Technologies, media and telecoms	1%	17%	17%
Pharmaceuticals	4%	12%	13%
Financial services	3%	8%	8%
Public sector	8%	6%	7%
Automotive industry	2%	6%	7%
Other sectors including retail, tourism, advertising agencies, etc.	2%	19%	19%
		100%	100%

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*AACR at constant scope and exchange rates over the period 2015-2016-2017

A GOOD FINANCIAL PERFORMANCE IN 2017

2017 ANNUAL RESULTS

Key figures of 2017

REVENUE	€1,780.5M
ORGANIC GROWTH	+2.4%
IMPACT OF FOREIGN EXCHANGE	(2.1%)
OPERATING MARGIN	10.2%
FREE CASH FLOW	€81M

2017 ANNUAL RESULTS

Slight increase of the operating margin

In millions of euros	2017	2016	Variation 2017/2016
Revenue	1,780.5	1,782.7	-0.1%
Gross profit	**1,156.7**	**1,160.4**	**-0.3%**
Gross profit/Revenue	**65.0%**	**65.1%**	**-**
Operating margin	**182.3**	**180.1**	**1.2%**
Operating margin/Revenue	**10.2%**	**10.1%**	**-**
Other operating income and expense	(14.3)	0.1	-
Finance costs	(20.4)	(20.8)	-2.1%
Income Tax	(14.6)	(44.3)	-67.0%
Net profit (attributable to the Group)	**128.5**	**106.9**	**20.2%**
Adjusted net profit* (attributable to the Group)	**127.4**	**121.7**	**4.7%**

* Adjusted net profit is calculated before (i) non-cash items related to IFRS 2 (share-based compensation), (ii) amortisation of acquisition-related intangible assets (client relations), (iii) the impact net of tax of other non-current income, (iv) expense and the non-monetary impact of changes in puts in other financial income and expenses, (v) deferred tax liabilities related to goodwill for which amortisation is deductible in some countries.

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2017 ANNUAL RESULTS

Share of turnover by geographical region

	2017 revenue (in millions of euros)	Share	Total growth 2017/2016	Organic growth
EMEA	767.6	43%	1%	3.5%
Americas	688.5	39%	-3.2%	-0.5%
Asia-Pacific	324.4	18%	4.3%	6.5%
Revenue	**1,780.5**	**100%**	**-0.1%**	**2.4%**

*Including:	Share	Organic growth
Developed countries	67%	1.4%
Emerging countries	33%	4.6%

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2017 ANNUAL RESULTS

Share of turnover by specialisation

	2017 revenue (in millions of euros)	Share	Total growth 2017/2016	Organic growth
Media and Advertising Research	385.7	22%	-0.6%	1.5%
Marketing Research	944.9	53%	-1.7%	1%
Opinion & Social Research	189.1	11%	6.7%	9%
Client and employee relationship management	260.8	15%	1.9%	3.5%
Revenue	**1,780.5**	**100%**	**-0.1%**	**2.4%**

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2017 ANNUAL RESULTS

Cash flow statement

In millions of euros	2017	2016	Variation 2017/2016
Gross Operating cash flow	**194.8**	**202.8**	**-3.9%**
Change in WCR	(35.4)	+22.8	-
Tax and interest expense	(60.2)	(58.4)	3.1%
Purchase of PP&E and intangible assets	(18.4)	(18.6)	-1.1%
Free cash flow	**80.8**	**148.6**	**-45.6%**
Acquisitions	**(15.0)**	**(35.6)**	-57.9%
Aegis refund for full and final settlement*	-	26.2	
Share (sale) / repurchase	6.4	(85.3)*	-
Net change in debt	(53.3)	(1.2)	-
Dividends	(36.4)	(36.8)	-1.1%
Cash at end of period	**137.3**	**164.9**	**-16.7%**

* Share repurchase have been allocated to contribute to the dilution effects due to the introduction of employees and managers in the shareholding structure beside 900,000 shares which have been cancelled in November 2016

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2017 ANNUAL RESULTS

Reduction of the debt

In millions of euros	2017	2016
Shareholders' equity	966	939
Net debt	**464**	**544**
Gearing	48 %	58 %
Net debt (at exchange rate 31/12)/EBITDA (at average exchange rate)	X 2.1	X 2.5
Interest cover (operating margin/interest expense)	X 9.7	X 9.0

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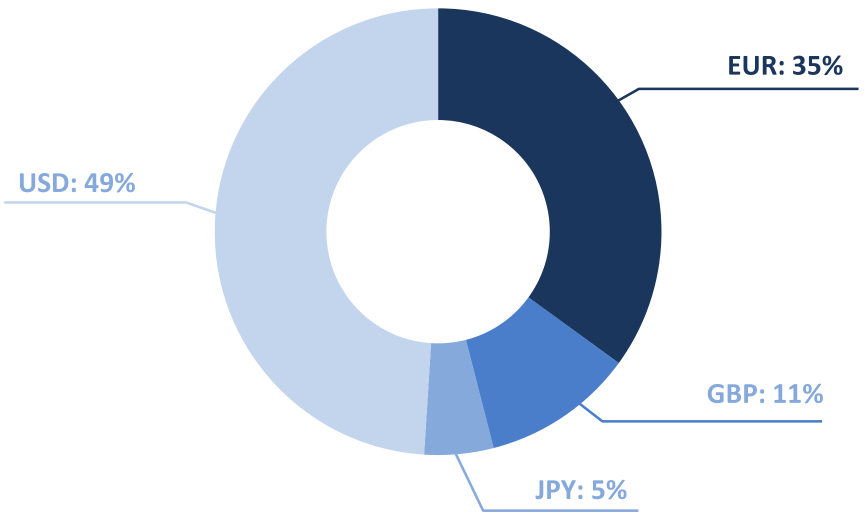
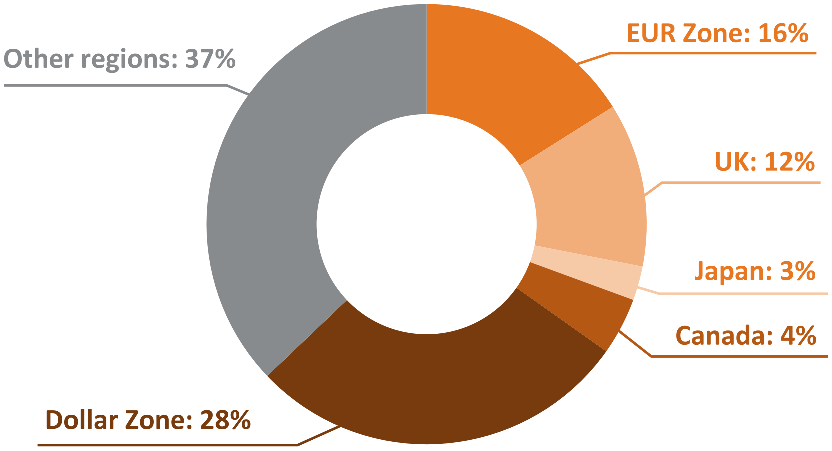
Currency breakdown

DEBT BREAKDOWN



IPSOS' ACTIVITIES BREAKDOWN



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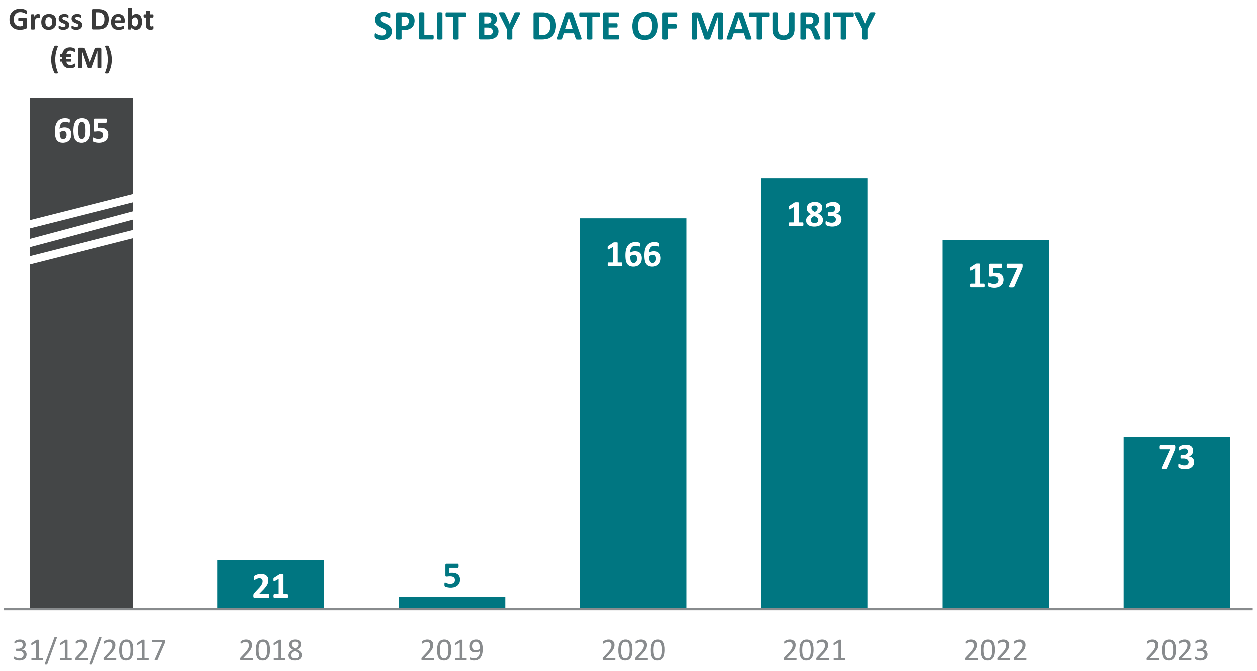
Debt by maturity



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2017 ANNUAL RESULTS

Proposed dividend of 87 cents (+2.4%)

	2017	2016
Dividend per share	0.87	0.85
Earnings per share	2.99	2.40
Adjusted earnings per share	2.96	2.73
Adjusted earnings per share distributed	29.4%	31.1%

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THE TOTAL UNDERSTANDING PROJECT

THE TOTAL UNDERSTANDING PROJECT

Its ambition and its content

- To make Ipsos its clients' partner for understanding Society, markets and people

Total Understanding

- To develop its offering:
  - By Service Line;
  - To roll out a large number

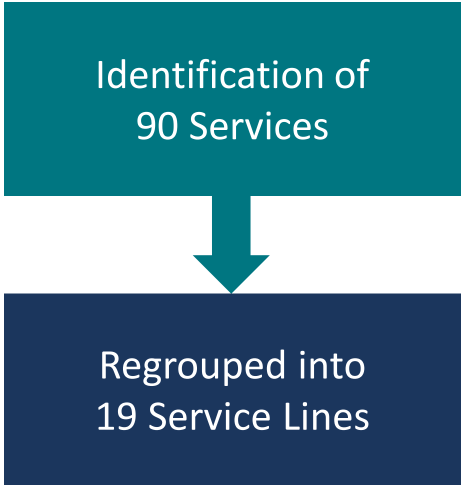
Its method: work on the notion of "Services"

What is a Service?

- An answer to a specific research question
- An offer
- A revenue

What is a Service Line?

- A logical grouping of Services
- That speaks to clients
- That enables Ipsos to be competitive in a particular market segment



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From Services to Service Lines

Exemple:

Services	Service Line
Cross Platform/Media Industry Contracts Syndicated Studies Audience Measurement Data Science AdEx	Audience Measurement

THE TOTAL UNDERSTANDING PROJECT

Define the list of Service Lines

Healthcare	Car Clinics	Field & Tab / Observer
Media Development	Quality Management	Corporate Reputation
Audience Measurement	Commercial Effectivness	Social & Opinion Research
Market Strategy & Understanding	Communications Assesment	Social Intelligence & Analytics
Brand Health Tracking	Customer Experience	IMM
Innovation	Mystery Shopping	Other Specialists Services
	Qualitative	

More than 400 professionals across all geographies

THE TOTAL UNDERSTANDING PROJECT

Its objectives

- To be competitive in each Service Line
- To combine these Service Lines to answer our clients' business questions
- To focus on four Service Lines that together show how Ipsos is the specialist in

« Total Understanding »

THE TOTAL UNDERSTANDING PROJECT

Its resources

- To better use sciences, technologies and know-how in all Ipsos Services

- To undertake a more selective and active acquisitions policy

THE TOTAL UNDERSTANDING PROJECT

11 transversal workstreams

A. Business questions
B. Technologies, platforms and partnerships
C. Performance
D. Applying scientific knowledge
E. Market segmentation
F. Clients account segmentation
G. People, teams and culture
H. The Ipsos narrative
I. « Total Understanding » in China
J. Total access
K. Innovation

Conducted internally by teams mobilising more than **200 people** from **all countries and all disciplines.**

THE TOTAL UNDERSTANDING PROJECT

A unique ability to combine different offers

		Market Strategy & Understanding	Social Intelligence & analysis	Brand Health Tracking	Social & Opinion Research	Qualitative	Healthcare
Global leader in beauty	Understand how Americans buy their make-up	✓	✓	✓		✓	
Leader in China in Internet and mobile services	How to improve marketing performance and customer understanding?	✓		✓	✓		✓

OUTLOOK

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OULOOK

2018

- Organic growth similar to 2016 and 2017
- Margin percentage slightly up
- Operational launch of Total Understanding on 1 July 2018
- Investor Day in Paris on 7 November 2018

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