



# General Meeting of Shareholders

FRIDAY, 4 MAY 2018

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GAME CHANGERS



# Agenda

1 2017 SUMMARY AND OUTLOOK

2 STATUTORY AUDITORS REPORT

3 Q&A

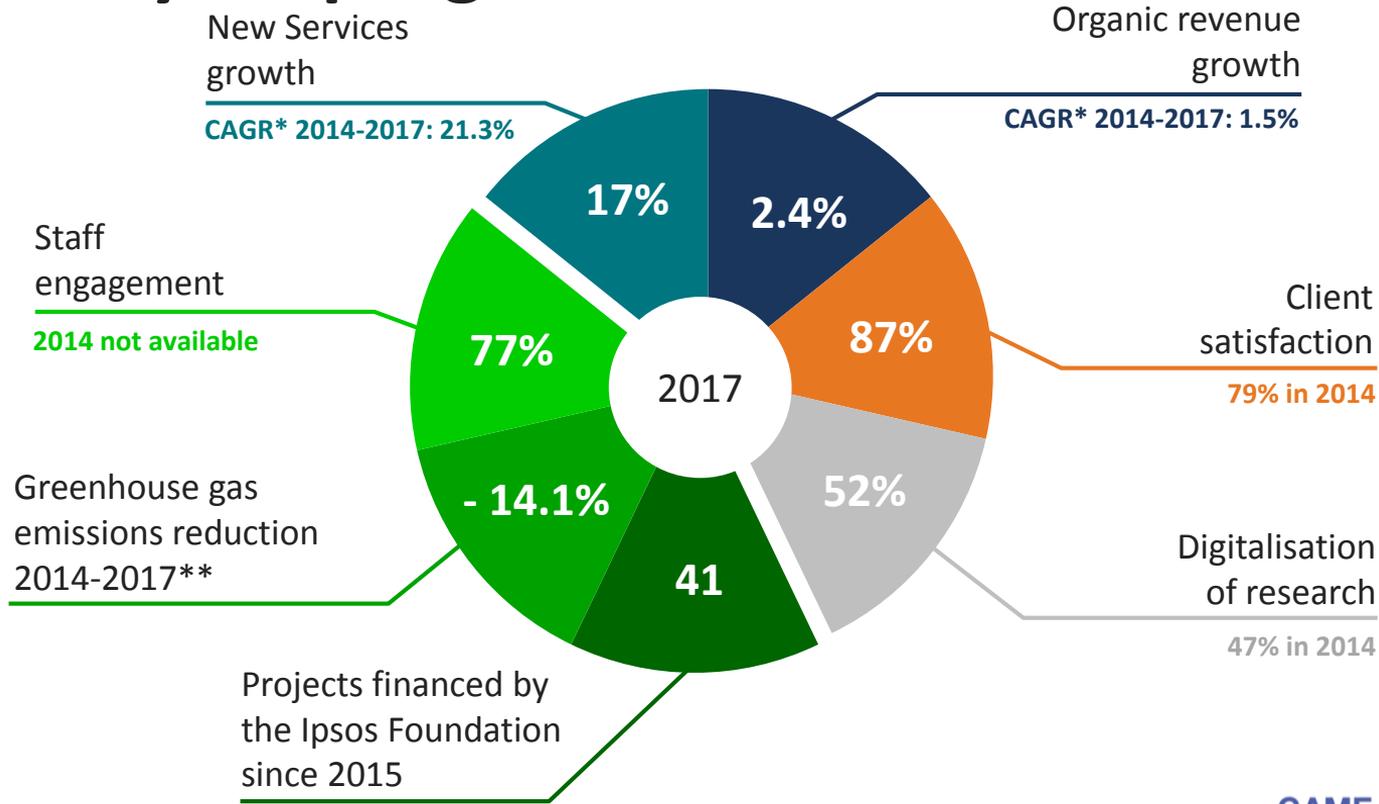
4 VOTE OF RESOLUTIONS



## 2017 SUMMARY

## 2017 SUMMARY

# A three-year programme



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## 2017 SUMMARY

# Slight increase of the operating margin

<i>In millions of euros</i>	2017	2016	Variation 2017/2016
Revenue	1,780.5	1,782.7	-0.1%
<b>Gross profit</b>	<b>1,156.7</b>	<b>1,160.4</b>	<b>-0.3%</b>
<b>Gross profit/Revenue</b>	<b>65.0%</b>	<b>65.1%</b>	-
<b>Operating margin</b>	<b>182.3</b>	<b>180.1</b>	<b>1.2%</b>
<b>Operating margin/Revenue</b>	<b>10.2%</b>	<b>10.1%</b>	-
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%
<b>Net profit (attributable to the Group)</b>	<b>128.5</b>	<b>106.9</b>	<b>20.2%</b>
<b>Adjusted net profit* (attributable to the Group)</b>	<b>127.4</b>	<b>121.7</b>	<b>4.7%</b>

\* 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 SUMMARY

# Cash flow statement

<i>In millions of euros</i>	2017	2016	Variation 2017/2016
<b>Gross Operating cash flow</b>	<b>194.8</b>	<b>202.8</b>	<b>-3.9%</b>
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%
<b>Free cash flow</b>	<b>80.8</b>	<b>148.6</b>	<b>-45.6%</b>
<b>Acquisitions</b>	<b>(15.0)</b>	<b>(35.6)</b>	<b>-57.9%</b>
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%
<b>Cash at end of period</b>	<b>137.3</b>	<b>164.9</b>	<b>-16.7%</b>

\* 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 SUMMARY

# Reduction of debt

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

## 2017 SUMMARY

# 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%



# THE TOTAL UNDERSTANDING PROJECT

# Its ambition and its content

- To make Ipsos its clients' partner for understanding Society, Markets and People



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

# THE TOTAL UNDERSTANDING PROJECT

## The list of Service Lines

Audience Measurement

Customer Experience

Mystery Shopping

Brand Health Tracking

Field & Tab / Observer

Other Specialist Services

Car Clinics

Healthcare

Qualitative

Commercial Effectiveness

IMM

Quality Management

Communications Assessment

Innovation

Social & Opinion Research

Corporate Reputation

Market Strategy & Understanding

Social Intelligence & Analytics

Media Development

More than 400 professionals across all geographies

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# 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 4 Service Lines that together show how Ipsos is the specialist in « Total Understanding »



## THE TOTAL UNDERSTANDING PROJECT

# Its resources

- To make better use of sciences, technologies and know-how in all Ipsos Services
- To undertake a more selective and active acquisition policy



# OUTLOOK

# OUTLOOK 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

## OUTLOOK

# Share of turnover by geographical region

	1 <sup>st</sup> quarter 2018 (in millions of euros)	Share	Organic growth
Europe, Middle East and Africa	167.5	46%	3%
Americas	129.4	35%	-2%
Asia-Pacific	70.1	19%	7%
<b>Quarterly revenues</b>	<b>367.0</b>	<b>100%</b>	<b>2%</b>

## OUTLOOK

# Share of turnover by specialisation

	1 <sup>st</sup> quarter 2018 (in millions of euros)	Share	Organic growth
Media and Advertising Research	76.6	21%	3%
Marketing Research	195.0	53%	1%
Opinion & Social Research	43.6	12%	6%
Client and employee relationship management	51.8	14%	1%
<b>Quarterly revenues</b>	<b>367.0</b>	<b>100%</b>	<b>2%</b>



# MAIN RESOLUTIONS

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# General Meeting of Shareholders 2018

- 1 APPROVAL OF THE COMPANY'S FINANCIAL STATEMENTS AND ALLOCATION OF PROFIT **DIVIDEND** INCREASE
- 2 **RENEWAL OF DIRECTOR'S MANDATES:**  
Ms. Florence von Erb (independant)  
Mr. Henry Letulle
- 3 APPROVAL OF **THE COMPENSATION AND BENEFITS TO CHAIRMAN AND CEO**
- 4 **SAY ON PAY**