

General Meeting of Shareholders 2019

GAME CHANGERS



May, 28th 2019

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Agenda



Review of 20 years as a public company



Looking back to 2018



1Q2019 Update



Main resolutions

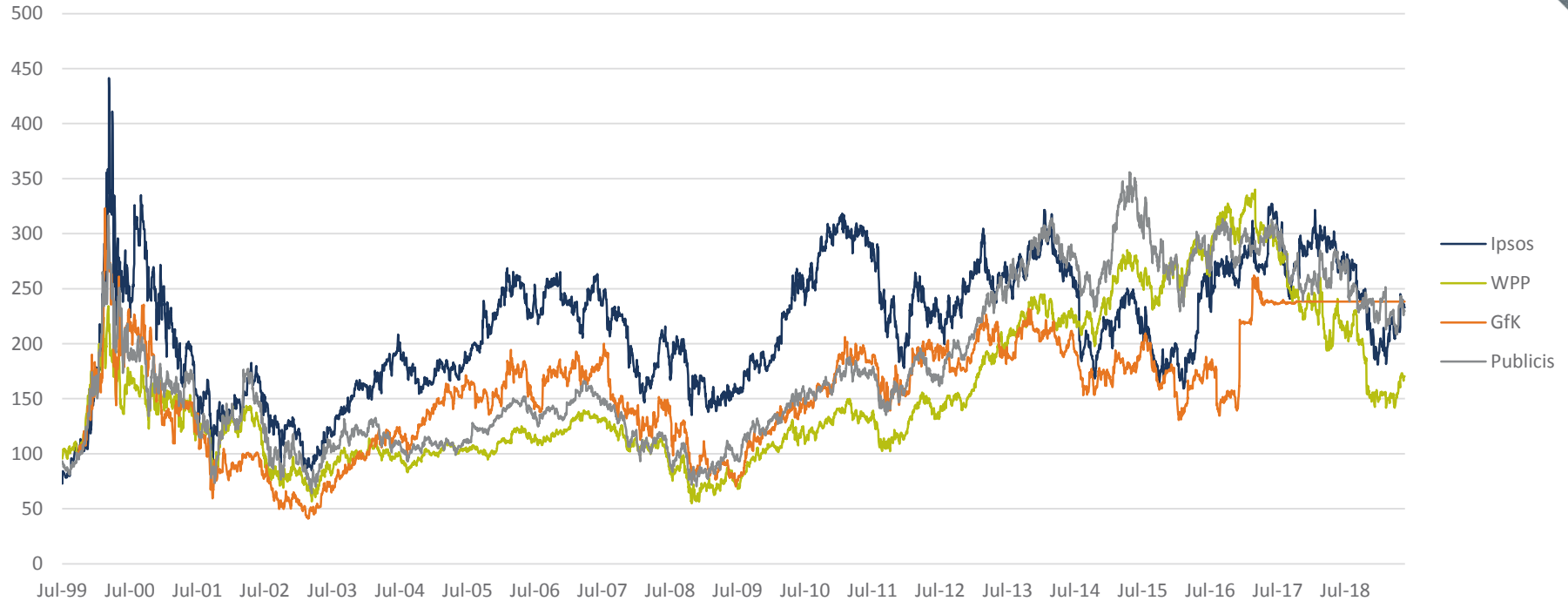
A review of 20 years as a public company

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Stock price history

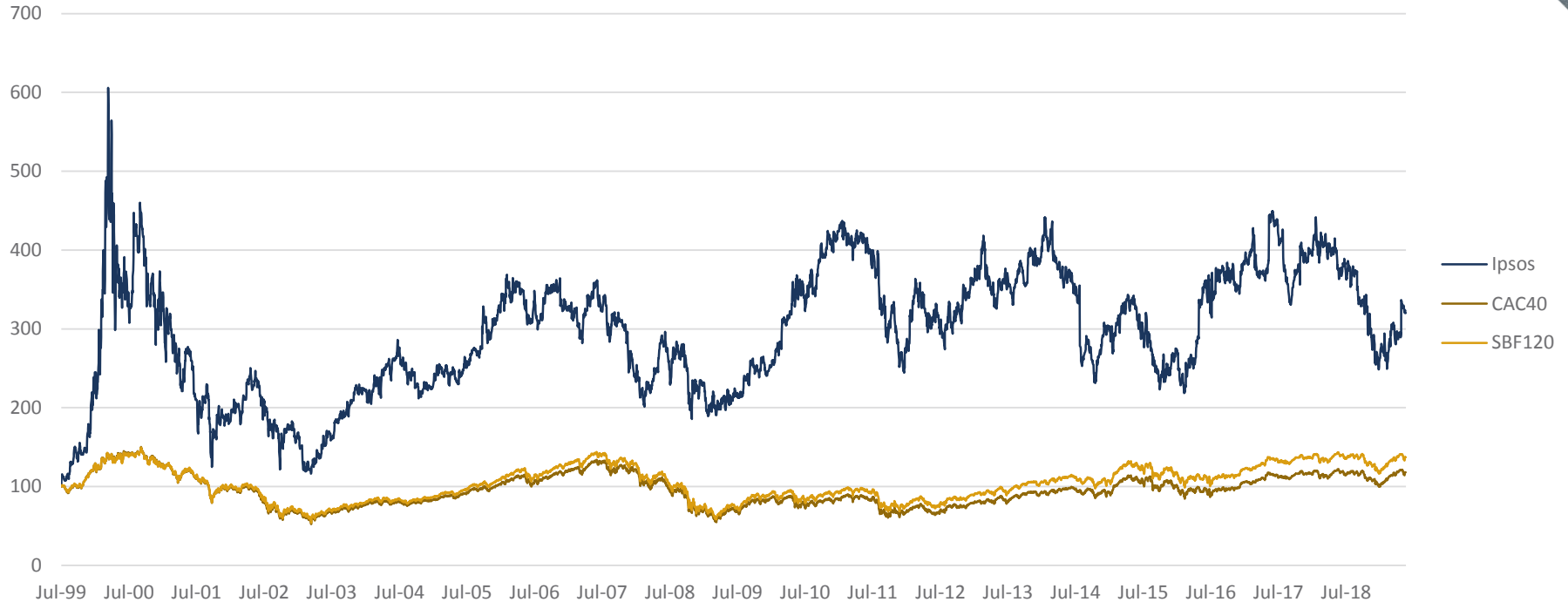
Ipsos vs its main peers



Note: Base 100 as of September 24, 1999.

Stock price history

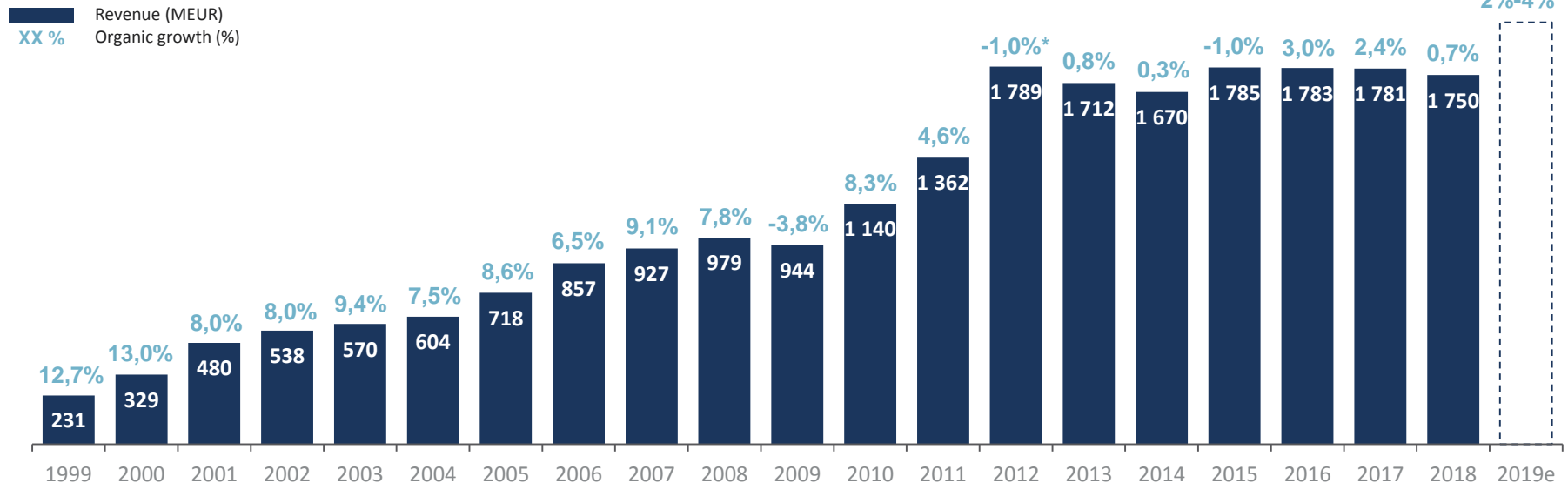
Ipsos vs benchmark indices



Note: Base 100 as of July 1st, 1999.



Ipsos' performance history



Research market growth (source: ESOMAR)

10% 9% 3% 4% 4% 8% 6% 7% 7% 4,5% -3,7% 5,2% 3,8% 2,5% 2,8% 2,1% 2,2% 3,7% 3,3% n/a

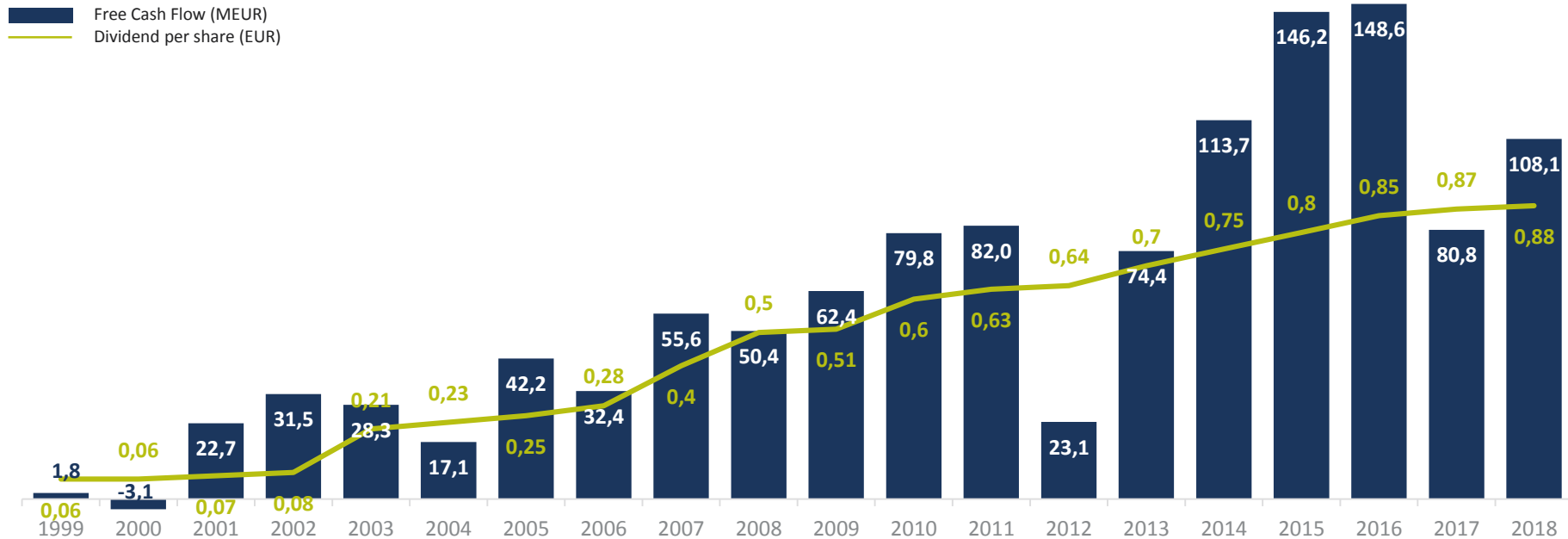
* Q4 only.

** Management outlook for FY19.

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Ipsos' performance history



Looking back to 2018

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A dynamic market

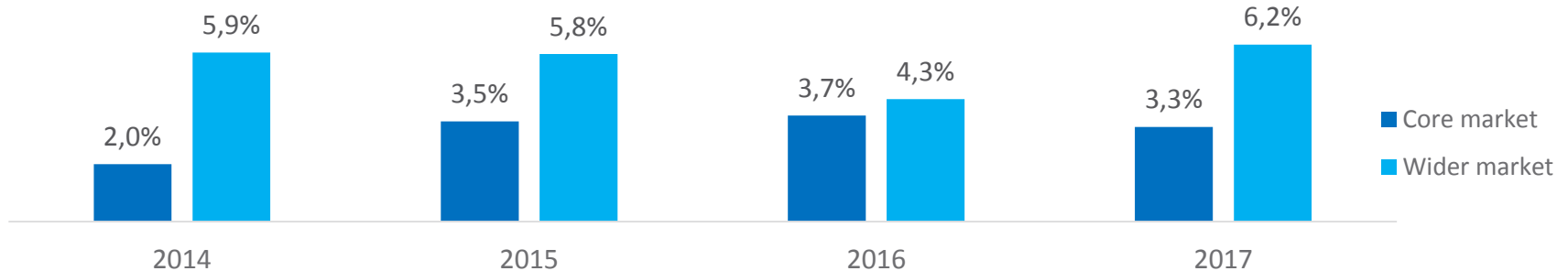


The core market (\$45.8 billion in 2017) is resilient and growing at about 3% per year on average

The wider market (\$76.3 billion in 2017) is growing faster, over 5% on average, and particularly includes the following segments:

- Analytics;
- Social Media monitoring;
- Survey software.

Growth of the total research market:







Ipsos outperforms its direct competitors

MAJOR COMPANIES IN THE INDUSTRY:

- often focused on the CPG sector;
- sometimes overlook local markets;
- less involved in services that use new technology, new uses and downstream – including decisions to be taken and aligning the teams.



	2014	New Way → Return to growth			Implementation of TU Macro uncertainties, sector changes, intrinsic factors → Accelerate growth '19-21	
		2015	2016	2017	2018	
	0.3%	-1.0%	3.0%	2.4%	0.7%	
	4.5%	N/A	3.1%	1.8%	-1.5%	
	0.6%	-0.2%	-0.9%	-2.9%	-2.0%	
	-2.0%	1.1%	-1.7%	-1.3% ¹	N/A	

Sources: Company publications, Nielsen: estimates of organic growth based on statements made by management during earning calls, Kantar: figures from WPP's Data Investment Management division

(1) H1 figure only, (2) 9M figure only

Note: this slide has been updated on March 1, 2019 to account for Nielsen's and WPP's latest publications

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A stable adjusted net profit

<i>In millions of euros</i>	2018	2017	Change 2018 – 2017
Revenue	1,749.5	1,780.5	-1.7%
Gross profit	1,138.4	1,156.7	-1.6%
Gross margin	65.1%	65.0%	-
Operating margin	172.4	182.3	-5.4%
Operating margin / revenue	9.9%	10.2%	-
Other operating income and expense	(5.3)	(14.3)	-63.3%
Finance costs	(21.3)	(20.4)	4.4%
Income Tax	(38.5)	(14.6)	163%
Net profit (attrib. to the Group)	107.5	128.5	-16.3%
Adjusted net profit* (attrib. to the Group)	125.2	127.4	-1.7%

* Adjusted net profit is calculated before (i) non-cash items covered by IFRS 2 (share-based payments), (ii) amortisation of intangible assets identified on acquisitions (client relationships), (iii) the net tax effect of other non-operating income and expenses, (iv) the non-cash effect on changes in puts in other financial income and expense and (v) deferred tax liabilities from goodwill, which in some countries can be amortised.

Cash flow statement: good free cash flow generation

<i>In millions of euros</i>	2018	2017	Change 2018 – 2017
Gross Operating cash flow	206.3	197.2	4.6%
Change in WCR	3.5	(37.8)	-
Tax and interest expense	(57.8)	(60.2)	-5.0%
Property, plant and equipment and intangible assets	(43.6)	(18.4)	x2.4
Free cash flow	108.1	80.8	32.5%
Acquisitions	(161.6)	(15.0)	-
(Purchase) / Sale of shares	1.2	6.4	-81.3%
Net change in debt	122.9	(53.3)	-
Dividends	(37.8)	(36.4)	3.8%
Cash at end of period	168.8	137.3	22.3%



A solid balance sheet

<i>In millions of euros</i>	2018	2017
Shareholders' equity	1,035	966
Net debt	575	464
Gearing	56%	48 %
Net debt (at 31/12 exchange rates) / EBITDA (at average exchange rates)	x2.8	x2.1
Interest coverage (operating margin/interest expense)	x8.3	x9.7

Ipsos has a good liquidity position with over 400 million euros in available credit lines, following the success of its 7-year 300 million euro bond issue (2.875% annual coupon) and the refinancing of its main bank facility of 160 million euros, for 5 years (with an option for 2 additional years), both carried out in September 2018.

Proposed dividend of 88 euro cents (+1.1%)



	2018	2017
Dividend per share	0.88	0.87
Earnings per share	2.48	3.00
Adjusted earnings per share	2.88	2.98
Dividend payout	30.6%	29.2%

1Q19 update

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The pillars of Total Understanding

Kick-off: 1 July 2018

Implemented by: 31 December 2018



SERVICE LINES

- Ensure competitiveness of all our services
- Use the New Services



CLIENT ORGANISATION

- Better management of our client relationships, globally and locally
- Re-balance the client base among sectors



STRONG LOCAL PRESENCE

- Greater responsibility of local markets
- Greater presence in key markets



REINFORCED CROSS-COMPANY CAPABILITIES

- Science Team A
- Tech Team A
- Ipsos Knowledge Centre



ACQUISITIONS

- Opportunity
- Technology
- Know-how



Benefits of Total Understanding

○ A more specialised offering

- More competitive in every market segment vs. niche players
- Worldwide leadership

○ A more agile organisation

- A client organisation to guarantee the value of the service to the client

○ Increased responsibility by local markets

- An organisation more in keeping with the client's
- Trusted partner



2019-2021 Outlook

BALANCED CASH ALLOCATION

Annual acquisitions

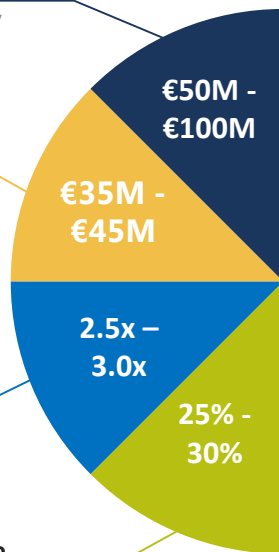
3 categories: opportunities, technology and know-how

Capex

Optimized leverage

Conservative and supporting growth

Dividend payout ratio



Organic growth

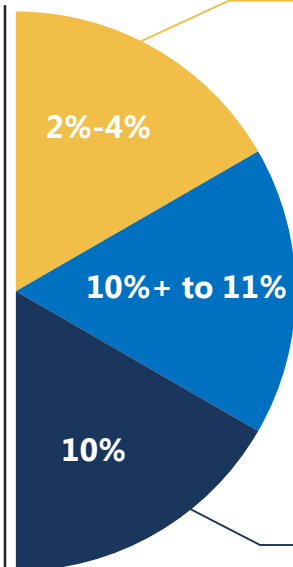
At least at market level

Operating margin

Organic and non-organic, through continued digitisation of data collection and economies of scale

2019: 10%+
2021: 11%

Average EPS growth¹



ATTRACTIVE GROWTH RATE

(1) On diluted EPS basis, at constant currency



Share of revenue by region



<i>(in millions of euros)</i>	1Q19	1Q18	Total growth	Organic growth
EMEA	185.2	167.5	10.6%	0.7%
Americas	155.4	129.4	20.1%	0.4%
Asia-Pacific	81.4	70.1	16.2%	9.9%
Revenue	422.1	367,0	15.0%	2.4%
Including:	Organic growth			
Developed countries	0.8%			
Emerging countries	5.8%			

Breakdown of revenue by audience



<i>(in millions of euros)</i>	1Q19	Share	Total growth	Organic growth
Consumers ¹	247.5	58.6%	9.3%	2.1%
Clients and employees ²	72.3	17.1%	22.2%	1.5%
Citizens ³	58.6	13.9%	27.0%	5.5%
Doctors and patients ⁴	43.7	10.4%	23.6%	1.1%
Revenue	422.1	100%	15.0%	2.4%

Breakdown of Service Lines by audience segment:

¹Audience Measurement, Brand Health, Clinics & Mobility Labs, Creative Excellence, Innovation, Ipsos UU (excl.pharma), Ipsos MMA, Market Strategy & Understanding, Observer (excl. public sector), Media Development, Social Intelligence Analytics

²Customer Experience, Market Measurement, Mystery Shopping, Quality Measurement, Retail Performance, ERM

³Public Affairs, Corporate Reputation

⁴Healthcare (quantitative and qualitative)

Main resolutions

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