

INTERIM RESULTS A FRESH MOMENTUM

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GAME CHANGERS



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A NEW NARRATIVE



A NEW NARRATIVE

In our world of rapid change, the need for reliable information to make confident decisions has never been greater. At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide True Understanding of Society, Markets and People.

To do this we use the best science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do. So that our clients can act faster, smarter and bolder.

Ultimately, success comes down to a simple truth:

**“ YOU ACT BETTER
WHEN YOU ARE SURE ”**

Didier Truchot



BE SURE. MOVE FASTER.

It's always better to be proactive than reactive. At Ipsos, we know the more you know, the sooner you can get ahead.

GAME CHANGERS Ipsos

BE SURE. ACT SMARTER.

You can believe something, or you can know it. At Ipsos, we understand knowledge is the root of all good decision making.

GAME CHANGERS Ipsos

BE SURE. GO FURTHER.

Pushing the boundaries doesn't have to be risky. At Ipsos, we uncover new opportunities and show how to get there.

GAME CHANGERS Ipsos

HARNESSING CHANGE TO CREATE GROWTH

CHANGING TECHNOLOGY AND SOCIETY

Look to **reliable, clear and relevant information** to **mitigate uncertainty**

DIVERSIFICATION OF SOURCES AND TYPES OF DATA

Rely on expertise that facilitates **decision making through know-how and technology**

INCREASED COMPETITION AND FRAGMENTATION OF THE MARKET

Choose a **trusted partner** who understands the client's market to be able to **act quickly**

A UNIQUE POSITION TO SATISFY ALL MARKET NEEDS

CONTROL OF ALL DATA SOURCES

- Surveys
- Social media monitoring
- Passive measurement of behaviour
- Qualitative and non-verbal techniques (such as neuroscience and ethnography)
- Big data, CRM, IoT and open data

A SPECIALISED COMPANY ACROSS THE BOARD

75
SERVICES

90
MARKETS

3rd
LARGEST RESEARCH
COMPANY IN THE
WORLD

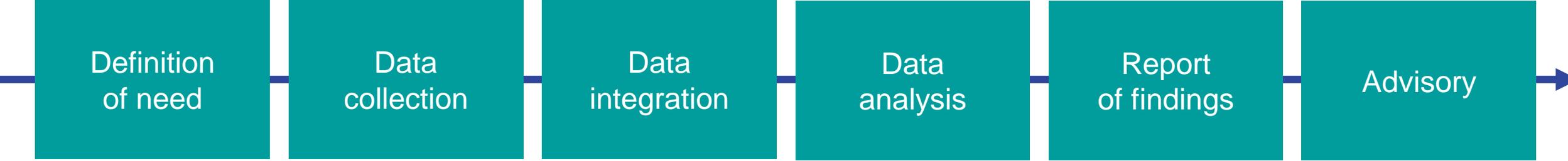
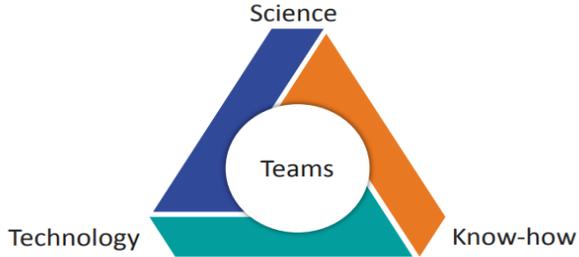
18,000
EMPLOYEES

OVER
5,000
CLIENTS

IPSOS IS INVOLVED ACROSS THE ENTIRE DATA VALUE CHAIN

Turning data into knowledge to enable informed decision making

Technology and automation



Team expertise



INITIAL IMPACT OF THE NEW ORGANISATION



FOCUS AREAS OF THE TOTAL UNDERSTANDING PROJECT

SERVICES LINES

- Ensure all our services are competitive
- Leverage new services

CLIENT ORGANISATION

- Effectively manage our client relations both globally and locally
- Rebalance the client base across sectors

STRONG LOCAL PRESENCE

- Empower local markets
- Boost presence in key markets

STRENGTHENED CROSS-DIVISIONAL CAPABILITIES

- Science Team A
- Tech Team A
- Ipsos Knowledge Center

ACQUISITIONS

- Opportunities
- Expertise
- Technology

AN ENCOURAGING FIRST HALF

H1 2019 ORGANIC GROWTH:

3.0%

ORGANIC GROWTH

Q1	Q2
+2.4%	+3.6%

Top 4 recording above-average growth

- USA
- UK
- China
- France

As well as in developing countries

- India
- Russia
- Turkey

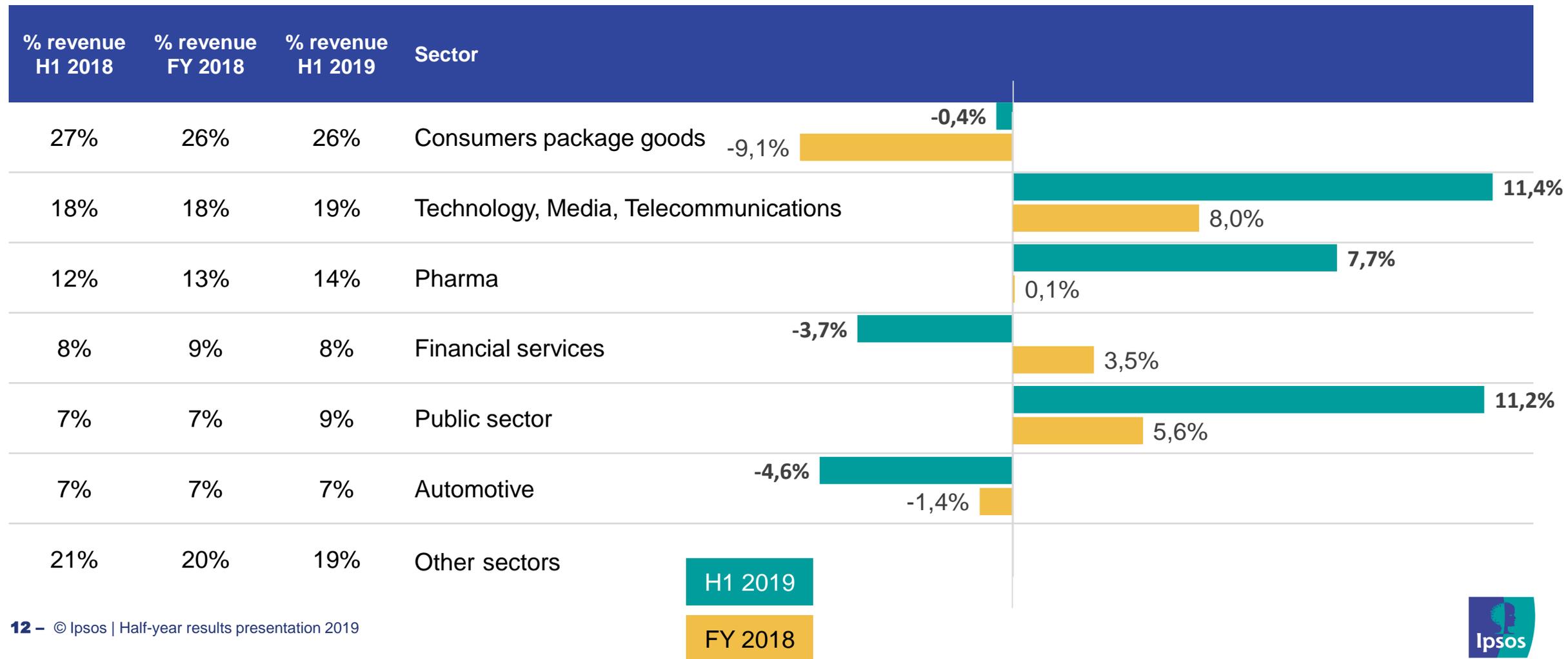
H1 2019 SCOPE EFFECT:

10.2%

- Of which GfK Research: €73m
- Synthesio : €7m

FURTHER SECTOR DIVERSIFICATION

Organic growth by sector



SPOTLIGHT ON THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR



“If you ask me what I worry about when I wake up, it’s that I don’t understand the future mainstream Internet users’ habits.”

Pony Ma, CEO Tencent



SIGNIFICANT GROWTH IN THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR

Why are tech giants turning to Ipsos?

- **TO ENRICH THEIR SOURCES OF MASS DATA WITH STRATEGIC INSIGHT**
- **TO UNDERSTAND THEIR NEEDS AND IDENTIFY NEW GROWTH OPPORTUNITIES**

TACTICAL NEEDS

- Test & Learn
- Quick-turn insights
- Assisted DIY
- User experience

STRATEGIC NEEDS & BUSINESS CHALLENGES

- Regulatory risk management & techlash
- New markets/new categories
- Customer lifetime value
- Insight into the competitive climate
- B2B marketing
- Brand & corporate reputation

BE ABLE TO SATISFY NEED BY PROVIDING STRATEGIC AND TACTICAL RESEARCH PROGRAMMES

SIGNIFICANT GROWTH IN THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR

IPSOS' STRENGTHS



INNOVATION

Ipsos harnesses the most cutting-edge technology, such as Artificial Intelligence, Machine Learning and Hybridisation.



AGILITY AND SCALE

The most effective technology combined with our expertise enables us to provide swift responses to complex and large-scale problems.



INDEPENDENCE & TRUST

Our independence and reasoned vision give our clients reliable, objective, current and complete information to answer their business questions.



MULTI-SPECIALISATION

Our range of specialised services offers over 75 solutions through 17 service lines to find a unique blend that meets all client needs.

SIGNIFICANT GROWTH IN THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR

Portfolio

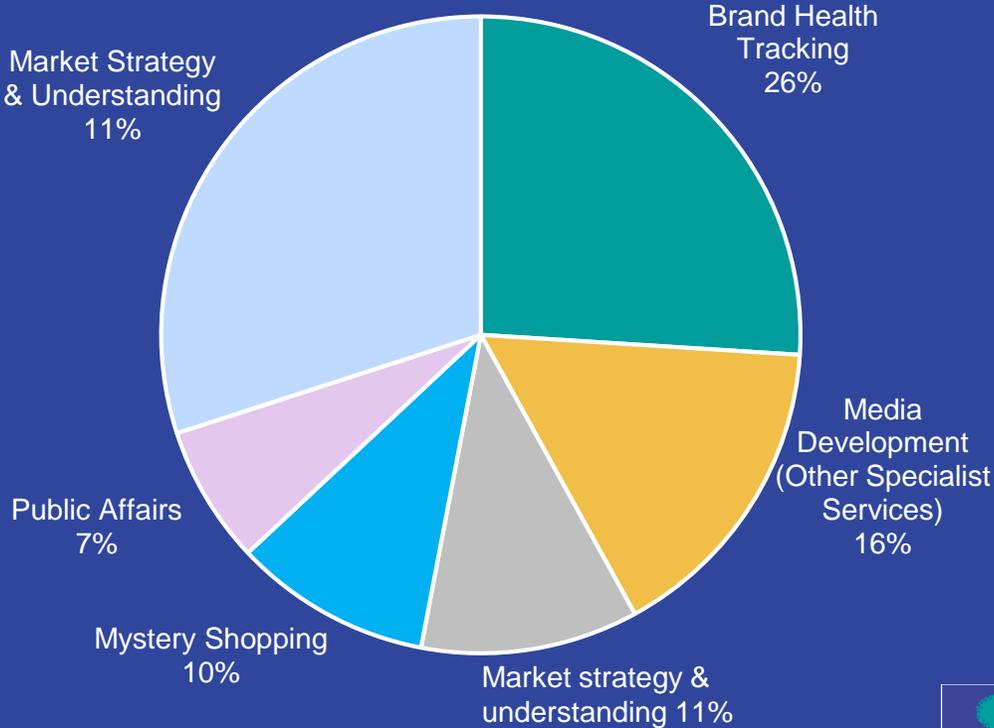
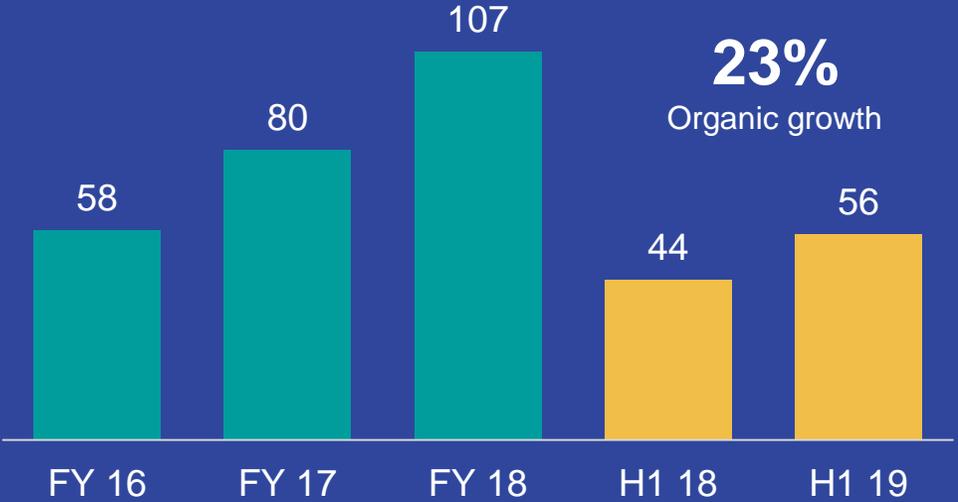
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SALES REVENUE & CONTRIBUTION

In € millions, at constant exchange rate

MAIN CLIENTS IN THE TMT SECTOR

BREAKDOWN BY SERVICE LINE



SIGNIFICANT GROWTH IN THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR

Google Case Study – Understanding Advertising Attention



Natural Research Design

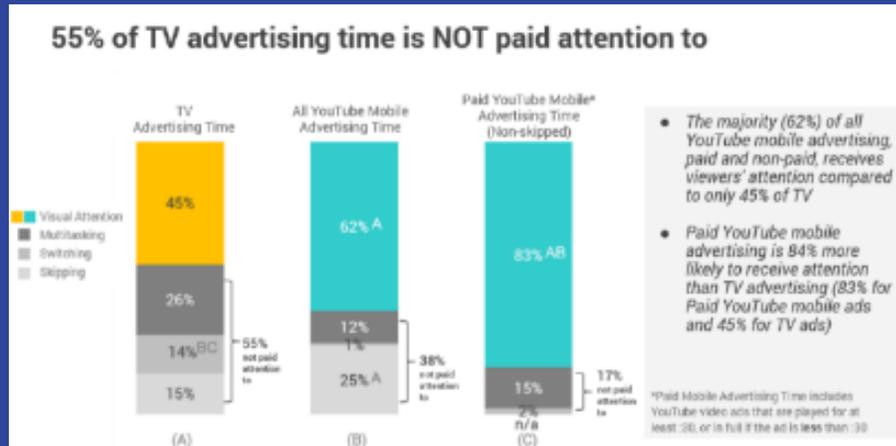
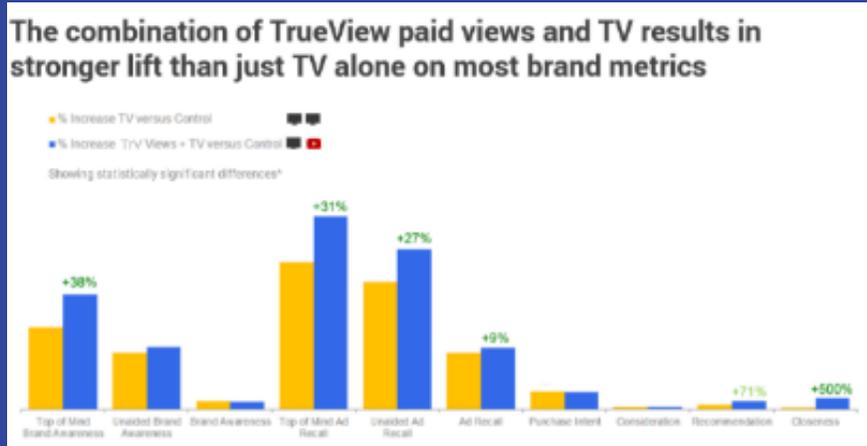
1. In-Home Passive Eye-Tracking

TV Viewers were tasked with wearing eye-tracking glasses for at least 90 minutes during their regular TV viewing sessions at home.

A separate camera installed in the home facing the TV, in order to determine the length of advertising time.

YouTube Mobile Viewers were tasked with wearing eye-tracking glasses for at least 45 minutes during their regular YouTube mobile viewing sessions at home.

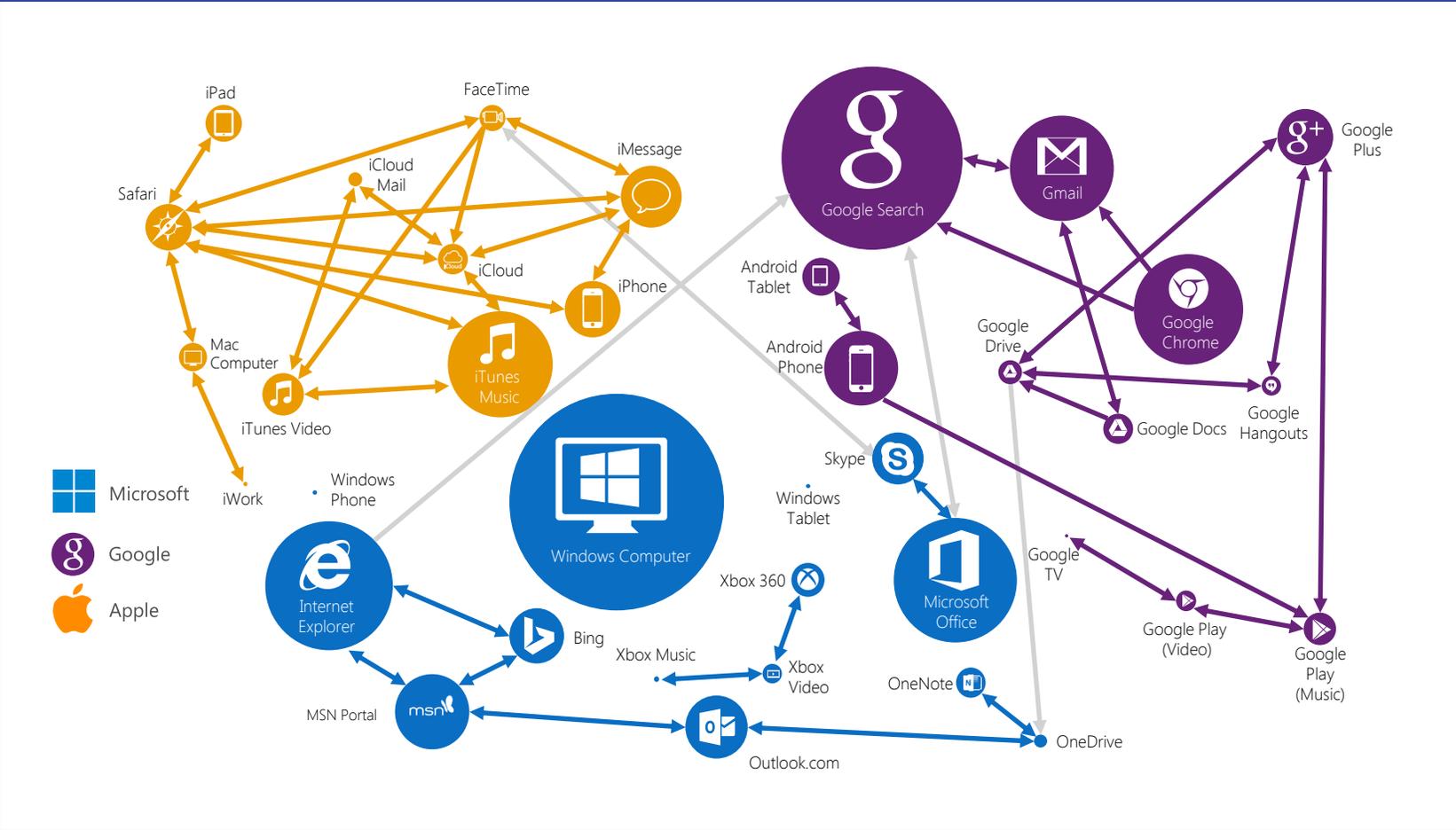
A passive tracking app was installed on participants' smartphones to determine the length of advertising time.



Source: <https://www.google.com/amp/s/www.thinkwithgoogle.com/data/youtube-mobile-users-pay-attention/amp/>

SIGNIFICANT GROWTH IN THE TECHNOLOGY MEDIA & TELECOMMUNICATIONS SECTOR

Case Study – Understanding Tech Ecosystems



INTEGRATION OF FOUR DIVISIONS OF GFK RESEARCH



ADVANTAGES OF THE MERGER

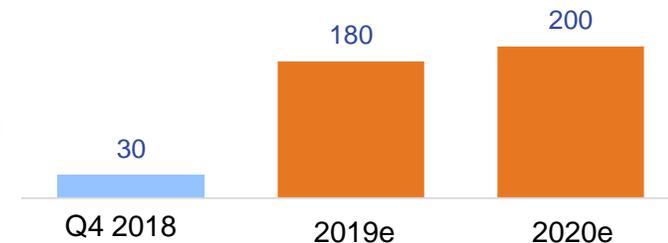
- Improved competitive position in the industry
 - Leading provider of mystery shopping services
 - More robust syndicated research in pharma
- And more specifically
 - Healthcare market access
 - Services reinforcement
 - User experience (UX)
 - Mystery shopping
 - Virtual reality
 - Syndicated research
 - Financial services
 - Pharma
- Innovation with Simstore (virtual reality)
- Economies of scale expected in the future
- High quality panels approved by US federal agencies



SECTORS ACQUIRED

- PUBLIC AFFAIRS
- HEALTHCARE
- INNOVATION
- CUSTOMER EXPERIENCE
- MYSTERY SHOPPING

Impact on revenue (in € millions)



SOCIAL INTELLIGENCE & ANALYTICS: CONTRIBUTION OF SYNTHESIO



STRATEGIC ACQUISITION

- Acquisition of a recognised technological leader (according to Forrester and Gartner*) in monitoring and analysing social media conversations
- Enhancement of Ipsos' range of services and new services for Synthesio clients
- Promotion of the switch from a mono-channel to a multi-channel strategy



SIA KEY FIGURES

- H1 2019 revenue: €11 million
- Growth: 497%



DEVELOPMENTS

An enhanced range of services in 2019 built on combining Ipsos' methodological know-how and Sythesio's data collection expertise.

- New trend detection module: Signals
- Upscale: image analysis
- New version of the platform



CLIENT ORIENTATION

A solution for a global pharmaceutical group

- Existing survey-based segmentation programme
- Application of Synthesio's audience segmentation tools
- More accurate targeting with deeper insight regarding interests, content type and the most effective channel

*Forrester Wave report – Social Listening Platforms, Q3 2018, Gartner report - Market Guides for Social Analytics Applications since 2013

2019 INTERIM RESULTS



KEY FIGURES FOR THE INTERIM PERIOD

903.4

REVENUE

3.0%

ORGANIC
GROWTH

2.4%

FOREX EFFECTS

5.5%

OPERATING
MARGIN

CONDENSED INCOME STATEMENT

In € millions	H1 2019	H1 2018	YoY H1 change	31 December 2018
Revenue	903.4	786.0	14.9%	1,749.5
Gross margin	583.0	512.7	13.7%	1,138.4
Gross margin/revenue	64.5%	65.2%		65.1%
Operating margin	49.3	45.6	8.0%	172.4
Operating margin/revenue	5.5%	5.8%		9.9%
Other non-recurring income (expenses)	(4.0)	(1.4)		(5.3)
Finance costs	(13.1)	(9.4)	39.1%	(21.3)
Other financial income (expense)	(3.7)	0.9		5.0
Taxes	(6.6)	(8.6)	(23.7)%	(38.5)
Net profit – attributable to owners of the parent	18.7	24.7	(24.2)%	107.5
Adjusted net profit* attributable to owners of the parent	29.4	34.1	(13.9)%	125.2

* The adjusted net profit is calculated before non-monetary items covered by IFRS 2 (share-based payments), before amortisation of intangible assets on acquisitions (customer relationships), before deferred tax liabilities relating to goodwill whose amortisation is deductible in some countries, and before the impact net of tax of other non-recurring income and expenses.

REVENUE BREAKDOWN BY REGION

In € millions	H1 2019	Contribution	Total YoY H1 growth	Organic growth
EMEA	396.6	44%	12.5%	1.5%
Americas	335.9	37%	19.7%	2.6%
Asia-Pacific	171.1	19%	11.8%	7.2%
First-half revenue	903.4	100%	14.9%	3.0%

* Of which	Contribution	Organic growth
Developed countries	69%	1.6%
Developing countries	31%	5.9%

REVENUE BREAKDOWN BY SEGMENT

In € millions	H1 2019	Contribution	Total YoY H1 growth	Organic growth
Consumers ¹	432.4	48%	6.9%	1%
Clients and employees ²	213.7	24%	17.8%	3%
Citizens ³	122.2	14%	34.0%	10%
Doctors and patients ⁴	135.0	15%	24.0%	8%
Revenue	903.4	100%	14.9%	3.0%

Breakdown of each business line by 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

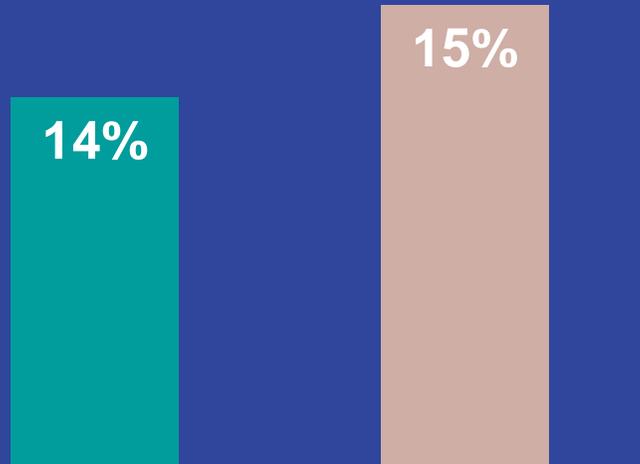
³Public Affairs, Corporate Reputation

⁴Healthcare (quantitative and qualitative)

NEW SERVICES

Contribution and growth of new services

Weight of new services in total revenue
(constant scope)



Organic growth

+13%

+10%



4

Categories of new services

Innovative metrics

Web listening, Communities, Behavioural Economics, Ethnography, Neurosciences, Consumer & Retail Audit, MediaCell

Data capture in real time

Mobile, Services Overnight, Enterprise Feedback Management (EFM)

Big data analysis

Data analytics/Data Science, Ipsos Science Centre, Path to Purchase

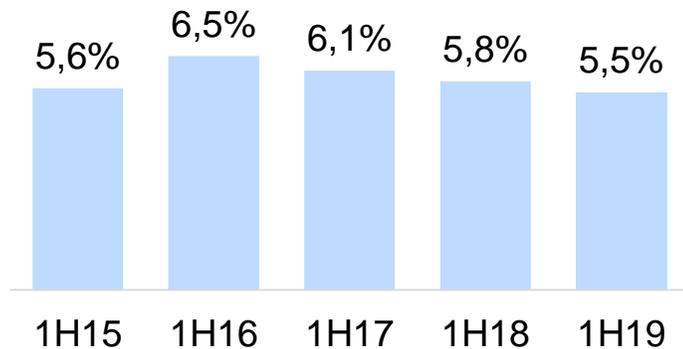
Client advisory services

Market Entry Research, Workshops, Advisory Services, Insight Cloud

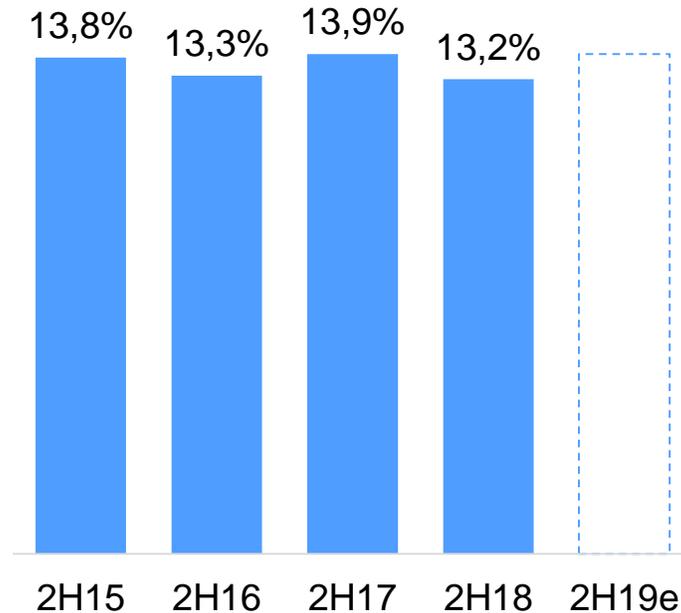
SEASONALITY EFFECT ON THE OPERATING MARGIN

Strong seasonality of Ipsos' operating margin

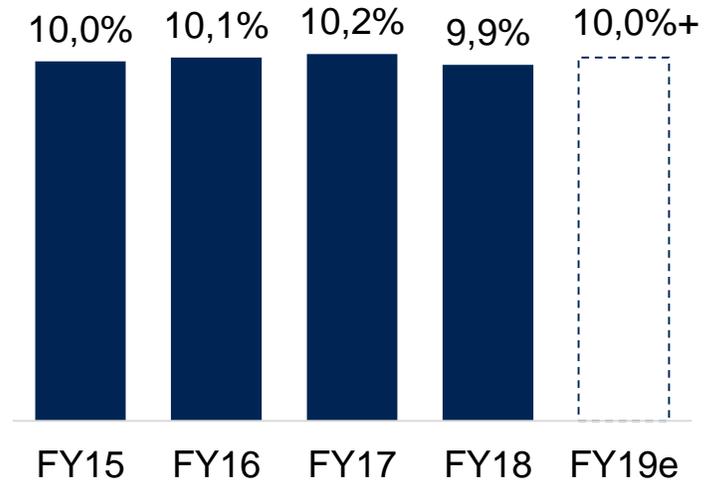
1st Half-year



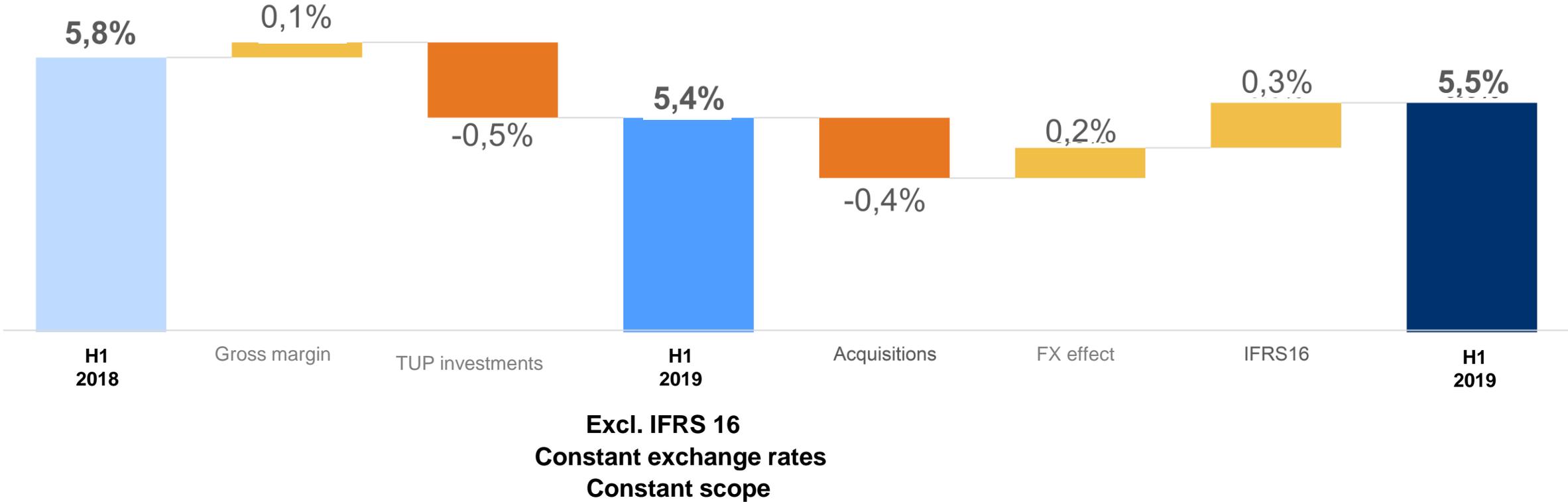
2nd Half-year



Full year



CHANGE IN OPERATING MARGIN



CASH FLOW STATEMENT

Main items

In € millions	H1 2019	H1 2018	31 December 2018
Cash flow from operations⁽¹⁾	86.7	64.0	206.3
Change in WCR	(14.1)	16.0	3.5
Interest paid	(21.9)	(22.3)	(39.7)
Property, plant and equipment, intangible and financial assets	(18.2)	(25.4)	(43.6)
Acquisitions	(14.8)	(12.8)	(161.6)
Purchases/sales of shares	0.3	1.2	1.2
Net change in long-term financial debt	0.0	(43.3)	122.3
Increase in borrowings from associates	(12.4)	-	-
Net interest paid	(7.6)	(8.3)	(18.4)
Lease payments	(21.3)	N/A	N/A
Dividends	-	-	(37.8)
Cash and cash equivalents at the end of the period	145.3	103.5	168.8

BALANCE SHEET AND DEBT POSITION

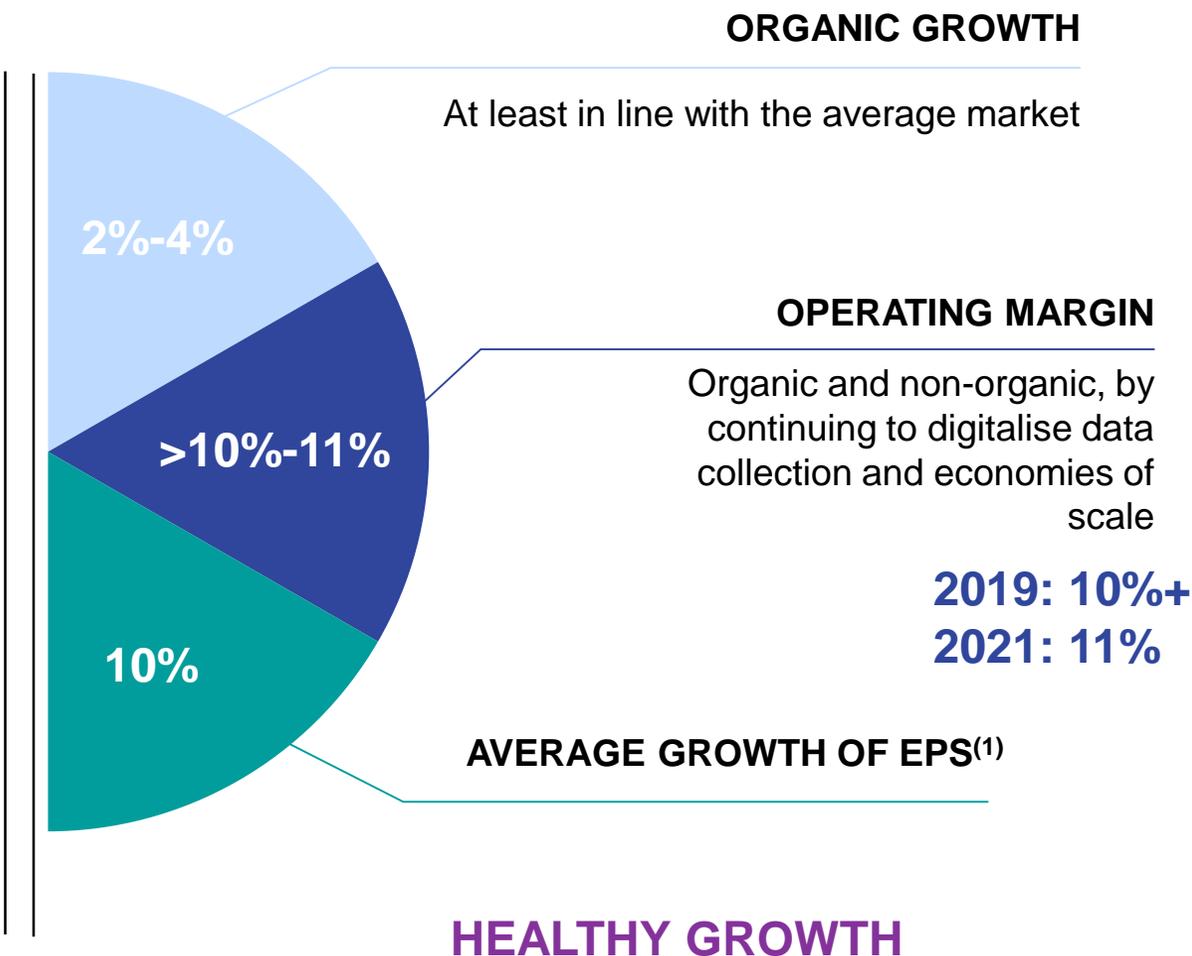
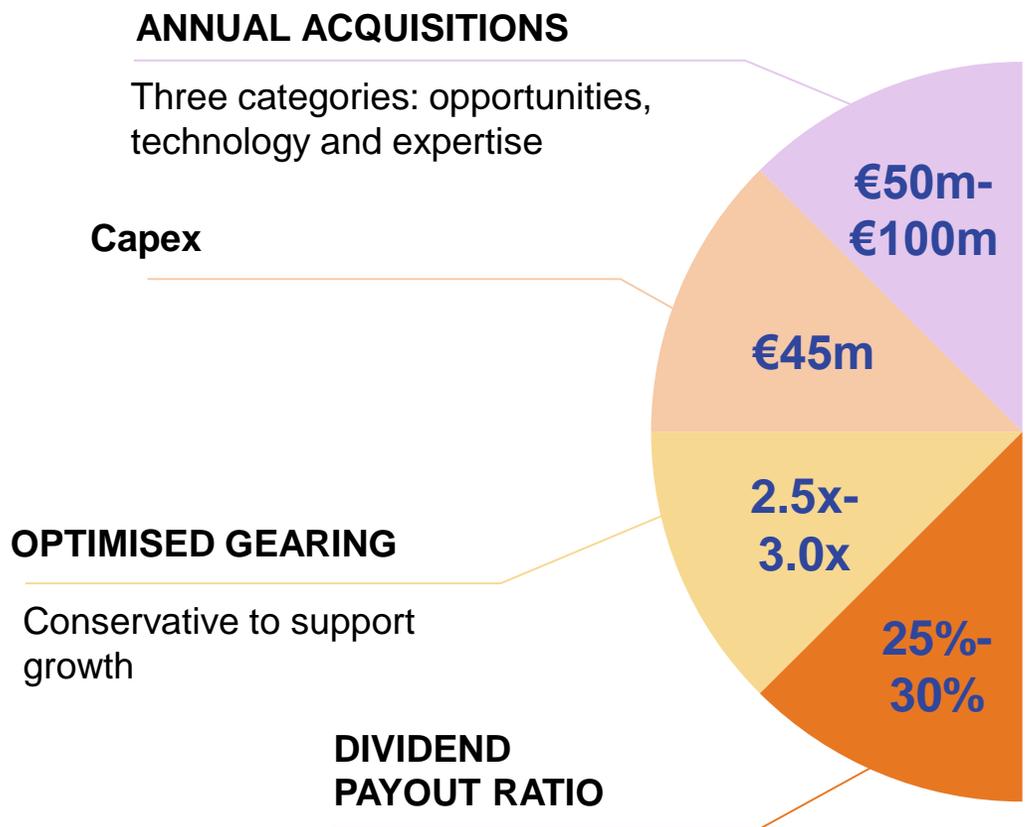
In € millions	30 June 2019	30 June 2018	31 December 2018
Equity	1022	948	1035
Net financial debt	604	464	575
Gearing	59%	49%	55.5%
Net debt/12 month proforma EBITDA	x2,6	x2.1	x2.8
Financial expenses covered by operating margin	x7,1	x9.6	x8.3

OUTLOOK



OUTLOOK FOR 2019-2021

BALANCED ALLOCATION OF CASH



(1) Based on diluted EPS at constant exchange rates