# IPSOS
# 2020 THIRD QUARTER RESULTS


**Didier Truchot,**
**Ipsos Chairman & CEO**

**Laurence Stoclet,**
**Deputy CEO & Group Chief Financial Officer**


October 22nd

GAME CHANGERS

Ipsos

# KEY FIGURES 9 MONTHS 2020: AN EXAMPLE OF RESILIENCE

**€1,255M**

**REVENUE**
**9 MONTHS**

**-3.3%**

**ORGANIC GROWTH**
**Q3 PERIODIC**

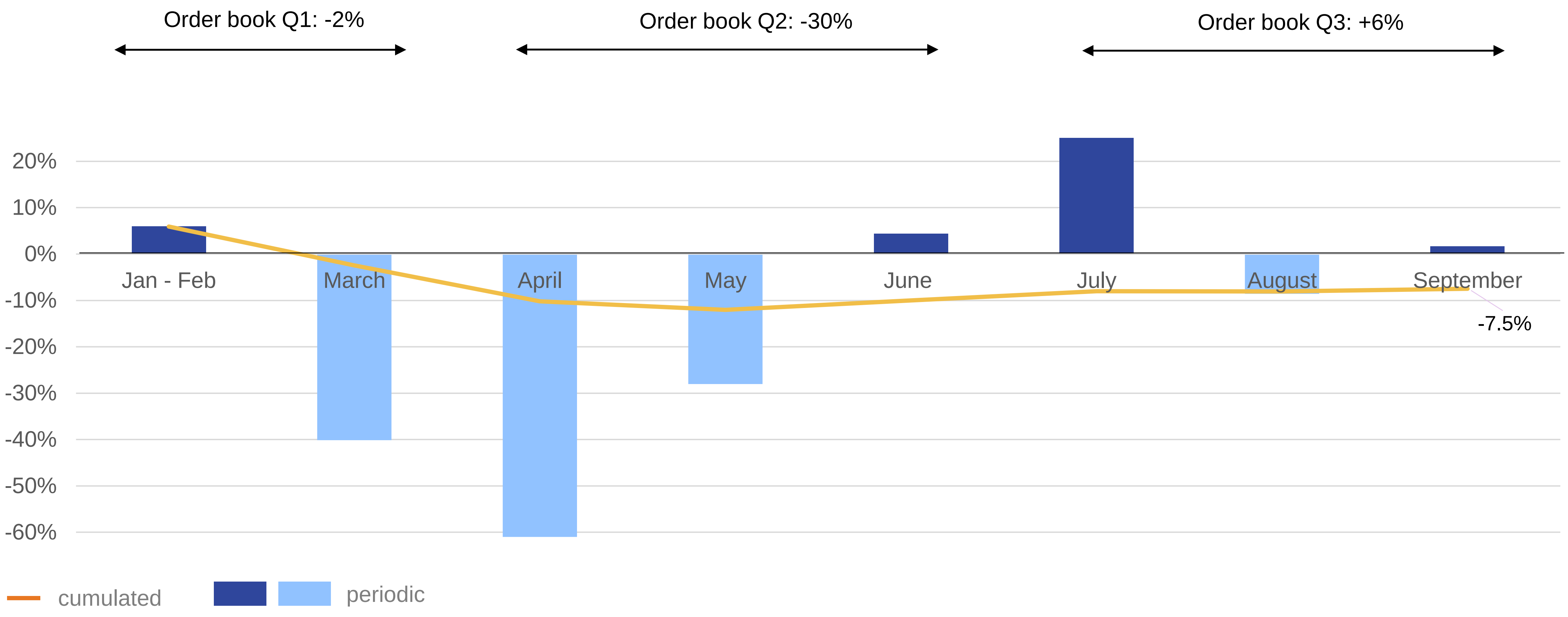
**-9.9%**

**ORGANIC GROWTH**
**9 MONTHS**

# THE IMPACT OF COVID-19 ON IPSOS ACTIVITY

## Order book* by month and cumulated

Var% vs 2019




* The Order book records all sales, net of cancellations and postponements, that will be recognized in revenue during the fiscal year 2020.

# THE TOP 4 SECTORS ARE IMPROVING

| SECTOR | ORGANIC GROWTH | | | % of total revenue |
|---|---|---|---|---|
| | FY 2019 | 6 months 2020 | 9 months 2020 | |
| CPG | 2% | -17% | -15% | **22%** |
| TMT | 11% | -14% | -14% | **19%** |
| Pharma | 5% | -6% | 1% | **16%** |
| Public sector | 8% | 18% | 44% | **14%** |
| Financial services | 1% | -14% | -15% | **8%** |
| Automotive | 0.5% | -25% | -28% | **6%** |

# PUBLIC SECTOR:
# GIVE SUPPORT DURING THE PANDEMIC

## STRONG NEED FOR DATA AND INSIGHTS TO FIGHT COVID-19

- Due to strong needs the Public sector continues to spend through the crisis, while private sector clients have new requests for Public Affairs services.
- Several other countries and regions are active: US, UK, France, Canada, Africa.
- In some markets, COVID-related work can have also offset some programs delayed by the inability to conduct in-home interviews.
- In the US our KnowledgePanel, a unique, premium offer, faces little direct competition and has picked up additional work from academic institutes, NGOs, US Government.
- Non-traditional methods of data collection to assess crises situations (Bio surveillance Atlas, etc) have been adapted to investigate the effect of the pandemic in the US and also in low information markets like Africa.

# SURVEY REVENUE BY DATA COLLECTION MODE*: A MOVE TO ONLINE

| | FY 2019 | 6 months YTD 2020 | 9 months YTD 2020 |
|---|---|---|---|
| FACE-TO-FACE | 30% | 25% | 25% |
| ONLINE | 55% | 61% | 60% |
| POSTAL | 4% | 4% | 5% |
| TELEPHONE | 10% | 10% | 10% |

* Survey revenue represents 70% of Ipsos Total Revenue

# NEW SERVICES

## 4 CATEGORIES OF NEW SERVICES

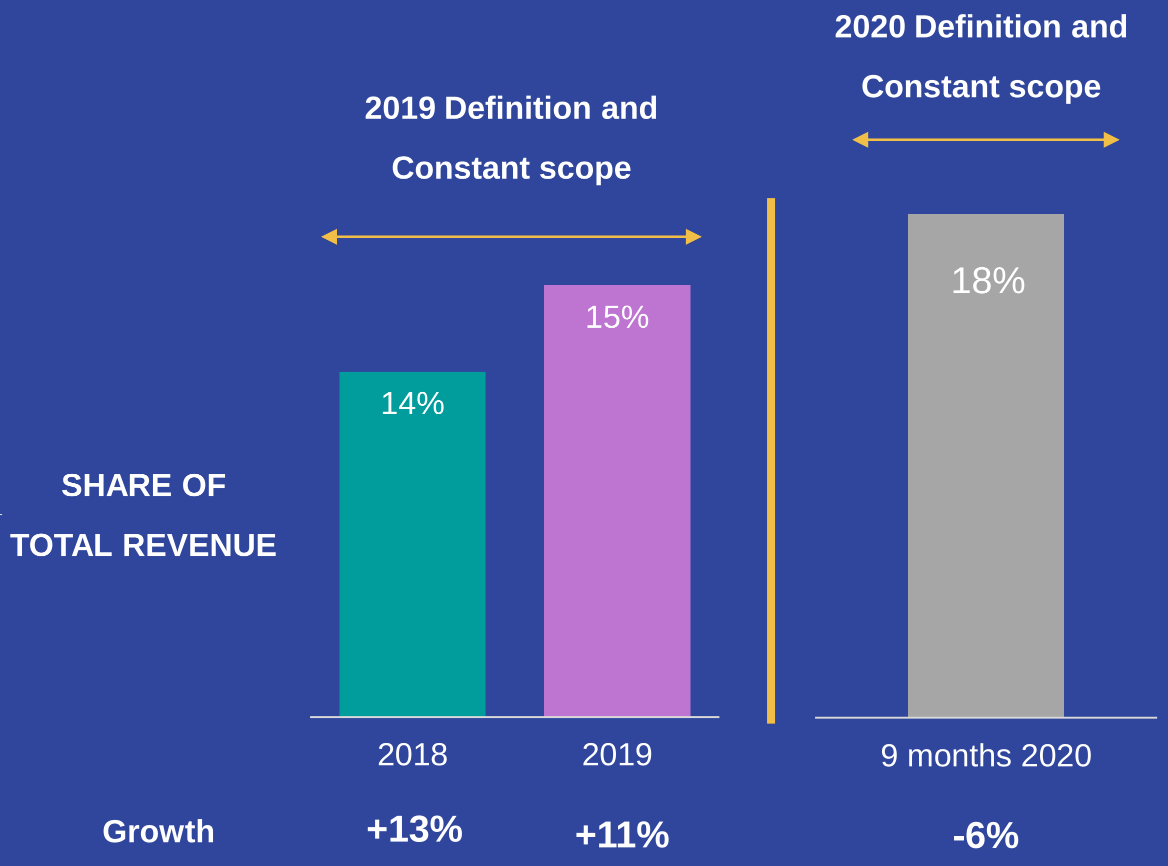
### MEASURE DIFFERENTLY
Web listening (Synthesio), Communities, Behavioral Economics, Ethnography, Neuroscience, Consumer & Retail Audit, Passive Measurement (Mediacell)

Incoming new services: Virtual Shelf, Retail Performance

### GET DATA IN REAL TIME
Mobile, Overnight Services (Ipsos.Digital), Enterprise Feedback Management (EFM)

### BIG DATA ANALYSIS
Data analytics / Data Science, Ipsos Science Center, Path to Purchase

### CLIENT ADVISORY SERVICES
Market Entry Research, Workshops, Advisory Services, Curation (Insight Cloud)



# REVENUE BREAKDOWN BY REGION

| In millions of euros | 2020<br>9 months YTD | Share | YOY change | Organic growth 9 months YTD |
|---|---|---|---|---|
| EMEA | 589.0 | 47% | (3.0)% | (2.5)% |
| Americas | 449.0 | 36% | (15.2)% | (14.5)% |
| Asia-Pacific | 216.6 | 17% | (18.6)% | (17.5)% |
| **Total*** | **1,254.6** | **100%** | **(10.6)%** | **(9.9)%** |

| * Of which | Share | Organic growth |
|---|---|---|
| Developed countries | 74% | (5.8)% |
| Emerging countries | 26% | (19.1)% |

# REVENUE BREAKDOWN BY AUDIENCE

| In millions of euros | 2020 9 months YTD | Share | YOY change | Organic growth 9 months YTD |
|---|---|---|---|---|
| Consumers[1] | 518.4 | 41% | (18.6)% | (17)% |
| Clients and employees[2] | 283.5 | 23% | (21.8)% | (22.5)% |
| Citizens[3] | 244.1 | 19% | 26.7% | 27% |
| Doctors and patients[4] | 208.5 | 17% | (0.9)% | 1% |
| **Total** | **1,254.6** | **100%** | **(10.6)%** | **(9.9)%** |

Breakdown of each Service Line by segment : breakdown of revenue by audience segment is non-financial data, likely to change over time depending on changes to the organization of Ipsos teams.

1- Brand Health Tracking, Creative Excellence, Innovation, Ipsos UU, Ipsos MMA, Market Strategy & Understanding, Observer (excl. public sector), Social Intelligence Analytics
2- Automotive & Mobility Dev, Audience Measurement, Customer Experience, Channel Performance (including Retail Performance and Mystery Shopping), Media development
3- Public Affairs, Corporate Reputation
4- Pharma (quantitative and qualitative)

# A SAVING PLAN ON TRACK WITH H1 ANNOUNCEMENTS

| ACTION TAKEN FROM LATE FEBRUARY | Impact 6 months 2020 | Impact 9 months 2020 | Impact expected Full Year 2020 |
|---|---|---|---|
| **On the Payroll:**<br>- Freeze on recruitment and planned wage increases<br>- Voluntary salary reduction up to 20% for top management and executives<br>- Other decrease on payroll | €14m | €30m | ~ €42m |
| **Government programmes** | €17.5m | €25m | ~ €29m |
| **On General Operating Expenses:**<br>- Suspension of international travels<br>- Rent renegotiations<br>- Other reductions (discretionary expenses, IT…) | €15m | €30m | ~ €38m |
| **On liquidity: Dividend reduced by 50%** | - | - | €19m |

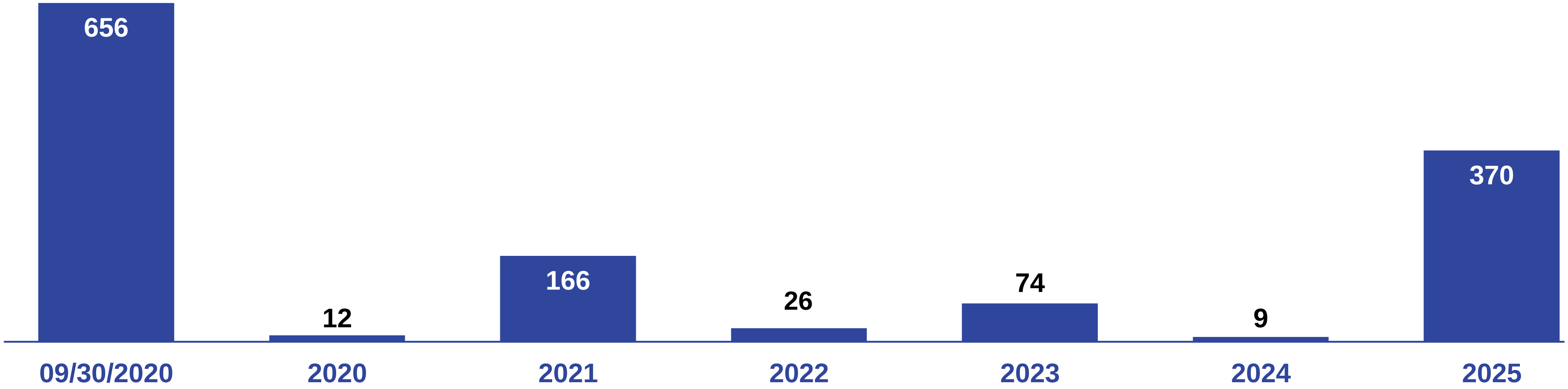
**€85m savings YTD**

**Expected €109m**
on the income statement 2020

**€128 m positive impact on cash flow**

# FINANCIAL DEBT

## GROSS DEBT SPLIT BY MATURITY AT SEPTEMBER 30, 2020
(IN MILLIONS OF EUROS)




- Net financial debt at September 30, 2020 was €435m versus at June 30, 2020: €441m ; at December 31, 2019: €578m; at September 30, 2019: €648m
  - Gross debt: €650m
  - Cash: €215m
- At Sep. 28th 2020, as planned, pay back of a 2010 USPP tranche maturity for $185m (equivalent of €158m)
- As at September 30, 2020, Ipsos had close to €400m in undrawn credit facilities with maturities of over 1 year

# OUTLOOK FOR 2020

## PERSPECTIVES FOR THE REMAINDER OF 2020 AND FOR 2021 ARE POSITIVE

- Ipsos is in a favorable path that should allow it to reduce the rate of decline in its revenue over the full-year.

## ONE OBVIOUS CAVEAT: THE UPSURGE OF PANDEMIC INTENSITY IN EUROPE AND ELSEWHERE INCLUDING IN THE UNITED STATES

- As of today, no major country has reintroduced widespread lockdowns. The level pf new order intake remains high. But no on can predict what decisions will be taken by the health authorities of the countries most affected by the new wave of the pandemic.

# THANK YOU

GAME CHANGERS

Ipsos