



Press Release

Ipsos has reached an agreement with GfK to acquire 4 global divisions of GfK Research: Customer Experience; Experience Innovation; Health and Public Affairs

Paris, 30 July 2018 – Didier Truchot, Ipsos' Founder, Chairman & CEO, is delighted to announce today that Ipsos SA has entered into an agreement with Peter Feld, CEO of GfK SE, to acquire for cash 100% of four global divisions of GfK's custom research business: Customer Experience; Experience Innovation; Health; and Public Affairs, for an enterprise value of €105 million.

This transaction is of the utmost importance for Ipsos, reinforcing its business at its core, and will provide significant opportunities for GfK customers, management and employees, especially in these four key areas in which Ipsos is already a global leader.

Close to 1,000 GfK professionals would join Ipsos at the closing of this transaction, in 25 countries: Argentina; Australia; Austria; Belgium; Brazil; Chile; China; Czech Republic; Germany; Hungary; India; Italy; Japan; Mexico; Netherlands; Peru; Poland; Romania; Russia; Singapore; Sweden; Switzerland; Turkey; United Kingdom; and USA.

The estimated revenue for 2018 of the acquired businesses is above €200 million, with EMEA contributing to around 55% of the revenues, the Americas to 39% and APAC to 6%.

Ipsos believes that the combination of its business with the four global businesses of GfK Research (excluding consumer panels and excluding Spain and Portugal) will significantly enhance the Ipsos Group capabilities by incorporating the following capabilities:

- **Customer Experience:** this division includes all GfK research services globally, both quantitative and/or qualitative in nature, on either a continuous or ad-hoc basis, related to: (1) research on understanding and advising on customer satisfaction and loyalty; (2) research on understanding and advising on employee satisfaction and loyalty; and (3) mystery shopping services;
- **Experience Innovation:** this division includes all GfK research services globally, both quantitative and/or qualitative in nature, related to: (1) innovation research, including, but not limited to early stage/front end innovation, concept testing, pack testing, product testing and volumetrics; (2) car clinics; (3) the business known as NORM, focused on virtual reality technology in the areas of shelf, store and product simulation; and (4) user experience research, design and consulting;



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- **Health:** this division includes all GfK research services globally, both quantitative and/or qualitative in nature, on either a continuous or ad-hoc basis, related to research on behalf of: (1) pharmaceutical and bio-tech companies; (2) medical and healthcare technology companies; and (3) companies to the extent that they are engaged in consumer healthcare (but not to the extent that they are engaged in any other businesses);
- **Public Affairs:** this division includes all GfK research services globally, both quantitative and/or qualitative in nature, on either a continuous or ad-hoc basis, related to research on understanding societies, public opinion and corporate reputation; the Knowledge Networks panels are part of the Public Affairs division and represent a strategic asset that Ipsos would like to capitalise on.

Commenting on the transaction, Didier Truchot, said:

“We are delighted to buy 4 key divisions of GfK Research’s global businesses operating currently in 25 markets, with strong management and committed professionals. The deal has been driven by our relentless focus on providing the best possible service to our clients and our ambition to become stronger in the areas of Customer Experience and Mystery Shopping, Innovation and User Experience, Healthcare, and last but not least, Public Affairs. This deal furthers our goal to implement the Total Understanding project, a growth plan as close as possible to clients needs, and to make the Ipsos brand synonymous with excellence in providing a better understanding of Society, Markets and People. I look forward to welcoming the GfK Research teams to Ipsos and together strengthening our skills in these four key business areas, reinforcing a global powerhouse in market research, with the best talents in the industry.”

Peter Feld, Chief Executive Officer of GfK, commented:

“The divestment of our Custom Research business is the next important step in transforming GfK into a truly technology enabled data analytics provider with a clear client centric focus on our core assets in our key industries and markets. We are very happy that Ipsos decided to acquire our Custom Research business and with that will become a great future home for our Custom Research employees.”

The acquisition will be financed through the existing credit facilities of Ipsos. As at June 30th, 2018, Ipsos had more than €300 million of available credit lines.

The enlarged group strength is expected to accelerate growth and generate improved margins in the medium term and to be accretive on Ipsos EPS.

The proposed transaction remains subject to mandatory clearances from relevant anti-trust authorities and is expected to close on or around September 30th, 2018.



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GAME CHANGERS

« Game Changers » is the Ipsos signature.

At Ipsos we are passionately curious about people, markets, brands and society.
We make our changing world easier and faster to navigate and inspire clients to make smarter decisions.
We deliver with security, simplicity, speed and substance.

We are Game Changers.

Ipsos is listed on Eurolist - NYSE-Euronext.
The company is part of the SBF 120 and the Mid-60 index
and is eligible for the Deferred Settlement Service (SRD).

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