



# Press Release

## First quarter of 2015

**Sharp increase spurred by  
currency exchange rates**  
**Initial impact of the "New Way" plan**  
**Revenue: €379.6 million, +10.6%**  
**Total organic growth +0.8%**  
**Organic growth of new services\* +27%**

**Paris, 22 April 2015** – For the first quarter of 2015, Ipsos' revenue stands at €379.6 million, up 10.6% compared with the same period in 2014.

This increase is mainly due to changes in currency exchange rates, in particular the strong revaluation of the US dollar, pound sterling and RMB against the euro. Changes in the scope of activity have had a negative effect (0.6%). On the other hand, organic growth – at constant scope and exchange rates – stands at +0.8%. This growth rate, which is slightly below the year's target of between 1 and 2%, is satisfactory for three reasons. In terms of organic growth, the first quarter of 2014 was the best of the year (1.5% growth versus 0.3% for the year as a whole). The "new services" are starting to gain momentum with an increase (albeit from a low starting point) of 27% in developed markets, with the understanding that their rollout in emerging markets will start in the second part of the year.

Lastly, at the end of last year and the beginning of 2015, Ipsos' activities were severely disrupted in certain emerging markets such as, but not solely, Russia, Ukraine and the Middle East, before stabilising at the end of the quarter.

<b>Consolidated revenues</b> <i>(in millions of euros)</i>	<b>2015</b>	<b>2014</b>	<b>2013</b>
1 <sup>st</sup> quarter	379.6	343.3	359.6
2 <sup>nd</sup> quarter	-	412.7	444.1
3 <sup>rd</sup> quarter	-	412.8	418.6
4 <sup>th</sup> quarter	-	500.7	490.1
<b>Full-year</b>	-	<b>1,669.5</b>	<b>1,712.4</b>

\* In developed markets

### Performance by region and business line

At this stage of the year, performance by region is not very significant as the business volumes on which they are based are limited. Nonetheless, Ipsos is satisfied with the good results achieved in the United States, the UK, Germany and France, as well as China, Japan and certain major Latin American markets.

The major difference with previous periods is the absence of divergence between the performance of developing countries – which had previously recorded rapid growth – and that of developed markets, which had recorded disappointing performance in recent years. On the one hand, our business was impacted by the geopolitical unrest mentioned earlier, as well as financial crises – for example in Argentina and Venezuela. On the other hand, a better environment and the growing impact of the "new services" provide some satisfaction concerning the now visible recovery of "mature" markets – a recovery which was very slow in coming – but most importantly, they provide confidence for the upcoming quarters. The disappointing performance of developing countries – it is the first time in the history of Ipsos that they have underperformed over a quarter – should not last, even though their short-term development is difficult to predict due to the numerous serious risks still present.

Consolidated revenues by geographical area (in millions of euros)	1 <sup>st</sup> quarter 2015	1 <sup>st</sup> quarter 2014	Change 2015/2014	Organic growth
Europe, Middle East and Africa	168.9	165.7	1.9%	-0.5%
Americas	147.3	124.7	18.1%	1%
Asia-Pacific	63.4	52.9	19.9%	4%
<b>Quarterly revenues</b>	<b>379.6</b>	<b>343.3</b>	<b>10.6%</b>	<b>0.8%</b>

Emerging countries represent 32% of Ipsos' business with 0.5% organic growth. Developed countries recorded an organic growth of 1%.

Consolidated revenues by business line (in millions of euros)	1 <sup>st</sup> quarter 2015	1 <sup>st</sup> quarter 2014	Change 2015/2014	Organic growth
Media and Advertising Research	90.1	85.7	5.1%	-2%
Marketing Research	199.8	177.9	12.3%	1%
Opinion & Social Research	41.8	35.4	17.9%	7.5%
Client and employee relationship management	48.0	44.3	8.2%	1.5%
<b>Quarterly revenues</b>	<b>379.6</b>	<b>343.3</b>	<b>10.6%</b>	<b>0.8%</b>

By business line, the performance levels are the same in the first quarter of 2015 as in 2014. The teams in charge of opinion polls and social research continue to achieve highly successful results in all local and international markets.

According to *Meltwater News Monitoring Service*, a global media monitoring service, in the first quarter of 2015, Ipsos was for the first time the world's most quoted source in market research, in both traditional and digital media, with the understanding that, in this age of fragmentation of media and information



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broadcasting channels, a media coverage survey cannot pretend to be exhaustive. This performance, in the year of Ipsos' fortieth anniversary, deserves particular mention. Jean-Marc Lech, the Co-President of Ipsos who sadly passed away much too soon at the end of last year, liked to say that "there is no such thing as a silent expert". One of the cornerstones of Ipsos' strategy is to be a known and recognised source, associated with reliable, relevant and, of course, exclusive information, quoted by the media whenever possible.

The other business lines are progressing as expected, including Ipsos Connect, the new Ipsos entity dedicated to helping the company's clients better manage their brand expressions and their ideas in a media environment profoundly transformed by digitalisation. Ipsos Connect is working on the creation and rollout of new offers combining brand knowledge, the creation and control of advertising expressions, and media measurement. The full benefits of these new offers will be felt in a few quarters' time.

### Other information about operating conditions in the first quarter

The operating margin is in line with the targets announced for 2015. Net gearing decreased to 57% compared with the 31 December 2014 level (61%) despite the unfavourable evolution of the US dollar, (59% of the financial debt is registered in dollar). Free cash flow from operations was significantly higher in the first quarter of 2015 than in the same period last year.

## OUTLOOK FOR 2015

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Our perspective remains unchanged. Ipsos is still forecasting modest growth this year (between 1 and 2%), at constant scope and exchange rates, and an operating margin of 10%, after the additional costs generated by the "New Way" project.

The "New Way" programme is progressing. The company is working on the simplification of its organisation, the efficiency of its operations, the better allocation and management of its human, scientific and technological resources, as well as on enhanced visibility of its brand, its mission and its ambitions.

Through the "New Way" project, Ipsos is primarily seeking to transform its offer, in line with the new needs of its clients, whether big or small, international or local.

Several years ago, Ipsos stopped being just a survey-based research company, even though our clients continue to purchase numerous projects based on surveys among customers, consumers and citizens via electronic or more classic collection methods. The recent launch of new location-based services using specific resources deployed by Google in the United States, making it possible to survey customers in shops or other on-site venues via their mobile phones, proves (if proof were necessary) that survey-based research protocols have a long life ahead of them. But we also know that, at a time when sources of information are proliferating, while technology allows the collection, storage and analysis of huge flows of new data which doubtless holds a wealth of information on individual behaviours and feelings, our services must integrate these without delay, in order to enable us to radically improve the relevance of our services and, ultimately, their ability to measure, explain and predict.

The rapid development of the "new services", made possible by our teams' commitment and unprecedented investment, testifies to the new way that Ipsos has decided to build and to take.

Our first steps on this new way are encouraging. They confirm the extreme importance given by our clients to the need for accurate and relevant information that will help them make better decisions and improve their competitive positions.

Beyond any residual difficulties encountered in this or that market, Ipsos' teams, who are Game Changers par excellence, have what it takes to return to a path of profitable, sustainable growth.



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**Next publication: 22 July 2015, first-half results.**

#### **About Ipsos**

Ipsos ranks third in the global research industry. With a strong presence in 87 countries, Ipsos employs more than 16,000 people and has the ability to conduct research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals. They have built a solid Group around a multi-specialist positioning – Media and advertising research; Marketing research; Client and employee relationship management; Opinion & social research; Mobile, Online, Offline data collection and delivery -. Ipsos has been listed on the Paris Stock Exchange since 1999.

#### **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, speed, simplicity 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).

***ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP***  
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