



# Press Release

## Third quarter of 2015 Market trend remains stable

### Revenue:

**January - September: 1,260.9 million euros (+7.9%)**

**July - September: 428.0 million euros (+3.7%)**

**Paris, 21 October 2015** – From July to September 2015, Ipsos recorded 428 million euros in revenue, up 3.7% over the same period of the preceding year. At constant scope and exchange rates, revenues were down 2.2% in the quarter. We anticipate an improved performance in the fourth quarter.

For the first nine months of the year, Ipsos saw revenue of 1,260.9 million euros, up 7.9%. Currency effects remain positive (8.6%), even if they fluctuated favourably in the early months of 2015 and then more moderately since the summer, due to a stabilising of the euro-to-dollar rate and a weakening of many emerging country currencies against both the US dollar and the euro.

The effect of change in scope was 0.3%, owing to the consolidation of the American company RDA as of July 1. At constant scope and exchange rates, Ipsos' revenues were down 1%. This disappointing performance, largely arising from the emerging countries, should be seen against an improvement in the ratio of gross profit to revenue. The value at constant scope and exchange rates of gross profit — also called net revenue by some of Ipsos' competitors — was almost stable over the nine months, and this bears out the high value-added offer strategy set out in our New Way programme.

<b>Consolidated revenues</b> <i>(in millions of euros)</i>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>Total growth</b> <b>for the period</b> <b>2015/2014</b>
First quarter	379.6	343.3	359.6	10.6%
Second quarter	453.3	412.7	444.1	9.8%
Third quarter	428.0	412.8	418.6	3.7%
<b>Total for the period from</b> <b>1 January to 30 September</b>	<b>1,260.9</b>	<b>1,168.8</b>	<b>1,222.3</b>	<b>7.9%</b>
Fourth quarter	-	500.7	490.1	-
<b>Full year</b>	-	<b>1,669.5</b>	<b>1,712.4</b>	-

### Consolidated revenues by geographical area

The change in revenues by geographical area does not call for particular comment. Each region has been affected by decreased volume in the emerging markets, offset in full in the Europe, Middle East and Africa region and in part elsewhere, by stable or rising revenues in many of the more developed markets. Even if over the whole year the emerging markets will remain below their potential (or at least below what we estimate to be their potential for 2015), it is likely, based on sales in recent weeks, that improved performance in some of these countries will contribute in part to brisker business for Ipsos at the year-end than during the third quarter.

<i>In millions of euros</i>	<b>2015 (9 months)</b>	<b>2014 (9 months)</b>	<b>2013 (9 months)</b>	<b>Change 2015/2014</b>	<b>Organic growth (9 months)</b>
EMEA	555.5	539.1	541.1	3%	0,5%
Americas	493.1	438.3	482.8	12.5%	- 2%
Asia-Pacific	212.3	191.3	198.4	11%	- 2%
<b>Total for the period from 1 January to 30 September</b>	<b>1,260.9</b>	<b>1,168.7</b>	<b>1,222.3</b>	<b>7.9%</b>	<b>- 1%</b>

### Consolidated revenues by business line

By business line, the data vary from one quarter to the next, but the year's major trends are by now well established.

Ipsos Connect is the result of the merger early in the year of the business lines related to measuring media and those whose purpose is to improve the effectiveness of advertising campaigns and, more broadly, to work on "brand expression". This combination was necessary now that the digitalising of companies' marketing activities has become a major part of their growth plans. As we have already indicated, the creation of Ipsos Connect has resulted in a complete overhaul of our services and of our teams. In 2015, the impact is negative but we expect positive effects from it during coming years.

Ipsos Loyalty, the business line dedicated to programmes to measure customer relationships and the quality of services offered, will end the year showing growth.

Ipsos Marketing is also expected to do better than the Group average, thanks largely to a client base that has diversified into vehicle manufacturers, pharmaceutical laboratories and financial institutions.

Lastly, Ipsos Public Affairs, which focuses on studying public opinion and civic behaviour, is experiencing a good year in 2015, and all the more so since it recently signed large contracts that will provide additional revenue in 2016.



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<i>In millions of euros</i>	<b>2015 (9 months)</b>	<b>2014 (9 months)</b>	<b>2013 (9 months)</b>	<b>Change 2015/2014</b>	<b>Organic growth (9 months)</b>
Media and Advertising Research	289.9	294.1	320.2	- 1.4%	- 6.5%
Marketing Research	667.6	601.8	628.7	10.9%	0.5%
Opinion & Social Research	129.0	114.1	112.2	13.0%	4%
Client and employee relationship management	174.5	158.8	161.2	9.9%	0%
<b>Total for the period from 1 January to 30 September</b>	<b>1,260.9</b>	<b>1,168.7</b>	<b>1,222.3</b>	<b>7.9%</b>	<b>- 1%</b>

### Other information about operating conditions in the first nine months

Profitability is in line with the full-year objectives announced, mainly due to about a 50 basis point increase in gross profit.

The gearing ratio stood at 68% at 30 September 2015, down on the same date last year, despite the rise in the dollar, in which around 60% of debt is denominated. This decline was made possible by strong generation of surplus cash, which continues to grow at double-digit rates.

### 2015 Outlook

The economic context of the third quarter of 2015 did not bring many changes, either in the West or the East. Nevertheless, the increase in migratory movements and their prominence in the media illustrate, and even bring to the fore, considerable tensions between peoples. Other causes for concern are still present: the pressure on prices in many sectors and markets, making stronger global growth unrealistic; the persistence of financial imbalances, primarily but not exclusively in China; and in addition, the persistent rumour that technological and scientific progress will bring – if this has not already happened – hardship, job losses and new points of reference. Furthermore, nothing and no-one has managed to rein in the advance of irredentist claims which are a reflection of an anxiety which is paradoxical (after all, the world has never been as prosperous as it is today), of frustration and of anger.

Between millennialist thinking and the opportunity for an intellectual, economic and moral renaissance, society's mood is neither stable nor bright. The consequences that these anxieties and frustrations will have on business activity are difficult to predict with any certainty today, except insofar as they have led the owners of capital to lessen their exposure to certain risks and notably to emerging countries, leading to large swings on the currency markets. The bad news is that 2015 will have seen a slowdown in growth in many emerging economies, with a combination of recessionary and inflationary features even appearing in some.

As for the companies and institutions which are Ipsos clients, the quarter was rather uneventful. Most of them are experiencing moderate rates of growth and are pursuing, though not necessarily accelerating, rationalisation plans on the one hand and acquisitions on the other. They are nevertheless continuing, albeit sometimes hesitantly, with the digitalisation of their marketing practices.

It is true that quite a few of them, now global, are also involved in negotiations, even disputes, with national and/or international public bodies seeking to confine and regulate their behaviours.

In this environment, the outlook for Ipsos has barely changed.



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Ipsos has mobilised to implement its New Way programme. Launched in the summer of 2014, its aim is to adjust Ipsos' service offering to meet the new needs of the market and the fresh possibilities offered by science and technology, and thus to re-position the company towards more productive services with greater added value.

Ipsos' "new services" will exceed their commercial objectives in 2015, enabling our company, despite adverse and unexpected developments of its volume of business in several emerging markets, to achieve two major objectives:

- To strengthen its ties with its major clients in new services with high added value;
- To obtain, despite significant additional investment in technology, R&D and expert teams, a strong financial performance, notably with excellent free cash-flow generation and a current operating margin stabilised at 10% of revenue.

**Next publication of full-year 2015 results: 17 February 2016.**

### 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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