



# Ipsos The impact of the Coronavirus epidemic (Covid 19) on activity

**Paris, April 8th, 2020** – During the first 10 weeks of 2020, Ipsos had its best start of the year since 2011. The order book was more than 5% higher and the prospects for winning new contracts were at a particularly elevated level. Only China and a few other Asian markets were at a standstill.

The situation brutally changed around in mid-March in many parts of the world. Obviously, the triggering factor was the confinement which was put in place in the main countries of Europe, in the United States and in other countries, while being only at best relaxed in some Asian countries.

For the month of March as a whole, including the first two weeks, orders were down 40%. If we exclude the first two weeks of the month, the drop is slightly more than 50%. That said, new orders held up better, with declines of around 20% and 25% respectively. The difference comes from a very significant volume of cancellations and postponements.

For an order book in mid-March close to a billion euros, postponements and cancellations represented around 7% of this total, compared to a usual level of less than 2%.

Ipsos' activity is hampered by 3 main factors:

- the difficulties, significant or major as the case may be, that businesses and client institutions encounter;
- the uncertainties and misunderstandings that the situation generates;
- the very direct consequences of confinement which, for essentially technical reasons, has led to the postponement, if not to the cancellation, of many programs whose execution requires direct, personal, physical contact between people, for example researchers and interviewees.

A third of Ipsos' turnover is conducted using "face to face" protocols. Everything that was executed before March 15 - January 15 in China - is done. As of the start of lock down measures, the vast majority of these programs were stopped. Some have already resumed, changing working methods, for example by using telephone or digital survey procedures. Most will not resume until after containment periods and successive restrictive measures end.

Under these conditions, Ipsos indicates:

- that it suspends any estimate of what its activity should be for the whole of 2020;
- that its results for the first quarter of 2020 are lower than the commercial dynamics recorded until the end of the second week of March gave hope for.



## PRESS RELEASE

Ipsos has obviously implemented a series of measures intended to protect its margins, its liquidity and its ability to work with its customers:

- control over the activity of the various markets is reinforced by the transition to a weekly reporting system, which replaces the usual monthly reporting;
- the volume of payroll - which represents almost 80% of Ipsos' fixed costs - is rapidly reduced. Recruitments have been frozen, as well as planned salary increases, whether or not linked to promotions. The main directors and executives of Ipsos, around 700 people, have overwhelmingly agreed to monthly salary reductions of up to 20%. Of course, Ipsos will participate in the various plans implemented in certain countries which result, as far as possible, in maintaining existing jobs. Finally, while the bonuses linked to the performance of 2019 have been paid, the variable remuneration systems relating to 2020 have, for the moment, been put on hold;
- overhead was also the subject of great attention. International travel had been suspended since February 28 for health reasons. All other spending lines, including leases and capital investments, are reduced as quickly and as much as possible. On the other hand, the digitization programs of our offers are preserved;
- it will be proposed to the General Meeting of shareholders, which will probably be held behind closed doors (see below) on May 28, to distribute a dividend of 45 cents per share, i.e., almost 50% less than what had been initially planned.
- share buybacks are suspended.

Ipsos ensures above all the safety, tranquility and health of all those with whom it works and on whom it depends: its employees and contract workers, its customers, its suppliers and partners and the tens of millions of people who are asked each year to give their opinions, express their preferences and describe their wishes or experiences.

Ipsos is confident in its ability to get through the period that has just opened and that will last longer than the time of confinement. For a long time, this pandemic will be a game-changer. It is massive, brutal and universal. It also lived by all, in real time, the first time for a viral attack that is so contagious. As such, it will permeate the functioning of society, the structure of markets and the behaviors, hopes and fears of people. It will force institutions and businesses to work differently. It will also reinforce Ipsos' conviction that information, as long as it is properly produced, analyzed with rigor and communicated with vigor and clarity, is the most essential tool that these same institutions and companies need. In the coming years, markets will be more volatile, and the opportunities to win or lose, and to gain or no longer hold the confidence of our customers / consumers / citizens, will become more strong.

The research industry, and within it Ipsos, are preparing to live up to the challenges that our clients will encounter. The persistence of a large flow of new orders addressed to Ipsos bears witness to this.

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The Chairman and Chief Executive Officer, Didier Truchot and the Group Deputy Chief Executive Officer and Chief Financial Officer, Laurence Stoclet, will answer your questions during a conference call to be held **at 4:00 p.m. today** (Paris Time) for which an invitation was sent to you separately.



## PRESS RELEASE

Our next press release will be published **on April 23 after the close** of the stock market on our turnover for the first quarter of 2020.

### SHAREHOLDERS GENERAL MEETING

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Ipsos SA confirms the holding of the General Meeting of its shareholders on May 28, 2020, at its headquarters at 35, rue du Val de Marne, at 9:30 a.m. However, given the rapid and uncertain evolution of the coronavirus pandemic (Covid-19) which has led public authorities to take strict containment measures to combat its spread, the Board of Directors has decided, on an exceptional basis and pursuant to ordinance n ° 2020-321 of March 25, 2020, that this General Meeting will be held behind closed doors without the physical presence of shareholders and other persons entitled to attend if, on the date of its convocation or its meeting, it is affected by an administrative measure limiting or prohibiting collective gatherings for health reasons.

In this context, the Company invites its shareholders to anticipate now that they will not be able to physically participate in the General Meeting. In this regard, the Autorité des Marchés Financiers reminds shareholders of listed companies that it is possible for them to vote at general meetings without being physically present.

Shareholders are therefore encouraged to participate in the 2020 General Meeting, and to exercise their rights remotely before the General Meeting, that is to say:

- to vote or to give a proxy to the President of the Meeting using the voting form, according to the instructions which will be specified in the notice of meeting;
- to ask written questions, by post or electronically, attaching proof of their status as shareholders so that the questions are taken into account.

If the next General Assembly meeting is held behind closed doors:

- the General Meeting will be broadcast in full - live and deferred - on the Company's website [www.ipsos.com](http://www.ipsos.com), in the "General Meetings" section;
- it will not be possible during the General Assembly Meeting to ask questions or to propose new resolutions.

The procedures for holding the General Assembly could change depending on health and/or legal requirements. Shareholders are called upon to regularly consult the section dedicated to the 2020 General Meeting on the Company's website [www.ipsos.com](http://www.ipsos.com)



## PRESS RELEASE

### ABOUT ISPOS

Ipsos is the third largest market research company in the world, present in 90 markets and employing more than 18,000 people.

Our passionately curious research professionals, analysts and scientists have built unique multi-specialist capabilities that provide true understanding and powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. Our 75 business solutions are based on primary data coming from our surveys, social media monitoring, and qualitative or observational techniques.

“Game Changers” – our tagline – summarizes our ambition to help our 5,000 clients navigate with confidence our world of rapid change.

Founded in France in 1975, Ipsos is listed on the Euronext Paris since July 1, 1999. 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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