

## PRESS RELEASE

Teleperformance steps up its digital integration and expands its portfolio of business service solutions

2022 financial objectives raised

*Digital Day, Santa Clara, California, United States*

Paris, October 17, 2019 – Teleperformance, the worldwide leader in outsourced omnichannel customer experience management, today held its Digital Day for investors in Santa Clara at the heart of Silicon Valley, California. This press release looks at the highlights of the event.

### **A multi-cultural, unique and recognized world leader in its market**

- A presence in 80 countries, with 265 languages spoken by 300,000 employees across more than 400 sites on five continents.
- 850+ clients in a wide variety of verticals, from fast-growing emerging companies to global leaders.
- Expansion and development in new regions, notably Japan and Africa.

### **A “High Tech/High Touch” strategy in support of client needs**

- A dedicated TAP™ (Technology, Analytics, Process) team, made up of 600+ engineers dedicated to digital integration and deployment of RPA (Robot Process Automation) solutions.
- An engaging HR policy for the millennial generation, cutting-edge IT architecture and deployment of the Lean Six Sigma operational discipline.
- A new program of investments in cyber security to cement Teleperformance’s status as a standard of reference in protecting the security of people, data and information systems.

### **A stronger organization to step up the Group’s transformation**

- Appointment of Bhupender Singh, CEO of Teleperformance D.I.B.S., to head up the Group’s transformation across the globe, encompassing its TAP™ technological solutions, R&D, marketing, Lean Six Sigma deployment, IT and information systems security.
- Appointment of Agustin Grisanti as Chief Operating Officer of the Ibero-LATAM and CEMEA regions
- Creation of an expanded Management Committee with 20 experienced members representing various nationalities and incorporating more women.

### **Medium-term (2020-2022) financial objectives raised**

- Revenue of at least €6.5 billion in 2022 at constant scope of consolidation, for average annual like-for-like growth (at constant exchange rates and scope of consolidation) of at least + 7%.
- Revenue of around €7 billion in 2022, including targeted acquisitions in high-value services.
- Average annual increase in EBITA margin of at least + 10 basis points over the period.
- Continued generation of a strong level of net free cash flow.

**Daniel Julien, Teleperformance Chairman and Chief Executive Officer, commented:** “Teleperformance is a global leader in outsourced customer experience management which is transforming to become a key business services provider in high-value integrated digital solutions.

**Our Digital Day is an opportunity** to demonstrate how our transformation is accelerating to meet our clients’ needs more effectively and support the rapid development of their e-business and their digital transformation. The transformation impacts all aspects of our Group, including our portfolio of solutions, our sales approach, our ‘High Tech/High Touch’ execution strategy and our management structure.

**The transformation draws on our unique global presence**, with more than 300,000 employees at more than 400 sites in 80 countries covering 265 languages and dialects and serving more than 850 clients from a very wide range of verticals. It also draws on a proven capacity to deliver profitable growth as seen over the last decade.

**The transformation has reached an important milestone**, with the acquisition of Intelenet in India and subsequent creation of our Digital Integrated Business Service (D.I.B.S.) solutions in 2018 enabling the Group to broaden its service offering and move up market with the creation of a comprehensive range of digital transformation solutions.

**The transformation is now accelerating with the global deployment of digital solutions** (omnichannel offering, TAP™ solutions, predictive models, automation and procedures) across the Group led by a team of 600+ dedicated engineers, setting us apart from our competitors. **New initiatives and a streamlined organization** are in place that will ensure the transformation is successful and make our client services simpler, faster, better, safer and more cost-effective than ever before:

- **Review of the Go-To-Market strategy** based on a three-pronged approach covering “lines of business/specific activities/digitalization”.
- **Ongoing expansion to new regions around the world** that offer strong potential for serving our clients and winning new ones, notably in Japan and through projects to expand operations in Africa over the next two years.
- **Launch of key projects that are part of the ‘High Tech/High Touch’ strategy**, including new investments in information systems security (cyber security) and the deployment of the Lean Six Sigma operational discipline for all Group managers.
- **Strengthening of our management structure**, with the appointment of Bhupender Singh to head up the Group’s global transformation, and reporting directly to me, the appointment of Agustin Grisanti as Chief Operating Officer of the Ibero-LATAM and CEMEA regions, and the creation of an expanded management committee incorporating more women.

*I am convinced that this transformation will secure the future of our success story, which is built on profitable growth, the optimal diversification of business and the client portfolio and a resilient economic model. Backed by our clients, teams and shareholders, we confidently expect to achieve our ambitions and have therefore **raised our financial objectives for 2022**” he added.*

## **MEDIUM-TERM OBJECTIVES (2020-2022)**

Underpinned by a structured global sales approach, a market positioning that is increasingly oriented towards digital transformation solutions, and a reinforced management structure, Teleperformance will look to continue outperforming its market within the next three years. It has raised its objectives for the period and is now targeting revenue of at least €6.5 billion for 2022 at constant scope of consolidation, with average annual like-for-like growth of at least + 7%.

As part of its development strategy to ramp up its service offering, the Group will also be pursuing targeted acquisitions, particularly in specialized services, and expects to generate additional revenue of between €250 million and €500 million over the next three years. Overall, the Group is targeting revenue of around €7 billion in 2022.

The acceleration in the transformation of Teleperformance into a business services group offering integrated digital solutions, combined with its continued strict cost control and selective sales approach, means the Group can confidently look forward to an average increase in EBITA margin of at least + 10 basis points per annum over the 2020-2022 period. It also intends to maintain its current strong level of free cash flow.

## DISCLAIMER

All forward-looking statements are based on Teleperformance management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the "Risk Factors" section of our Registration Document, available at [www.teleperformance.com](http://www.teleperformance.com). Teleperformance undertakes no obligation to publicly update or revise any of these forward-looking statements.

## DOCUMENTATION

The slides and webcast recording for the day will be available in the coming days on the Teleperformance website ([www.teleperformance.com](http://www.teleperformance.com)).

## INVESTOR CALENDAR

Third-quarter 2019 revenue: November 4, 2019  
Full-year 2019 results: February 26, 2020

## ABOUT TELEPERFORMANCE GROUP

Teleperformance (TEP – ISIN: FR0000051807 – Reuters: ROCH.PA – Bloomberg: TEP FP), the global leader in outsourced omnichannel customer experience management, serves as a strategic partner to the world's leading companies in a wide variety of industries. Its customer care, technical support, customer acquisition, consulting & analytics, digital integrated business service solutions and other high-value specialized services ensure consistently positive customer interactions that are reliable, flexible and intelligent. The company has established the highest security and quality standards in the industry and uses proprietary deep learning technology to optimize flexibility on a global scale.

The Group's 300,000 employees, spread across 80 countries, support billions of connections annually in 265 languages and enhance the customer experience with every interaction. In 2018, Teleperformance reported consolidated revenue of €4,441 million (US\$5,256 million, based on €1 = \$1.18).

Teleperformance shares are traded on the Euronext Paris market, Compartment A, and are eligible for the deferred settlement service. They are included in the following indices: CAC Large 60, CAC Next 20, CAC Support Services, STOXX 600, SBF 120, S&P Europe 350 and MSCI Global Standard. They have also been included in the Euronext Vigeo Eurozone 120 index since December 2015 and the FTSE4Good Index since June 2018 with regard to the Group's performance in corporate responsibility.

For more information: [www.teleperformance.com](http://www.teleperformance.com); follow us on Twitter @teleperformance

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*N.B.: the Alternative Performance Measures (APMs) are defined in the Appendix*

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## APPENDICES

### GLOSSARY - ALTERNATIVE PERFORMANCE MEASURES

#### Change in like-for-like revenue:

Change in revenue at constant exchange rates and scope of consolidation = [current year revenue - last year revenue at current year rates - revenue from acquisitions at current year rates] / last year revenue at current year rates.

#### EBITDA before non-recurring items or current EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization):

Operating profit before depreciation & amortization, amortization of intangible assets acquired as part of a business combination, goodwill impairment charges and non-recurring items.

#### EBITA before non-recurring items or current EBITA (Earnings before Interest, Taxes and Amortization):

Operating profit before amortization of intangible assets acquired as part of a business combination, goodwill impairment charges and non-recurring items.

#### Non-recurring items:

Principally comprises restructuring costs, incentive share award plan expense, costs of closure of subsidiary companies, transaction costs for the acquisition of companies, and all other expenses that are unusual by reason of their nature or amount.

#### Net free cash flow:

Cash flow generated by the business - acquisitions of intangible assets and property, plant and equipment net of disposals - financial income/expenses.

#### Net debt:

Current and non-current financial liabilities - cash and cash equivalents

#### Diluted earnings per share (net profit attributable to shareholders divided by the number of diluted shares and adjusted):

Diluted earnings per share is determined by adjusting the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding by the effects of all potentially diluting ordinary shares. These include convertible bonds, stock options and incentive share awards granted to employees when the required performance conditions have been met at the end of the financial year.