PRESS RELEASE

Ipsos 2020: Resilience and Agility

Annual revenue: €1,837.4 million

Renewed organic growth in Q4: +1.4%

Paris, February 24, 2021 - Ipsos posted revenue of €1,837.4 million for the full-year 2020, down 8.3% on 2019.
Revenue fell 6.5% on a like-for-like basis, after accounting for a negative exchange rate effect of 2.5%, primarily due to the weakening of various emerging market currencies and of the US dollar towards the end of the year, and a 0.8% positive effect of changes in the scope of consolidation, from the acquisition of Maritz Mystery Shopping in the US and Askia in France and in the UK.
The extent of this decline in revenue diminished as the year progressed. It was 13.5% at the end of H1, 9.9% at the end of September and ultimately 6.5% at the end of December for the full year 2020, thanks to a positive Q4 of 1.4% organic growth.

CONSOLIDATED REVENUE BY QUARTER

Consolidated revenue (millions of euros)	2020	2019	Total change over the period 2020 / 2019	Organic growth over the period
Q1	428.7	422.1	1.6%	**0%**
Q2	357.3	481.3	(25.8)%	**(25.3)%**
Q3	468.6	499.4	(6.2)%	**(3.3)%**
Q4	582.9	600.5	(3.0)%	**1.4%**
Annual total	**1,837.4**	**2,003.3**	**(8.3)%**	**(6.5)%**

Revenue remained stable in Q1, which saw two strong months in January and February and a poor month in March. It collapsed in Q2 with a 25.3% decline in organic growth, resulting in a 13.5% decline over the first half.
Once more on a like-for-like basis, the decline was only 3.3% in Q3.
Finally, from October to December, organic growth returned to positive at +1.4%. The Q4 performance is noteworthy on at least two levels: firstly, Q4 was the only quarter of 2020 that saw positive growth while, secondly, this growth was compared against Q4 2019 which, in turn, had been very positive with organic growth of 5%.

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Optically, the reported figures are less favorable at current exchange rates. From October to December, revenue fell 3% due to negative exchange rate effects of 5.2%, which were only partially offset by the 0.8% positive effects of the acquisition of Maritz Mystery Shopping and Askia.

PERFORMANCE BY REGION

In millions of euros	2020 revenue	Contribution	Total growth 2020 / 2019	Organic growth
EMEA	860.2	47%	0.1%	**2%**
Americas	663.9	36%	(13.8)%	**(12)%**
Asia Pacific	313.3	17%	(16.2)%	**(14)%**
Annual revenue	**1,837.4**	**100%**	**(8.3)%**	**(6.5)%**

By region, revenue trends continued on the trajectory begun in Q3.

Across the Americas (North and South), revenue was down 15.5% on an organic basis after 6 months and 14.5% after 9 months. The region closed 2020 at -12%, following a 5.6% decline in revenue in Q4 alone. It should be noted that the pace of this improvement is accelerating, particularly in North America, and even in South America, despite the ongoing pandemic in many markets with high levels of restrictions still in place.
This is clearly an illustration of the fact that many businesses and institutions decided, following the period of turmoil in Q2, to acquire at an increasingly sustained rate over the months, data and related services (analysis, interpretation, advisory) that would allow them to better measure and understand the context in which they operate and its impact on their own businesses.

This is also true of the other regions in which Ipsos operates. In Asia-Pacific, revenue picked up as the year progressed. We recorded a like-for-like decline of 19.5% after 6 months and of 17.5% after 9 months. Over 2020 as a whole, the decline was 14%, thanks to a limited decline of 7.3% in Q4. This is the region in which ultimately the market remained weak, partly due to the weight of emerging markets, including India and South East Asian countries. Other countries like Japan, Australia and New Zealand also generated average performances. China and South Korea performed better.

Lastly, the EMEA region offers more promising news. At June 30, the performance in terms of revenue growth was undeniably negative at -9.5%, but already less affected by the pandemic than the corresponding performances in the Americas and Asia-Pacific.

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Like elsewhere, the improvement came in waves. The decline was only 2.5% at end-September following a Q3 of +11%. For the full-year, the EMEA region returned to positive territory. Over the 12-months it posted organic growth of 2%. Q4 outdid the excellent performance in the previous quarter with like-for-like growth of 11.9%, scarcely affected by negative exchange rate effects of 4.6%.

We noted in our last press release on October 22, 2020 when we reported on Q3 that our performance, which was already strong that quarter, would be maintained "even if the prospect of double-digit organic growth remains an ambitious target". The ambition has been unquestionably achieved. There is no secret to these excellent results: a strong performance by our operations in Eastern Europe and in Turkey, which represent the emerging markets within the region, and in many Western European countries, particularly the UK and France, thanks to the delivery of major contracts put in place with the health authorities to measure and understand the evolution of the pandemic and its impact on Society and on people.

Overall in 2020, Ipsos generated €1,349.6 million in mature markets, down 2.5% on 2019. These markets account for 73% of total revenue. In emerging markets, Ipsos posted revenue of €487.9 million, down 15% year-on-year. Emerging markets, which accounted for up to 35% of revenue in 2014, only accounted for 27% in 2020 due to more volatile growth rates and weakening exchange rates against the euro.

PERFORMANCE BY AUDIENCE

In millions of euros	2020 revenue	Contribution	Total growth 2020 / 2019	Organic growth
Consumers[1]	765.2	42%	(15.2)%	**(12.5)%**
Clients and employees[2]	407.7	22%	(20.9)%	**(21)%**
Citizens[3]	356.5	19%	27.7%	**29.5%**
Doctors and patients[4]	318.0	17%	1.3%	**4%**
Annual revenue	**1,837.4**	**100%**	**(8.3)%**	**(6.5)%**

Breakdown of Service Lines by audience segment:
1- Brand Health Tracking, Creative Excellence, Innovation, Ipsos UU, Ipsos MMA, Market Strategy & Understanding, Observer (excl. public sector), Social Intelligence Analytics
2- Automotive & Mobility Development, Audience Measurement, Customer Experience, Channel Performance (including Retail Performance and Mystery Shopping), Media development
3- Public Affairs, Corporate Reputation
4- Pharma (quantitative and qualitative)

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By audience, the changes were also positive over the year. A steady improvement in revenue can be seen across all audiences.

“Consumers”, which accounts for 42% of revenue, was down 19% on an organic basis at June 30. It stood at 17% at September 30 and 12.5% at December 31.

“Clients and employees” accounts for 22% of revenue. Here improvement was slower. Revenue was down 21% on an organic basis at June 30 and 22.5% at September 30. The decline stood at 21% at December 31. The weight of certain sectors that are heavily impacted by the Covid-19 pandemic continues to be heavy. Car manufacturers, airlines and hotel chains, amongst others, are the losers in 2020. Ipsos is suffering the consequence effecting this segment.

“Doctors and patients” accounted for 17% of revenue in 2020 and is growing rapidly. Ipsos revenue on an organic basis was down 5.5% at June 30. It returned to positive territory in Q3, at +1%, closing the year at +4%. Pharmaceutical companies represent the main clientele in this segment. Following a very sharp fall-off in their orders at the start of the pandemic, they reassessed their needs and initiated many research studies, both related and unrelated to the epidemic.

Finally, “Citizens” performed well throughout the year. In 2020, it accounted for 19% of revenue, 6 points more than in 2019.
Of the total contracts dedicated to this audience, organic growth was 11.5% at end of June, 27% at end of September and 29.5% at end of December.

Ipsos benefited in this segment from the belief expressed for many years now that social research and studies on the state and evolution of public opinion represents a serious long-term project that calls for specific capabilities and expertise not only within the teams but also in terms of the sourcing and analysis of information that Ipsos is one of the few global players in the market to possess.

This expertise is clearly highly complementary with that employed for other “audiences”. It is the same people who are being surveyed, in turn or at the same time, citizens / consumers / clients / patients, even if the means and protocols used differ across audiences. There are inter-connections here that Ipsos is able to identify and understand.

FINANCIAL PERFORMANCE

Summary income statement

In millions of euros	2020	2019	Change 2020 / 2019
Revenue	**1,837.4**	**2,003.3**	**(8.3)%**
Gross margin	1,180.5	1,288.5	(8.4)%
Gross margin / revenue	**64.2%**	**64.3%**	**-**
Operating margin	189.9	198.7	(4.5)%
Operating margin / revenue	**10.3%**	**9.9%**	**-**
Other non-recurring income and expense	(6.1)	(16.4)	-
Finance costs	(20.6)	(26.6)	(22.8)%
Other finance costs	(8.1)	(7.3)	11.0%
Income tax	(38.9)	(36.9)	5.5%
Net profit attributable to owners of the parent	109.5	104.8	4.5%
Adjusted net profit* attributable to owners of the parent	**129.6**	**129.5**	**0.1%**

**Adjusted net profit is calculated before (i) non-cash items related to IFRS 2 (share-based compensation), (ii) amortization of acquisition-related intangible assets (client relations), (iii) the impact net of tax of other non-recurring income and expense, (iv) the non-monetary impact of changes in puts in other financial income and expenses and (v) deferred tax liabilities related to goodwill for which amortization is deductible in some countries*

Commentary on the income statement

Overall, the Group's 2020 **profitability** was up close to 40 basis points year-on-year, with an operating margin of 10.3% compared with 9.9% in 2019.

This performance is all the more remarkable in that at mid-year it was down 230 basis points as a result of the sudden fall in revenue from mid-March. The suddenness of this fall meant that we were not able to cut our costs to the same extent in the first half because they are partly fixed and were scaled for the growth expected up to that point for 2020.

The various cost reduction measures put in place made it possible to make up for this reduced margin in the second half, all the more so in that the pandemic accentuated the seasonality effect, with 43% of annual revenue recognized in the first half and 57% in the second half.
It should be recalled that the market research space has traditionally been highly seasonal with revenue skewed to the second half as contracts are performed. Accordingly, the revenue recognized in the first half typically represents - using the average from recent years - around 45% of annual revenue (on a like-for-like basis). Conversely, in terms of operating expenses, costs are recognized in the income statement in almost a linear pattern over the year.

The company achieved and even exceeded the plan for €109 million in cost reductions announced in July over full-year 2020 (including approximately €42 million in payroll – plus €29 million in government subsidies - and approximately €38 million in overheads). Overall, €113 million was saved, including €46 million in the first half and €67 million in the second half.
By category, these savings came from costs of personnel (€43 million), government subsidies (€29 million) and general operating expenses (€41 million).

The gross margin (calculated by deducting direct variable and external costs incurred in performing contracts from revenue) is stable at 64.2% compared with 64.3% in 2019. On a like-for-like basis, it would have been exactly 64.3%.

The evolution of the gross margin ratio is to be linked to the mix of data collection modes, bearing in mind that some face-to-face survey sites (with lower gross margin rates), which were shut down during the first lockdown, were replaced in some cases by online surveys with higher gross margins. That said, the most important contracts for monitoring the evolution of the pandemic were carried out by the "Public Affairs" teams in a certain number of countries, face to face. In total in 2020, online surveys represent 60% of the activity compared to 55% in 2019.

Regarding operating costs, **payroll** is down 4.4%, due to the combined effects of a reduction in the workforce and various wage reduction mechanisms.
The permanent workforce was 16,644 people at the end of December 2020 compared to 18,448 at the end of December 2019, i.e. a drop of 9.8% which occurred from the

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second quarter onwards, due to the implementation of the hiring and replacement freeze.

The wage reduction mechanisms (simple voluntary and temporary wage reductions agreed to by a certain number of employees, ranging from 10% to 20% for senior managers; reduction of working hours; unpaid leave; etc.) represented savings of around 17 million Euros between mid-March and the end of the year.

The item "Staff costs - excluding share-based compensation" also recognizes a provision for bonuses to be paid for the 2020 financial year which is higher than that of 2019 by around 20 million Euros, for two reasons: on the one hand, the Group achieved a better operating margin than in 2019 and, on the other hand, it is planned to offset the voluntary wage reductions (granted without reduction of hours worked) for approximately €9 million.

The cost of **variable share-based compensation** is up to €8.7 million compared to €6.9 million in 2019 because the transition of the vesting period for free share plans from 2 to 3 years, decided in 2018, had the effect of extending the IFRS2 charge. On a normalized basis, this expense will be slightly more than €10 million in 2021.

Overheads are under control and are down by approximately €45 million (-20.7%), due to the limitation of a number of discretionary expenditure items and, in particular, with the cessation of travel (for €21 million) and savings in relation to the use of offices (for €7 million).

"**Other operating income and expenses**" shows a positive balance of €16.4 million (compared to -€1 million in 2019). It essentially incorporates two new elements to be linked to the pandemic: on the one hand, subsidies received under the short-time working schemes set up by the governments of certain countries (Germany, Australia, Canada, China, France and Hong Kong in particular) in the amount of €29 million over the year; on the other hand, redundancy costs specifically linked to the under-activity for €7 million.

Below the operating margin, **the amortization of intangible assets** related to acquisitions concerns the portion of goodwill allocated to customer relations during the 12 months following the date of acquisition and was amortized in the income statement under IFRS over several years. This allocation amounts to €5.4 million compared to 5.2 million previously.

The balance of **other non-current and non-recurring income and expenses** amounted to -€6.2 million compared to -€16.4 million last year. It takes into account elements of an unusual nature or not related to operations.

In 2019, these expenses included acquisition costs for €2.4 million as well as costs related to restructuring plans for €7.9 million in connection with the end of the

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implementation of the TUP ("Total Understanding Project") program and the integration of GfK Research.

In 2020, these expenses included acquisition costs of €0.8 million related to the Maritz Mystery Shopping and Askia operations carried out at the end of January and, above all, reorganization and streamlining costs of €14.3 million compared with €24.6 million in 2019, which was impacted by numerous internal reorganizations with the implementation of the new TUP structure.

On the income side, this item mainly recorded a net income of €8.9 million linked to the decision to capitalize internal development costs since January 2018 (this net income was €11.8 million in 2019). It should be noted that until now, the Group only capitalized external development costs when the conditions defined in its accounting policies were met. Following the improvement of its internal monitoring system, Ipsos has been able to capitalize its internal development costs, which are made up of the personnel costs of its teams working on its platforms and projects, under the same conditions. This decision has enabled a better understanding of the total costs of the Research & Development efforts undertaken by Ipsos. It resulted in a change in accounting estimates of amounts that are now capitalized. In accordance with IAS 8, the prospective method has been applied as from January 1, 2018 to recognize these impacts in the income statement. In order to avoid distorting the operating margin due to the recognition of a capitalization income not offset by depreciation during the first years of implementation of this change in accounting estimates, the positive effects on operating profit of this first period of recognition of intangible assets have been classified under "Other non-current and non-recurring expenses and income", below the operating margin. It was decided in 2018 that the same treatment would be applied over the next four years, with a positive effect on the income statement that would decrease each year until the implementation of capitalization reaches cruising speed in 2022, taking into account a general depreciation period of five years for this type of asset.

Financing expenses. The net interest expense amounted to €20.6 million compared with €26.6 million, due not only to a significant reduction in financial debt in connection with good cash generation, but also to the repayment at the end of September of a tranche of a USD 185 million "USPP" private bond issue that carried a 5% coupon and was replaced by financing at lower rates.

Taxes. The effective tax rate on the IFRS income statement was 26.1% compared to 25.9% last year. It includes a deferred tax liability of €3.5 million, which cancels out the tax savings achieved through the tax deductibility of goodwill amortization in certain countries, even though this deferred tax expense would only be due in the event of the disposal of the activities concerned (and is therefore restated in adjusted net profit).

Net Income, Group share, was €109.5 million compared to €104.8 million in 2019, an increase of 4.5%.

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Adjusted net Income, Group share, which is the relevant and constant indicator used to measure performance, was €129.6 million compared to €129.5 million in 2019, i.e. an increase of 0.1%. The group will therefore have achieved its objective of preserving its margins despite the pandemic.

Financial structure

Cash flow. Cash flow was stable and stood at €262.1 million compared to 266.4 million in 2019.

In contrast, the generation of free cash flow, at €265 million, reached a record. It was in line with forecasts for the first quarter, due to the good level of sales at the end of 2019 and the beginning of 2020, which materialized in collections during the first half of the year.

This was combined with the decline in business after mid-March, which was accompanied by a €79 million decrease in trade receivables at December 31, 2020. In total, working capital requirement showed a positive change of €134.6 million in 2020.

Current investments in tangible and intangible fixed assets are mainly made up of IT investments and amounted to €35.1 million in the first half, compared with €43.2 million in the previous year.

As regards non-current investments, Ipsos invested around €22 million, notably through two acquisitions: Maritz Mystery Shopping and Askia. These two companies were included in the consolidated financial statements as of February 1, 2020.

Shareholders' equity stood at €1,121 million at December 31, 2020 compared to 1,122 million published at December 31, 2019.

Net financial debt stood at €346.5 million Euros, down significantly compared to December 31, 2019 (€578.4 million). The net debt ratio fell to 30.9% compared with 51.5% at December 31, 2019. The leverage ratio (calculated excluding the impact of IFRS 16) was 1.6 times EBITDA (compared with 2.4 times at December 31, 2019); this type of level had not been achieved since 2010.

Cash position. Cash and cash equivalents at the end of the year stood at a record level of €216.0 million at December 31, 2020 compared with €165.4 million at December 31, 2019, ensuring a good cash position for Ipsos.

The group also has more than €400 million of credit lines available for more than one year, allowing it to meet its debt maturities of 2021.

In view of this strong position, a proposal will be made to the General Meeting of Shareholders to be held on May 27, 2021 to distribute a **dividend of 90 cents per share** for the 2020 financial year, i.e. double the 45-cent dividend paid on July 3, 2020

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for the 2019 financial year (which had been halved compared to the 89 cents per share initially envisaged in February 2020).

OUTLOOK FOR 2021

For Ipsos, the opening months of 2021 were in line with the closing months of 2020.

Average business performance is positive, both in terms of the order book and revenue, even if these indicators show very mixed performances across regions, audiences and business sectors.

The pandemic isn't over. The short and long-term consequences of this crisis on Society and markets are the subject of much debate.

Who knows if we will see renewed inflationary pressures, resulting in significantly higher interest rates or if, on the contrary, by saving, households and perhaps businesses too will leave governments on their own to try and prevent a major social, economic and financial crisis.

Who knows if, as it mutates, Covid-19 won't become Covid-20 and once more disrupt our ability to work, consume and invest with sufficient energy and confidence.

Who knows if, in response to being considered weak, governments won't look to employ authoritarian practices that will cripple the ideals that in the West at least gave rise to opportunities without which the technology and social models - that underpin the relative global prosperity as it is - could never have developed.

We must also be mindful of other major issues, such as environmental degradation, climate change and the undermining of privacy mechanisms when assessing the position of Ipsos in the creation, analysis and distribution of information.

The environment creates increasingly strong growth opportunities for Ipsos. Our target market is clearly essential. No business or institution can any longer rely on what it knew about yesterday. Clearly, knowledge and experience drawn from the past are useful but are not enough. The products and services of the future share little with today's. The means of engaging with and influencing people are different to what they were five years ago and perhaps even to last year.

In 2020, Ipsos showed resilience and agility. We are delighted to have been able, within a few short months, to once again achieve strong revenue levels and to tighten our belts, without impacting efficiency and quality.
The company also generated an unprecedented level of cash, which underpins our ability to invest and properly reward our shareholders and our teams.

We are proud to have managed to improve our relationship with our clients, which have never been so numerous, to set ourselves apart from our competitors and recognize the quality of our services. In the ongoing global survey we do following each project we deliver, the average rating received by our teams is 9 out of 10. This is the highest average ever thanks, obviously, to a higher proportion of 9s and 10s than all the other ratings from 0 (never happens) to 8 (pretty common). Let's not forget that these ratings reflect the quality of the work undertaken by our teams working in 90 different markets, with 5,000 clients entrusting us with tens of thousands of programs, some of which are billed €10,000 whilst others are billed millions of euros. This performance is a demonstration of the resilience of Ipsos and of its ability to perform well in the most volatile and, to be honest, challenging market environments.

Clearly, just being resilient isn't enough. Ipsos is a serious, integrated company that is respectful of the markets in which it operates, committed to an ambitious sustainable development policy, making progress on its inclusion, diversity and gender equality goals.
Ipsos wants to maintain its independence and its ability to operate over a time horizon that day-by-day allows it to build a company that retains the confidence of its customers and is able to attract both fresh talent and new opportunities.

Agility is the other essential ingredient in achieving this goal. In 2020, Ipsos was able, within just a few months, to overhaul its solutions and promote new offerings that were made possible by drawing on technology and systems in which it didn't have the necessary expertise a mere two years ago.

In 2021, and over the coming years, Ipsos will actively promote various platforms that make it possible to produce and analyze with greater speed and flexibility large quantities of data.

Various initiatives will allow Ipsos to quickly acquire or accelerate its growth in new areas of expertise: automatic data collection, data integration, predictive analytics, simplification of protocols that allow for increased use of AI and contextual analytical systems for unstructured data.

Thanks to this, new services will easily exceed 20% of revenue at Ipsos in 2021, as against 7% in 2015, 15% in 2019 and 19% in 2020.

If the health picture doesn't see a further major deterioration globally, Ipsos should be able to post higher like-for-like revenue in 2021 than in 2020. It should be around 2019 levels, without it being possible to give a more accurate prediction at this point.

The operating margin will rise. The extent of its improvement will obviously depend on the company's revenue levels and also a renewed balance across its units (regions and audiences).

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Full-year results presentation

The presentation of the 2020 annual results will take place via webcast at 8.30AM CET on Thursday, February 25, and at 4PM CET via conference call.
If you wish to register, please contact ipsoscommunications@ipsos.com

A replay will also be available on our website

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Appendices

- Consolidated income statement
- Statement of financial position
- Consolidated cash flow statement
- Consolidated statements of changes in equity

The complete consolidated financial statements as of December, 31st 2020 are also available on our website

ABOUT IPSOS

Ipsos is the third largest market research company globally, operating in 90 markets and employing over 16,000 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 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 rapidly changing world.

Founded in France in 1975, Ipsos has been listed on the Euronext Paris since July 1, 1999. The company is part of the SBF 120 and the Mid-60 indexes and is eligible for the Deferred Settlement Service (SRD).
ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP www.ipsos.com

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Consolidated income statement
Annual financial statements for the year ended December 31, 2020

In thousands of euros	12/31/2020	12/31/2019
Revenue	1,837,424	2,003,255
Direct costs	(656,902)	(714,791)
Gross profit	**1,180,522**	**1,288,464**
Employee benefit expenses – excluding share-based payments	(824,709)	(862,948)
Employee benefit expenses - share-based payments*	(8,730)	(6,924)
General operating expenses	(173,639)	(218,902)
Other operating income and expenses	16,408	(995)
Operating margin	**189,852**	**198,696**
Amortization of intangible assets identified on acquisitions*	(5,409)	(5,160)
Other non-operating income and expenses *	(6,153)	(16,381)
Share of profit/(loss) of associates	(711)	(615)
Operating profit	**177,579**	**176,539**
Finance costs	(20,576)	(26,637)
Other financial income and expenses	(8,131)	(7,328)
Net profit before tax	**148,872**	**142,574**
Income tax – excluding deferred tax on goodwill amortization	(35,462)	(34,539)
Deferred tax on goodwill amortization*	(3,457)	(2,339)
Income tax	**(38,919)**	**(36,878)**
Net profit	**109,953**	**105,695**
Attributable to the owners of the parent	109,498	104,785
Attributable to non-controlling interests	455	910
Basic earnings per share [attributable to the owners of the parent] (in €)	2.49	2.39
Diluted earnings per share [attributable to the owners of the parent] (in €)	2.43	2.32

Adjusted earnings*	**130,166**	**130,719**
Attributable to the owners of the parent	**129,612**	**129,519**
Attributable to non-controlling interests	**554**	**1,200**
Adjusted basic earnings per share, attributable to the owners of the parent	2.94	2.95
Adjusted diluted earnings per share, attributable to the owners of the parent	2.88	2.87

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Statement of financial position

Annual financial statements for the year ended December 31, 2020

In thousands of euros	12/31/2020	12/31/2019
ASSETS		
Goodwill	1,249,331	1,322,906
Right-of-use assets	125,270	152,646
Other intangible assets	88,849	89,076
Property, plant and equipment	30,953	39,753
Investments in associates	1,856	1,114
Other non-current financial assets	51,139	44,766
Deferred tax assets	28,839	25,300
Non-current assets	**1,576,238**	**1,675,561**
Trade receivables	456,113	518,697
Contract assets	136,365	203,094
Current tax	12,511	14,833
Other current assets	76,089	92,846
Financial derivatives	404	(1,094)
Cash and cash equivalents	215,951	165,436
Current assets	**897,433**	**993,812**
TOTAL ASSETS	**2,473,670**	**2,669,372**

In thousands of euros	12/31/2020	12/31/2019
EQUITY AND LIABILITIES		
Share capital	11,109	11,109
Share premium account	515,854	516,000
Treasury shares	(9,738)	(12,382)
Other reserves	662,277	580,314
Translation adjustments	(185,192)	(96,352)
Net profit, attributable to the owners of the parent	109,498	104,785
Equity, attributable to the owners of the parent	**1,103,809**	**1,103,475**
Non-controlling interests	18,157	19,247
Equity	**1,121,966**	**1,122,722**
Borrowings and other non-current financial liabilities	393,654	561,490
Non-current lease liabilities	107,250	133,112
Non-current provisions	1,743	762
Provisions for post-employment benefit obligations	32,862	33,058
Deferred tax liabilities	60,503	72,196
Other non-current liabilities	23,660	14,980
Non-current liabilities	**619,673**	**815,599**
Trade payables	292,382	300,681
Borrowings and other current financial liabilities	169,250	181,229
Current liabilities on leases	36,913	41,971
Current tax	22,239	16,273
Current provisions	7,073	9,025
Contract liabilities	39,513	34,594
Other current liabilities	164,661	147,278
Current liabilities	**732,031**	**731,051**
TOTAL LIABILITIES	**2,473,670**	**2,669,372**

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Consolidated cash flow statement

Annual financial statements for the year ended December 31, 2020

In thousands of euros	12/31/2020	12/31/2019
OPERATING ACTIVITIES		
NET PROFIT	**109,953**	**105,695**
Non-cash items		
Amortisation and depreciation of property, plant and equipment and intangible assets	78,232	75,199
Net profit of equity-accounted companies, net of dividends received	711	636
Losses/(gains) on asset disposals	152	323
Net change in provisions	1,642	5,889
Share-based payment expense	8,458	6,604
Other non-cash income/(expenses)	(1,669)	1,028
Acquisition costs of consolidated companies	770	2,383
Finance costs	24,918	31,750
Tax expense	38,919	36,878
CASH FLOW FROM OPERATIONS BEFORE TAX AND FINANCE COSTS	**262,085**	**266,386**
Change in working capital requirement	134,594	(52,676)
Income tax paid	(27,761)	(35,854)
NET CASH FROM OPERATING ACTIVITIES	**368,919**	**177,855**
INVESTING ACTIVITIES		
Acquisitions of property, plant and equipment and intangible assets	(35,069)	(43,232)
Proceeds from disposals of property, plant and equipment and intangible assets	285	81
(Increase)/decrease in financial assets	(713)	3,187
Acquisitions of consolidated activities and companies, net of acquired cash	(13,230)	(5,435)
CASH FLOW FROM INVESTING ACTIVITIES	**(48,727)**	**(45,400)**
FINANCING ACTIVITIES		
Share capital increases/(reductions)	-	-
Net (purchases)/ sales of treasury shares	2,542	1,324
Increase in long-term borrowings	78,406	62
Decrease in long-term borrowings	(245,176)	(5,160)
Increase in long-term borrowings from associates	(8,841)	(12,284)
Increase/(decrease) in bank overdrafts	464	(1,467)
Net repayment of lease liabilities	(41,671)	(40,231)
Net interest paid	(22,164)	(25,367)
Net interest paid on lease obligations	(4,455)	(4,508)
Acquisitions of non-controlling interests	(164)	(10,935)
Dividends paid to the owners of the parent	(19,771)	(38,649)
Dividends paid to non-controlling interests in consolidated companies		-
NET CASH FROM FINANCING ACTIVITIES	**(260,469)**	**(137,215)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**59,722**	**(4,760)**
Impact of foreign exchange rate movements	(9,207)	(2,362)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**165,436**	**167,834**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**215,951**	**165,436**

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Consolidated statement of changes in equity
Annual financial statements for the year ended December 31, 2020

In thousands of euros	Share capital	Additional paid-in capital	Own shares	Other reserves	Translation adjustments	Equity: Attributable to the owners of the parent	Equity: Non-controlling interests	Equity: Total
Position at January 1, 2019	**11,109**	**516,038**	**(22,723)**	**633,697**	**(121,475)**	**1,016,646**	**18,314**	**1,034,960**
Impact of the first-time application of IFRS 15	-	-	-	(9,488)	-	(9,488)	(44)	**(9,532)**
Change in share capital	-	-	-	-	-	-	-	**-**
Dividends paid	-	-	-	(38,327)	-	(38,327)	0	**(38,327)**
Effects of acquisitions and commitments to buy out non-controlling interests	-	-	-	105	-	105	73	**177**
Delivery of treasury shares under the bonus share plan	-	-	9,162	(9,162)	-	-	-	**-**
Other movements on own shares	-	(38)	1,179	181	-	1,322	-	**1,322**
Share-based payments taken directly to equity	-	-	-	6,604	-	6,604	-	**6,604**
Other movements	-	-	-	(1,970)	-	(1,970)	(357)	**(2,327)**
Transactions with the shareholders	**-**	**(38)**	**10,341**	**(42,569)**	**-**	**(32,266)**	**(285)**	**(32,551)**
Net profit	**-**	**-**	**-**	**104,785**	**-**	**104,785**	**911**	**105,695**
Other comprehensive income	-	-	-	-	-	-	-	**-**
Net investment in a foreign operation and related hedges	-	-	-	-	*15,610*	*15,610*	(69)	**15,541**
Deferred tax on net investment in a foreign operation	-	-	-	-	*(4,267)*	*(4,267)*	-	**(4,267)**
Change in translation adjustments	-	-	-	-	*13,781*	*13,781*	419	**14,200**
Re-evaluation of net liability (asset) in respect of defined benefit plans	-	-	-	*(1,710)*	-	*(1,710)*	-	**(1,710)**
Deferred tax on actuarial gains and losses	-	-	-	*385*	-	*385*	-	**385**
Total other comprehensive income	**-**	**-**	**-**	**(1,325)**	**25,124**	**23,799**	**350**	**24,149**
Comprehensive income	**-**	**-**	**-**	**103,460**	**25,124**	**128,584**	**1,261**	**129,844**
Position at December 31, 2019	**11,109**	**516,000**	**(12,382)**	**685,100**	**(96,352)**	**1,103,475**	**19,247**	**1,122,722**

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GAME CHANGERS

PRESS RELEASE

In thousands of euros	Share capital	Additional paid-in capital	Own shares	Other reserves	Translation adjustments	Equity Attributable to the owners of the parent	Non-controlling interests	Total
Position at January 1, 2020	**11,109**	**516,000**	**(12,382)**	**685,100**	**(96,352)**	**1,103,475**	**19,247**	**1,122,722**
Change in share capital	-	-	-	-	-	-	-	**-**
Dividends paid	-	-	-	(19,771)	-	(19,771)	(15)	**(19,786)**
Effects of acquisitions and commitments to buy out non-controlling interests	-	-	-	(8,443)	-	(8,443)	(705)	**(9,148)**
Delivery of treasury shares under the bonus share plan	-	-	-	-	-	-	-	**-**
Other movements in own shares	-	(146)	2 638	50	-	2,542	-	**2,542**
Share-based payments taken directly to equity	-	-	-	8,458	-	8,458	-	**8,458**
Other movements	-	-	-	(3,089)	-	(3,089)	166	**(2,923)**
Transactions with the shareholders	**-**	**(146)**	**2,638**	**(22,796)**	**-**	**(20,304)**	**(554)**	**(20,858)**
Net profit	**-**	**-**	**-**	**109,498**	**-**	**109,498**	**455**	**109,953**
Other comprehensive income	-	-	-	-	-	-	-	**-**
Net investment in a foreign operation and related hedges	-	-	-	-	*(32,412)*	*(32,412)*	440	**(31,971)**
Deferred tax on net investment in a foreign operation	-	-	-	-	*8,699*	*8,699*	-	**8,699**
Change in translation adjustments	-	-	-	-	*(65,419)*	*(65,119)*	(1,432)	**(66,551)**
Re-evaluation of net liability (asset) in respect of defined benefit plans	-	-	-	*(203)*		*(203)*	-	**(203)**
Deferred tax on actuarial gains and losses	-	-	-	*175*	-	*175*	-	**175**
Total other comprehensive income	**-**	**-**	**-**	**(28)**	**(88,832)**	**(88,860)**	**(992)**	**(89,852)**
Comprehensive income	**-**	**-**	**-**	**109,470**	**(88,832)**	**20,638**	**(536)**	**20,101**
Position at December 31, 2020	**11,109**	**515,854**	**(9,738)**	**771,776**	**(185,192)**	**1,103,809**	**18,157**	**1,121,966**

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