



## **Information and revenues for 3<sup>rd</sup> Quarter 2007**

- **Strong increase in revenues: +24.8%**
- **Sustained organic growth: +11.1%**

Paris, November 5, 2007

### **1. Revenues**

#### **A/ 3<sup>rd</sup> Quarter 2007 Revenues**

The Teleperformance Group's consolidated revenues for the 3<sup>rd</sup> quarter of 2007 amounted to **€365.1 million** versus €292.4 million last year at the same period, an increase of **+24.8% based on published data**.

**After deduction of the foreign exchange effects**, the Group's revenues increased by **+28.9%**.

**Excluding foreign exchange and scope of consolidation effects**, the Group achieved a **+11.1% organic growth rate** in the 3<sup>rd</sup> quarter of 2007.

#### **B/ Revenues over the first 9 months of the financial year 2007**

The Teleperformance Group's consolidated revenues achieved over the first nine months of the financial year 2007 were **€1,103.5 million** versus €988.8 million last year at the same period, increasing by **+11.6% based on published data**.

**After deduction of the foreign exchange effects**, the Group's revenues increased by **15.1%**.

**Excluding foreign exchange and scope of consolidation effects**, the Group achieved a **+7.7% organic growth rate** over the first nine months of the financial year 2007.



## Distribution of Revenues per Region

(in millions of Euros)	2007	2006	Growth (in %)	
			Based on published data	On a comparable basis**
<b>1<sup>st</sup> Quarter</b>				
Europe	168.8	156.0	+8.2	+7.5
NAFTA*	127.5	137.6	-7.3	+7.1
Other	40.0	40.1	-0.3	+4.7
<b>Total</b>	<b>336.3</b>	<b>333.7</b>	<b>+0.8</b>	<b>+7.0</b>
<b>2<sup>nd</sup> Quarter</b>				
Europe	220.6	175.9	+25.4	+5.6
NAFTA*	137.0	143.6	-4.6	+5.5
Other	44.5	43.2	+3.1	+2.3
<b>Total</b>	<b>402.1</b>	<b>362.7</b>	<b>+10.9</b>	<b>+5.2</b>
<b>3<sup>rd</sup> Quarter</b>				
Europe	181.4	128.1	+41.6	+9.4
NAFTA*	153.4	135.4	+13.3	+15.2
Other	30.3	28.9	4.8	+0.9
<b>Total</b>	<b>365.1</b>	<b>292.4</b>	<b>+24.8</b>	<b>+11.1</b>
<b>At September 30</b>				
Europe	570.8	460.0	+24.1	+7.4
NAFTA*	417.9	416.6	+0.3	+9.4
Other	114.8	112.2	+2.3	+2.8
<b>Total</b>	<b>1,103.5</b>	<b>988.8</b>	<b>+11.6</b>	<b>+7.7</b>

\* North America and Mexico

\*\* Excluding foreign exchange and scope of consolidation effects

## Distribution of Revenues per Activity

(in %)	2007	2006
<b>At March 31</b>		
Inbound	68	66
Outbound	27	28
Other*	5	6
<b>Total</b>	<b>100</b>	<b>100</b>
<b>At June 30</b>		
Inbound	69	66
Outbound	27	28
Other*	4	6
<b>Total</b>	<b>100</b>	<b>100</b>
<b>At September 30</b>		
Inbound	70	66
Outbound	26	28
Other*	4	6
<b>Total</b>	<b>100</b>	<b>100</b>

\* Mainly market research and training operations



The **Inbound** activity increased by 4 percent and now stands for 70% of the Group's total revenues versus 66% at September 30, 2006, at the expense of Outbound operations (-2%) and other activities (-2%).

Revenues from Inbound activities strongly increased as a result of Inbound-oriented company acquisitions completed over the last 12 months and as a result of the sale of our market research operations in Europe during the second semester of 2006.

## 2. Business evolution

### 2.1 - 3<sup>rd</sup> Quarter 2007 Activity

To assess the Teleperformance Group's activity over the 3<sup>rd</sup> quarter of 2007, the following factors must be taken into consideration:

#### A/ Foreign exchange effects

**The negative impact** of foreign exchange effects mainly results from the rise of the Euro against the U.S. Dollar.

This impact amounted to **€11.9 million** in the 3<sup>rd</sup> quarter 2007 and reached **€35 million over the first nine months of the financial year 2007**.

#### B/ Scope of consolidation effects

The main transactions impacting the scope of consolidation and activity of the Group over the first nine months of 2007 are as follows:

##### - Transactions completed in 2006

###### Europe:

- Acquisition of the **SCMG** group in **Switzerland**, which was consolidated as of December 1, 2006, enabling us to strengthen our position in this region of Europe;
- Sale of European **market research operations** during the 2<sup>nd</sup> semester 2006 in **France, Italy** and **Germany**;

##### - Transactions completed over the first 9 months of the financial year 2007

###### Europe:

- Acquisition of 100% interest in the German group **Twenty4help Knowledge Service AG**, which was consolidated as of April 1, 2007.
- Acquisition of 62% interest in the French company **The Phone House Services Telecom**, which was consolidated as of May 1, 2007.

###### In the NAFTA region:

- Sale of the US company **Noble Systems Corp.**, which was deconsolidated as of January 1, 2007.
- Acquisition of the US company **Alliance One**, which was consolidated as of August 1, 2007.



Changes in the Group's scope of consolidation resulted in:

- A **positive impact of €46.9 million** over the **3<sup>rd</sup> quarter 2007**, including **€38.4 million in Europe and €8.5 million in the NAFTA region.**

After adjusting the scope of consolidation effects and on a comparable basis, the Group's revenues for the 3<sup>rd</sup> quarter of 2006 amounted to €339.3 million.

- A **net positive impact of €68.8 million** over the **first nine months of the financial year 2007**. It may be split as follows:

**+71.8 million in Europe and**

**- 3.0 million in the NAFTA region.**

After adjusting the scope of consolidation effects and on a comparable basis, the Group's revenues over the first nine months of the year 2006 amounted to €1,057.6 million.

### **C/ Base effect**

It has to be also noted that the Group achieved a strong organic growth rate in the 3<sup>rd</sup> quarter of 2007, which was higher than 11% and very close to that of last year at the same period (+11.5%).

## **2.2 - Outlook**

**The strong activity experienced by Teleperformance over the 3<sup>rd</sup> quarter of 2007 was in line with the annual objectives** the management team had revised upwards when publishing the Group's half-year financial statements.

During the **financial meeting which will take place on November 21, 2007**, Teleperformance will provide a detailed presentation of its objectives for 2007, as well as its outlook for 2008.

## **3. Key transactions and events during the last quarter**

The major events which occurred in the 3<sup>rd</sup> quarter 2007 and impacted the Group's business and financial situation were as follows:

### **3.1 Acquisition of a leading Accounts Receivable Management company in the United States**

On **August 1, 2007** Teleperformance proceeded with a **cash acquisition**, through its subsidiary TP USA, of 100% of the share capital of **Alliance One**, a **leading US Accounts Receivable Management company**.

Alliance One is headquartered in Minneapolis, Minnesota. The company's 2006 revenues were in excess of US\$ 115,000,000 and it operates with 2,200 workstations in 12 contact centers in the US, Canada, and Jamaica.

Alliance One is exclusively dedicated to debt collection and serves a broad, diversified portfolio of blue chip clients from various business sectors: financial institutions, government, enterprises and healthcare.



Teleperformance already provides Accounts Receivable Management services to our clients in several European countries as well as in Mexico, Brazil and Argentina.

This acquisition gives the Group the ability to enter the Accounts Receivable Management market in the US and reflects Teleperformance's global strategic commitment to provide a fully integrated chain of CRM services to its clients on a worldwide basis: marketing, sales, after-sales, customer service, technical support and debt collection.

The company is consolidated with effect from August 1, 2007.

### **3.2 Teleperformance has strengthened its partnership with SFR Service Client**

The take-over project for two SFR Service Client contact centers located in Lyon and Toulouse, which was announced on May 14, has been effective since August 1.

The project marks the strengthening of this strategic partnership between SFR Service Client and Teleperformance which, based on more than 10 years of cooperation, already encompasses all of SFR's key consumer customer relationship areas: customer acquisition and service, cross and up-selling programs, retention, and distribution network support.

This transaction was perfectly in line with Teleperformance's growth strategy and its aim to consolidate its position as the leading player on the French market.

### *3.3 Termination of the business relationship with Brasil Telecom*

On August 17, 2007, Brasil Telecom announced its decision to cancel by anticipation its service contract with our Brazilian subsidiary, which should have terminated on January 2009.

The effective termination of the operations run by Teleperformance in Brazil on behalf of Brasil Telecom should take place end of 2007.

The implementation of restructuring measures and of a development strategy should help Teleperformance remain one of the key players on the Brazilian market.

### **About Teleperformance:**

Teleperformance (Euronext: FR 0000051807), the **world's co-leading provider** of outsourced CRM and contact center services, **operates under various brands**, such as **Teleperformance** for customer acquisition, customer service and customer growth programs, as well as **TechCity Solutions** and **Cash Performance** respectively specializing in technical support and debt collection. In 2006, the Teleperformance Group achieved €1,385 million revenues (US\$1,824 million - exchange rate at December 31, 2006: €1 = US\$1.317).

The Group operates nearly **62,000 computerized workstations**, with **more than 70,000 employees (Full-Time Equivalents)** across **293 contact centers in 45 countries** and conducts programs in more than 60 different languages and dialects on behalf of major international companies operating in various industries.

For more information, visit: [www.teleperformance.com](http://www.teleperformance.com)

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