



2007 Objectives: Teleperformance exceeded forecasts

- ✓ **Revenues:**
 - +13.3% growth, based on published data
 - +8% organic growth
- ✓ **Net Profit, Group Share, close to €95 million (+34%)**

2008 Outlook: strong growth rate and increased net profit

- ✓ **Revenues:**
 - +12% growth, based on published data
- ✓ **Net Profit, Group Share, estimated at €107 million (+13%)**

Paris, November 21st 2007

NEW UPDATE OF 2007 OBJECTIVES

Considering our results over the first nine months of this year, as well as the outlook for the 4th quarter, we have decided to again update the Group's previous objectives announced last August.

The updated objectives highlight the following:

✓ In terms of business

Increased revenues - Revenues are expected to amount to €1,570 million, increasing by +13.3% based on published data and by +8% on a comparable basis (excluding foreign exchange and scope of consolidation effects).

| Growth (in Millions of Euros) | Based on published data (€1 = US\$1.37) | | | Organic Growth (€1 = US\$1.256) | | |
|----------------------------------|--|----------------|---------------|------------------------------------|----------------------|--------------|
| | 2007 | 2006 | Increase | 2007 | 2006 Pro Forma | Increase |
| Europe | 823 | 654.8 | +25.5% | 823 | 760.0 | +8.3% |
| NAFTA | 585 | 567.2 | +3.1% | 637 | 580.8 | +9.7% |
| Rest of the World | 162 | 163.2 | - 0.7% | 164 | 163.2 | - |
| Total | 1,570 | 1,385.2 | +13.3% | 1,624 | 1,504.0 | +8.0% |

❖ **Scope of consolidation effect:**

The main transactions impacting the Group's business in 2007 were the following:

- **Transactions completed in 2006**

➤ **In Europe:**

- Acquisition of the **Swiss group SCMG**, which was consolidated as of December 1, 2006
- Sale of **market research operations** during the 2nd semester 2006.

- **Transactions completed in 2007**

➤ **In Europe:**

- Acquisition of a 100% interest in the German group **Twenty4help Knowledge Service AG**, the European leading company in technical support, which was consolidated as of April 1, 2007

- Acquisition of a 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**, a leading accounts receivable management company in the United States, which was consolidated as of August 1, 2007

- Acquisition of the **Mexican company Hispanic Teleservices Corporation**, which will be consolidated as of December 1, 2007.

The scope of consolidation effect represents a **positive impact** of €119 million, including €108 million for Europe and €14 million for the NAFTA region.

❖ **Foreign exchange effect:**

The **negative impact** related to the foreign exchange effect mainly resulted from the rise of the Euro against the **US Dollar**. This impact amounted to **€54 million** over the whole financial year.

✓ **In terms of profitability**

- **Net Profit, Group Share**, amounting to €95 million and increasing by 34%;
- **Operating Margin** representing almost 10% of the Group's annual revenues.

| Globally (in Millions of Euros) | Financial Year 2007 | Financial Year 2006 | Increase |
|---|---------------------|---------------------|----------|
| Net operating profit before financing costs | 156 | 131.3 | +19% |
| <i>Margin Rate</i> | 9.9% | 8.9% | |
| Net profit, Group Share | 95 | 70.9 | +34% |

Net operating profit before financing costs **includes** the following items:

- ✓ **A €12.1 million expense** corresponding to the recognition of benefits granted to the recipients of **stock option plans** pursuant to IFRS, including **€11.5 million as a result of the allocation of bonus shares in August 2006**.
 - ✓ **Revenues amounting to €13.3 million** and resulting from the **sale of non-core business operations** (Noble Systems Corp. in the United States and Market Services operations in France) and the sale of **rental property**.
 - ✓ **Partial depreciation (up to €1.2 million)** of the **Brazilian subsidiary's goodwill** recognized in the half-year financial statements.
- ✓ **In terms of financial structure**

At the end of this year, the Teleperformance Group is expected to benefit from a **positive net cash flow of €100 million**.

| | |
|--|---------------|
| Net Cash at January 1, 2007 | +128.0 |
| Free Cash Flow | +85.0 |
| Changes in the scope of consolidation (net) | -235.0 |
| Dividends paid | -20.0 |
| Translation differences | -5 |
| Capital increase related to the options exercised | +9 |
| Other (including finance leases and share purchase commitments given to subsidiaries' minority shareholders) | -15 |
| Total Variation | -181.0 |
| Net Financial Indebtedness before converting OCEANE bonds | -53.0 |
| Conversion of OCEANE bonds in February 2007 | +153.0 |
| Net Cash at December 31, 2007 | +100.0 |

The table does not include cash flows related to Buy Out operations.

As a summary, in 2007 the Group's business has developed as follows:

- ✓ We have kept on increasing our **Inbound** activities, which will represent **71% of the Group's operations** by the end of 2007, versus 69% in 2006;
- ✓ We have strongly **diversified our offer** this year: **technical support (+6%)** and **debt collection (+2%)** operations have expanded; **customer service programs** still represent a **major share of our business** (49% of the Group's overall business);
- ✓ Today our **offshore network** represents **almost 24% of the Group's global capacities** versus 21% in 2006;
- ✓ **International clients** now represent **almost 55% of the Group's revenues**.



Moreover, the key highlights in 2007 were as follows:

- ✓ **Acquisitions**
 - focusing on **new lines of business**: **technical support** in Europe (Twenty4help) and **debt collection** in the United States (Alliance One),
 - enabling us to **strengthen our presence in existing lines of business** (TPH Services Telecom in France and Hispanic Teleservices Corporation in Mexico);
- ✓ **Disinvestment transactions in non-core business operations** (Noble Systems Corp. in the United States and Marketing Services operations in France);
- ✓ The **takeover of two SFR customer service contact centers** in France and the **early termination of the Brasil Telecom contract in August**;
- ✓ **Internal growth transactions** over the second semester with:
 - The **launch of Teleperformance Egypt**,
 - The **opening of a call center in the Philippines**, and
 - The signature of a **strategic cooperation agreement** with the **Chinese company Shaanxi Telecom**.

OBJECTIVES & STRATEGY FOR 2008

(based on €1 = US\$1.47)

The 2008 objectives should underline a strong **growth trend**, which is supported by:

- ✓ The **development of new partnerships** with our **key accounts**, especially with regard to **business transformation solutions**;
- ✓ **A broader service offering** in the **debt collection** field;
- ✓ The **launch of Teleperformance Technical Help** grouping **TechCity and Twenty4help** together - two companies specializing in **technical support**- under the same management team;
- ✓ **Ongoing expansion** of our **Offshore/Nearshore** network.

On a comparable basis, the Teleperformance Group defined the following growth objectives for 2008:

- **Revenues** amounting to approximately **€1,755 million**, increasing by nearly **+12%**, including a **+6.5% organic growth rate**;
- **Operating margin rate** close to **10%**;
- **Net profit, Group Share**, expected to reach **€107 million**.

Priorities in 2008 will be:

- ✓ Gaining a leading position in Germany, UK and in the United States
- ✓ Increasing the share of Debt Collection operations to more than 5% of the Group's revenues
- ✓ Turning Eastern Europe operations into a complete and dense network.

As for the Group's external growth strategy, the objective in 2008 is to consolidate the equivalent of €150 million of extra revenues (on a full year basis).

To achieve this goal, the Group has today about €100 million cash available and may benefit from confirmed credit lines totaling €160 million.

About Teleperformance:

Teleperformance (Euronext: FR 0000051807), the world's 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 75,000 computerized workstations, with more than 80,000 employees (Full-Time Equivalents) across 272 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

Teleperformance Contacts: (info@srteleperformance.com)

Michel PESCHARD, Corporate Secretary, Board Member
Nadine DAVESNE, Press Relations

+33-1.55.76.40.80
+33-1.46.67.63.44
+33-6.07.15.05.43