

## PRESS RELEASE

### First-quarter 2024 revenue

- A new expanded leading global business services Group with the acquisition of Majorel: sales up +26.7% on a reported basis
- Pro forma growth\* within the upper range of Group expectations: +0.9%
- Majorel integration plan on track
- 2024 financial objectives confirmed, with momentum improving in the second half
- Continued cash generation and shareholder returns

**PARIS, April 30, 2024** – Teleperformance, a global leader in digital business services, today released its quarterly revenue figures for the three months ended March 31, 2024.

#### **First-quarter 2024 revenue**

##### **€2,542 million**

- A new expanded global business services Group following the integration of Majorel's operations since November 1, 2023
- +26.7% as reported
- +0.9% on a pro forma basis\*

#### **First-quarter growth within the upper range of Group expectations**

- As expected, revenue growth shaped by an unfavorable comparison with the prior-year period (+11% pro forma growth in Q3 2023) and a persistently uncertain macroeconomic environment
- Continued active development of offshore solutions, particularly in India for the US market
- Good momentum in financial services and the automotive sector
- Further robust growth in Specialized Services, in particular LanguageLine Solutions in the US market and TLSContact

#### **Outlook**

- Improved performance expected in the second half due to a more favorable basis for comparison and additional new business signed in the recent months.
- 2024 financial objectives confirmed: pro forma revenue growth\* of between +2% and +4%, and an increase in the EBITA margin before non-recurring items of between +10 bps and +20 bps on a pro forma basis
- Majorel integration plan on track and cost synergies confirmed at around €150 million on a run-rate basis by 2025
- Increase in net free cash flow and ongoing return to shareholders of up to two-thirds of net free cash flow, including share buy-backs and dividends paid

\* 2023 pro forma at constant exchange rates including Majorel

**NB:** The alternative performance measures (APMs) are defined in the Appendix

**Commenting on this performance, Teleperformance Chairman and Chief Executive Officer Daniel Julien said:**  
*“The start of the year shows we are on track to achieve our annual targets, delivering pro forma growth of nearly +1%, within the upper range of our forecasts, along with continued operational excellence, particularly in Specialized Services and in offshore activities in India for the US market.*

*Amid persistent uncertainties in the macroeconomic environment, our first-quarter performance confirms the strength of Teleperformance's business model: a solid and diversified portfolio of clients and services, a strong AI innovation drive with more than 250 projects – including projects based on GenAI – for our clients, and an agile multilingual operating model combining offshore services and flexible cloud-based work-from-home solutions.*

*We're also continuing to successfully integrate Majorel's operations into Teleperformance. Our cost synergy plan is now well underway, enabling us to confirm our target of €150 million in cost synergies by 2025.*

*Our performance is expected to improve in the second half due to a more favorable basis for comparison and additional new business signed in the recent months. We confirm our annual financial objectives for growth and margin expansion for 2024. Increase in net free cash flow and ongoing shareholder returns remain a priority, while maintaining a robust balance sheet and a BBB Investment Grade credit rating from S&P”.*

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**NB:** The alternative performance measures (APMs) are defined in the Appendix

## CONSOLIDATED REVENUE

€ millions	2024	2023	% change	
			Reported	Pro forma*
Average exchange rate	€1 = US\$1.09	€1 = US\$1.07		
First quarter	2,542	2,006	+26.7%	+0.9%

\* 2023 pro forma including Majorel

Consolidated revenue came in at €2,542 million for the first quarter of 2024, representing a year-on-year increase of +26.7% as reported and of +0.9% based on pro forma figures\*. The unfavorable currency effect, which had a -€28 million impact on revenue, stemmed primarily from declines in the Argentine peso, Turkish lira, US dollar and Egyptian pound against the euro. There was no significant effect over the quarter from the adjustment for the impact of high volatility of exchange rates in countries with hyperinflationary (Turkey and Argentina).

In line with expectations, pro forma growth\* for the first quarter was shaped by a persistently uncertain macroeconomic environment and a strongly unfavorable basis for comparison (+11% pro forma growth in Q1 2023). The first half should represent the low point of fiscal 2024.

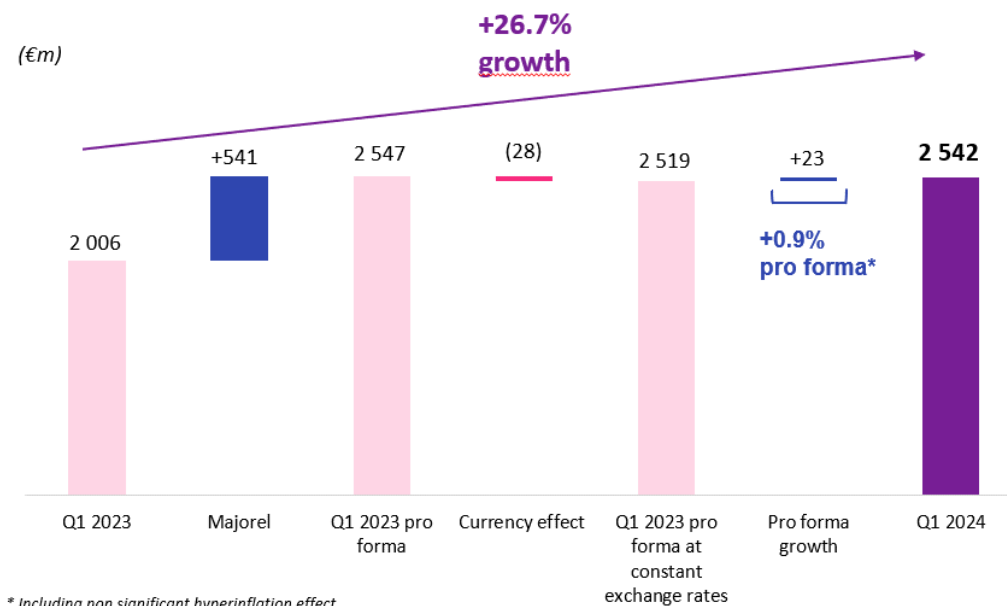
Against this backdrop, business was resilient and reflected the diversity of the Group's client and service lines portfolio, as well as its unrivaled global geographic footprint in nearly 100 countries.

**Core Services & D.I.B.S. activities** delivered strong pro forma growth\*, led by India (offshore for the US market), Asia-Pacific and certain European countries. However, the momentum in offshore solutions exerted deflationary pressure on the Group's revenue growth over the quarter, particularly for the Americas.

Growth remained particularly varied by industry vertical. The financial services and automotive sectors enjoyed vigorous growth, and the retail and technology sectors showed the first signs of recovery. In contrast, the healthcare, telecoms, and social media verticals slowed down.

**The Specialized Services business continued to deliver fast-paced revenue growth.** This was driven by sustained growth in the interpreting business (LanguageLine Solutions in the US) and the continuing post-Covid upsurge in the visa application management business (TLSContact).

### ▪ Analysis of first-quarter 2024 revenue growth



\* 2023 pro forma at constant exchange rates including Majorel

**NB:** The alternative performance measures (APMs) are defined in the Appendix

## REVENUE BY ACTIVITY

€ millions	Q1 2024	Q1 2023	% change	
			Reported	Pro forma**
<b>CORE SERVICES &amp; D.I.B.S.*</b>	<b>2,184</b>	<b>1,685</b>	<b>+29.7%</b>	<b>-0.9%</b>
Americas	1,046	986	+6.1%	-3.1%
Europe, MEA & Asia-Pacific	1,138	699	+62.9%	+1.3%
<b>SPECIALIZED SERVICES</b>	<b>358</b>	<b>321</b>	<b>+11.3%</b>	<b>+13.7%</b>
<b>TOTAL</b>	<b>2,542</b>	<b>2,006</b>	<b>+26.7%</b>	<b>+0.9%</b>

\* Digital Integrated Business Services

\*\* 2023 pro forma at constant exchange rates including Majorel

### ▪ Core Services & Digital Integrated Business Services (D.I.B.S.)

Core Services & D.I.B.S. revenue amounted to €2,184 million in first-quarter 2024. Revenue was up +29.7% as reported, and remained virtually stable year-on-year on a pro forma basis (-0.9%). The unfavorable currency effect stemmed primarily from declines in the Argentine peso, Turkish lira, US dollar and Egyptian pound against the euro. There was no significant effect during the quarter from the adjustment for the impact of high volatility of exchange rates in countries with hyperinflationary (Turkey and Argentina).

The resilient performance in a volatile economic environment reflected the diversity of Teleperformance's client and business lines portfolio. Business growth was particularly strong in the financial services and automotive sectors, as well as in back-office services.

#### ○ Americas

Revenue in the Americas region amounted to €1,046 million in the first three months of 2024, a year-on-year increase of +6.1% as reported. On a pro forma basis, revenue was down -3.1%. The currency effect was fairly neutral, as declines in the Argentine peso, US dollar and Egyptian pound against the euro were offset by gains in the Colombian peso against the European currency.

In a challenging environment, highly competitive offshore solutions continued to enjoy fast growth, particularly in India for the US market, where the business also benefited from demand shifting away from nearshore operations, especially in Mexico and Colombia, which proved less attractive owing to gains in their local currencies against the US dollar. These trends had a deflationary effect that weighed on revenue for the region as a whole.

In Latin America, domestic business grew at a satisfactory pace.

The financial services and automotive sectors reported brisk growth, driven by the ramp-up of major new contracts. However, this momentum was offset by softer performance in the social media and healthcare verticals.

#### ○ Europe, MEA & Asia-Pacific

Revenue for the region amounted to €1,138 million in the first three months of 2024, a year-on-year increase of +62.9% as reported and of +1.3% on a pro forma basis. The currency effect was unfavorable, mainly due to the decline in the Turkish lira and Egyptian pound against the euro.

Asia-Pacific delivered the region's best performance, supported in particular by the swift ramp-up of contracts in the social media and travel verticals.

*NB: The alternative performance measures (APMs) are defined in the Appendix*

Multilingual activities, which are the primary contributors to the region's revenue stream and mainly serve the large global leaders in their industries, reported satisfactory growth. In Greece, business benefited in particular from the fast-paced development of the automotive sector.

Business in the United Kingdom saw solid growth over the period, reflecting the ramp-up of new contracts in financial services and retail.

#### ▪ Specialized Services

Revenue from Specialized Services was specifically strong and stood at €358 million in first-quarter 2024, a year-on-year increase of +13.7% based on pro forma figures and of +11.3% as reported. The difference between pro forma and reported figures is due to a slightly negative currency effect resulting from the decline in the US dollar against the euro.

LanguageLine Solutions, the main contributor to Specialized Services revenue, saw robust growth driven by market share gains in the US fast-growing market. This excellent performance was attributable to the ongoing development of video and telephone interpreting solutions and the growth in digital platforms.

TLSCoach continued to enjoy fast business growth, buoyed by the post-Covid upsurge in visa application management activities, which nevertheless slowed year-on-year owing to an unfavorable basis for comparison.

## **OUTLOOK**

In 2024, Teleperformance is taking a conservative approach to its outlook and adjusting its business model to the volatile economic environment. On the strength of a resilient first quarter, the Group confirms its annual financial targets:

- Pro forma revenue growth\* of +2% to +4% ;
- Increase in the EBITA margin before non-recurring items of between +10 bps and +20 bps on a pro forma basis (vs. 14.9% in 2023), excluding Majorel integration costs ;
- Increase in net free cash flow and ongoing return to shareholders of up to two-thirds of net free cash flow, including share buy-backs and dividends paid.

We expect to see improved business growth in the second half of 2024 due to a more favorable basis for comparison and additional new business signed in the recent months.

\* 2023 pro forma

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**NB:** The alternative performance measures (APMs) are defined in the Appendix

## 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 Universal 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.

## WEBCAST/CONFERENCE CALL WITH ANALYSTS AND INVESTORS

**Thursday, April 30, 2024 at 6:15 pm CET time:**

A conference call and webcast will be held today at 6:15 PM CEST. The webcast will be available live or for delayed viewing at: [https://channel.royalcast.com/landingpage/teleperformance/20240430\\_1/](https://channel.royalcast.com/landingpage/teleperformance/20240430_1/)

All the documentation related to First-Quarter 2024 Revenue is available on <http://www.teleperformance.com> at: <https://www.teleperformance.com/en-us/investors/publications-and-events/financial-publications/>

## INDICATIVE INVESTOR CALENDAR

Annual shareholders' meeting: May 23, 2024

Ex-dividend date: May 28, 2024

Dividend payment: May 30, 2024

First-half 2024 results: July 30, 2024

Thirst-quarter 2024 revenue: November 6, 2024

## ABOUT TELEPERFORMANCE GROUP

**Teleperformance (TEP – ISIN: FR0000051807 – Reuters: TEPFR.PA - Bloomberg: TEP FP)**, is a global leader in digital business services which consistently seeks to blend the best of advanced technology with human empathy to deliver enhanced customer care that is simpler, faster, and safer for the world's biggest brands and their customers. The Group's comprehensive, AI-powered service portfolio ranges from front-office customer care to back-office functions, including operations consulting and high-value digital transformation services. It also offers a range of specialized services such as collections, interpreting and localization, visa and consular services, and recruitment process outsourcing services. The teams of multilingual, inspired, and passionate experts and advisors, spread in close to 100 countries, as well as the Group's local presence allows it to be a force of good in supporting communities, clients, and the environment. In 2023, Teleperformance reported consolidated revenue of €8,345 million (US\$9 billion) and net profit of €602 million.

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 40, STOXX 600, S&P Europe 350, MSCI Global Standard and Euronext Tech Leaders. In the area of corporate social responsibility, Teleperformance shares are included in the CAC 40 ESG since September 2022, the Euronext Vigeo Euro 120 index since 2015, the MSCI Europe ESG Leaders index since 2019, the FTSE4Good index since 2018 and the S&P Global 1200 ESG index since 2017.

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

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## APPENDIX 1

### GLOSSARY - ALTERNATIVE PERFORMANCE MEASURES

**Change in like-for-like revenue:**

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

**Pro forma revenue:**

The pro forma revenue reflects the impact from the acquisition of 100% control of Majorel by Teleperformance on the revenue of Teleperformance for the year ended December 31, 2023, as if the transaction took place on January 1, 2023.

**Change in pro forma revenue (or pro forma growth):**

Change in revenue at constant exchange rates and scope of consolidation, as if the acquisition of 100% control of Majorel by Teleperformance took place on January 1, 2023 = [2024 revenue – 2023 pro forma revenue at 2024 exchange rates] / 2023 pro forma revenue at 2024 exchange rates.

**EBITDA before non-recurring items or current EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization):** Operating profit before depreciation and 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 comprised of 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 dilutive 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.

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## APPENDIX 2

### QUARTERLY BREAKDOWN OF 2023 REVENUE (PRO FORMA)

€ millions	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023
Teleperformance	2,006	1,954	1,989	2,053*	8,002
Majorel	541	527	536	526	2,131
<b>TOTAL PRO FORMA</b>	<b>2,547</b>	<b>2,481</b>	<b>2,525</b>	<b>2,579</b>	<b>10,132</b>

\* Teleperformance Q4 2023 reported revenue = €2,396 million, including two months of Majorel's operations

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