

Results Presentation FY 2014 making brands famous

*For marketing with real precision
You have to comprehend decision
How we decide is the hidden key
To understanding you and me*



SUMMARY



- FY 2014 revenue performance was solid – growth held back by Juice Gen decline
- Profit up without sacrificing investment in growth
- Profit growth driven by core System 1 quantitative products
- Zero debt and strong cash position
- Consistent focus on shareholder value – and cash returns
- Continuing to develop sustainable advantage
– predicated on helping clients make brands famous



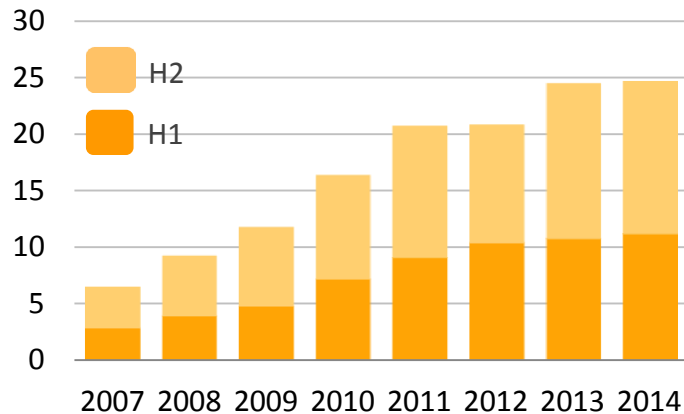
- FY 2014 results
- Capital allocation
- Outlook
- Appendix
 - History
 - Key facts
 - Our research approach



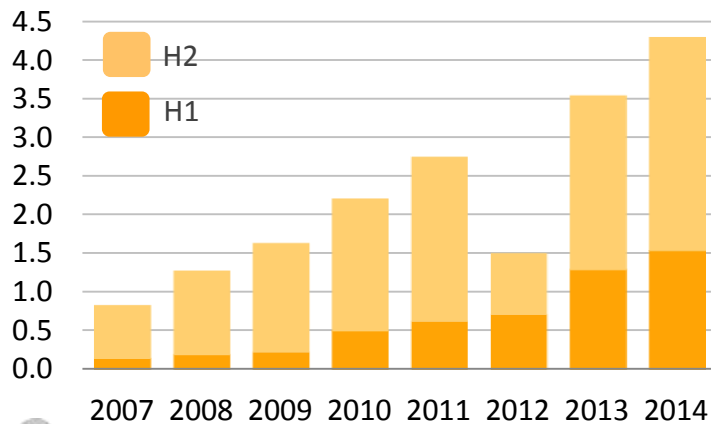
FINANCIAL RESULTS GROUP



Revenue (£m)



Operating profit (£m)



- Revenue up 1% (5% in constant currency)
- Overhead costs down 3%
- Operating profit up 21%
- PBT up 21%
- PAT up 19%
- Basic EPS up 19%
- Diluted EPS up 14%
- £5.35m cash and no debt

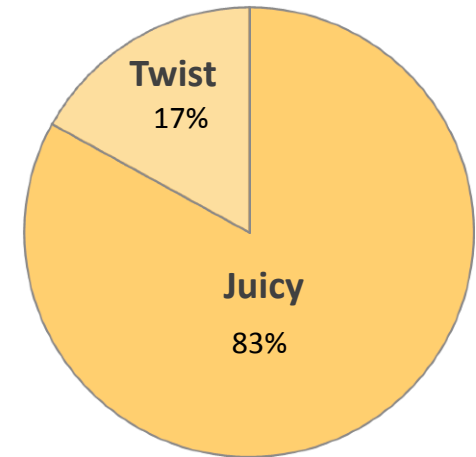
FINANCIAL RESULTS SEGMENTS



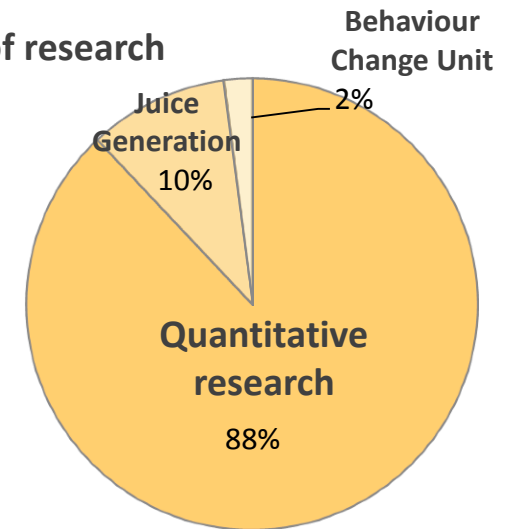
| Revenue | Juicy | Twist | Total |
|-----------------------|---------|--------|---------|
| Quantitative research | £17.61m | £4.13m | £21.74m |
| Juice Generation | £2.39m | - | £2.39m |
| Behaviour Change Unit | £0.52m | - | £0.52m |
| Total | £20.52m | £4.13m | £24.65m |

| Growth | Juicy | Twist | Total |
|-----------------------|--------|-------|--------|
| Quantitative research | + 21% | - 34% | + 4% |
| Juice Generation | - 28% | - | - 28% |
| Behaviour Change Unit | + 106% | - | + 106% |
| Total | + 13% | - 34% | + 1% |

Juicy vs Twist



Type of research

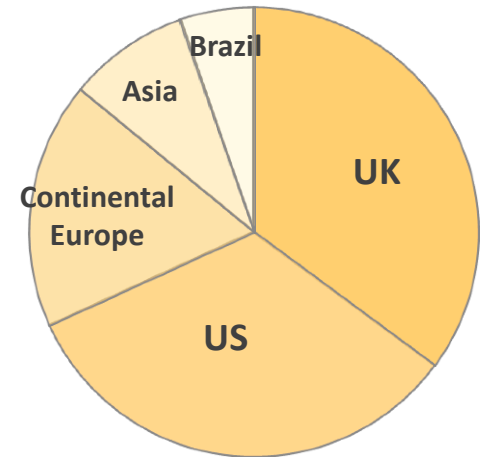


FINANCIAL RESULTS GEOGRAPHY

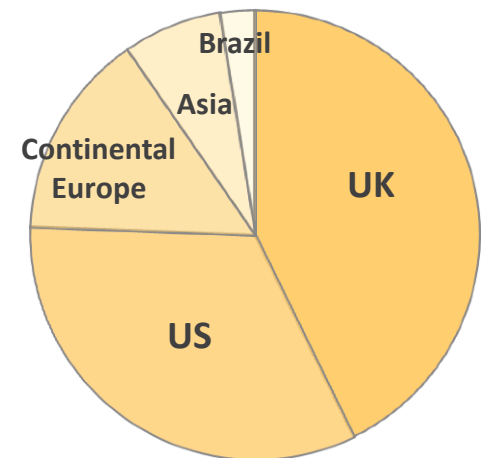


| Region | Gross profit | | Operating profit | |
|-------------------------|----------------|-------------|------------------|--------------|
| | £m | % | £m | % |
| UK | £6.81m | - | £4.82m | - 2% |
| US | £6.42m | + 11% | £3.70m | + 32% |
| Continental Europe | £3.45m | - 14% | £1.67m | - 10% |
| China Singapore | £1.48m | + 33% | £0.74m | + 52% |
| India | £0.22m | + 58% | £0.06m | + 44% |
| Brazil | £1.03m | - 15% | £0.28m | - 44% |
| Total | £19.41m | + 2% | £11.28m | + 6% |
| Central Costs | | | £(6.98)m | - 1% |
| Operating profit | | | £4.30m | + 21% |

Gross profit



Operating profit



FINANCIAL RESULTS CASH FLOW



| | 2014 | 2013 |
|-------------------------------|----------|----------|
| Operating cash flow | £4.67m | £5.34m |
| Tax paid | £(1.24)m | £(0.83)m |
| Capex | £(0.27)m | £(0.05)m |
| Cash flow before financing | £3.16m | £4.46m |
| Interest | £(0.01)m | £(0.01) |
| Cash returned to shareholders | £(3.95)m | £(1.97)m |
| Net cash flow | £(0.81)m | £2.48m |
| Period end cash (no debt) | £5.35m | £6.19m |

- Minimal Capex
- Organic growth to date
- Consistent cash flow
 - Main difference year-on-year is staff bonus
 - Large 2013 bonus paid in 2014
 - Negligible 2012 bonus paid in 2013
- Returned cash to shareholders
 - Dividends
 - Option share buy-backs
 - Cash settled management equity awards

CAPITAL ALLOCATION



We generate significant cash flow, and return surplus cash to shareholders



We endeavour to re-purchase our shares when share price warrants it & subject to practical issues



Practical considerations

1

Liquidity

2

30% shareholder

3

Share options

4

Dividend consistency



So: we repurchase shares opportunistically AND we pay dividends

- For consistency well-covered regular dividends which grow broadly with EPS
- Special dividends where surplus cash and not opportunity to repurchase shares



OUTLOOK



- ➔ Moderate growth with upside optionality potential
 - Mandates
 - Broadening product base
 - Possible acquisitions to add complementary capability

- ➔ Continued strong cash flow

- ➔ Limited downside risk

- ➔ Differentiated positioning which is difficult to replicate

- ➔ Well positioned for long term sustainable and profitable growth



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HISTORY



2000
to
2004

Founded company in 2000
– innovative online market
research

Developed MindReader
and FaceTrace

Moved into Holland

0 – 21 employees

0 – 70 clients



2005
to
2009

Floated on AIM in 2006

Developed Predictive Markets
and ComMotion

Established Juice Generation

Moved into US, Switzerland
and Germany

34 – 70 employees

81 – 140 clients



London
Stock Exchange



2010
to
2014

Developed behavioural model

Established Behaviour Change
consultancy

Moved into China, Brazil, France,
Italy, India and Singapore (and out
of Italy)

Voted most innovative agency 3
years on a row – GRIT awards

91 – 152 employees

165 – 235 clients

THINKING,
FAST AND SLOW



DANIEL
KAHNEMAN

FACT SHEET



- 13 offices in 10 countries
UK (two), Switzerland, France, Germany, Holland, US (three), Brazil, Singapore, China, India
- 152 employees (average headcount) in 2014
Up 10% over 2013
- 955 projects delivered in 2014, average revenue per project £26,000
892 projects delivered in 2013, average revenue per project £27,000
- 235 clients in 2014 (most of which are major consumer companies)
224 clients in 2013
- Revenue from largest client in 2014 8%, and from 20 largest 50%
Revenue from largest client in 2013 9%, and from 20 largest 57%
- Repeat business: 85% of 2014 revenue from clients returning from 2013
82% of 2013 revenue from clients returning from 2012



OUR RESEARCH APPROACH

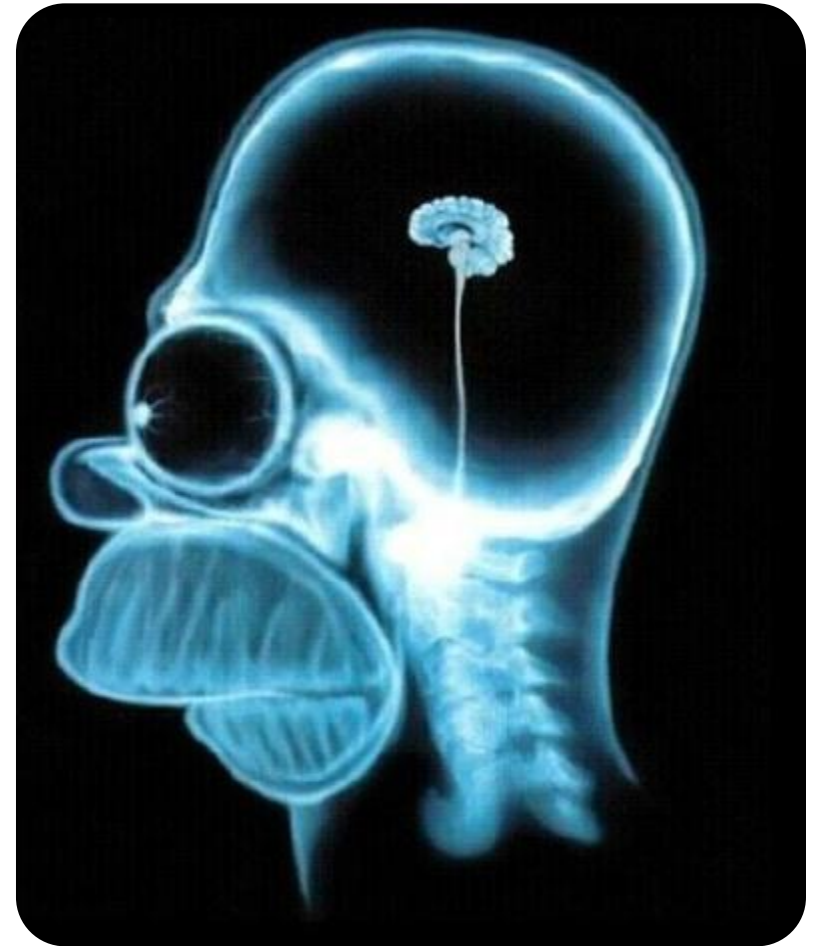
- We are unreliable witnesses to our own behaviour...



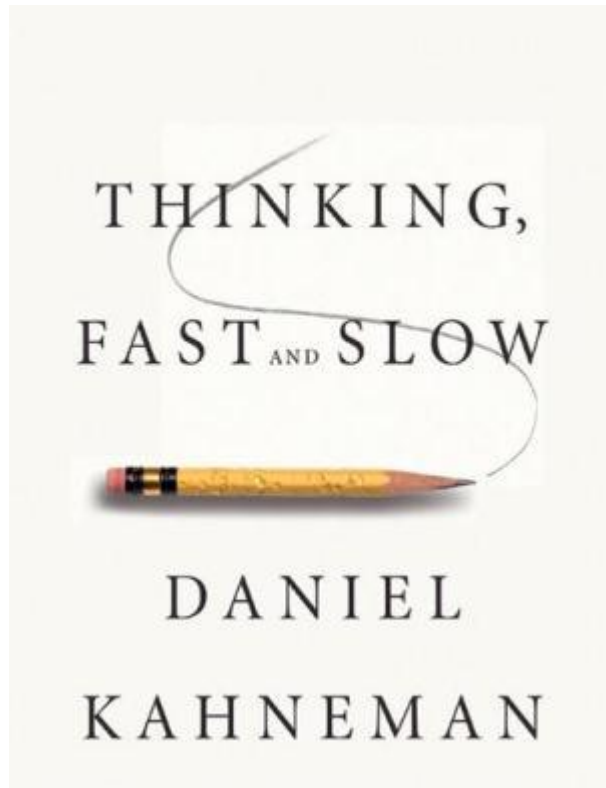
OUR RESEARCH APPROACH



- Because we think much less than we think ...
- We are first and foremost emotional creatures, not thinking brains!



OUR RESEARCH APPROACH



- Our methodology is based on the latest developments in behaviour economics and design thinking. We uncover the underlying System 1 / emotional responses that matter.
- Research has historically centered around asking people to (over) think...
- Despite behaviour science telling us that an irrational and different model of customer behaviour is at play!



OUR RESEARCH APPROACH



➔ System 2

How we think that we think most of the time:

Logical

Slow

Rule Based

Tiring

Considered



➔ System 1

How we really feel most of the time:

Intuitive

Fast

Emotional

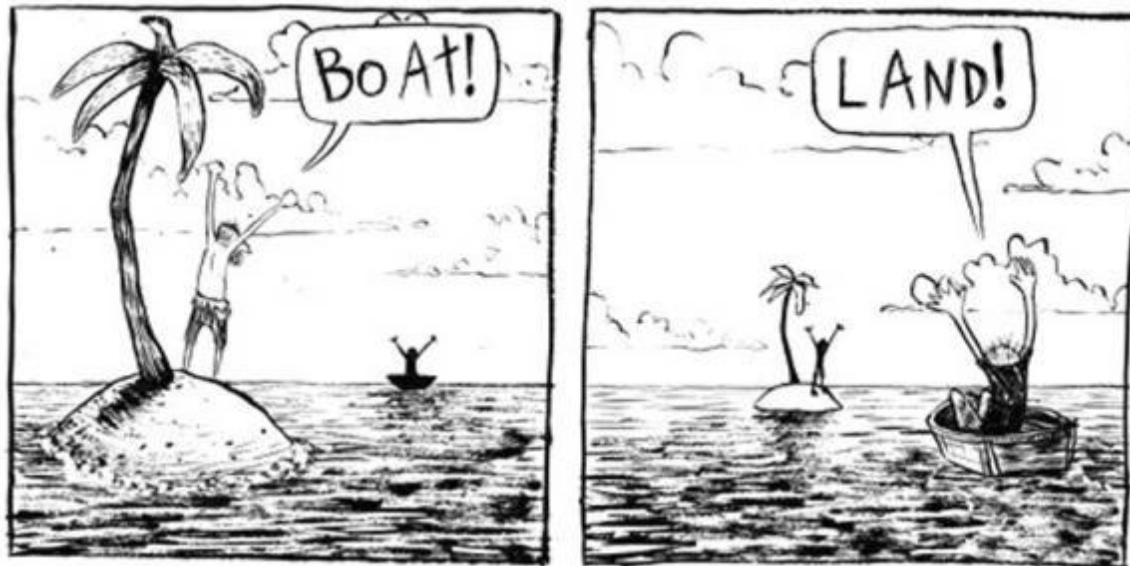
Effortless

Automatic

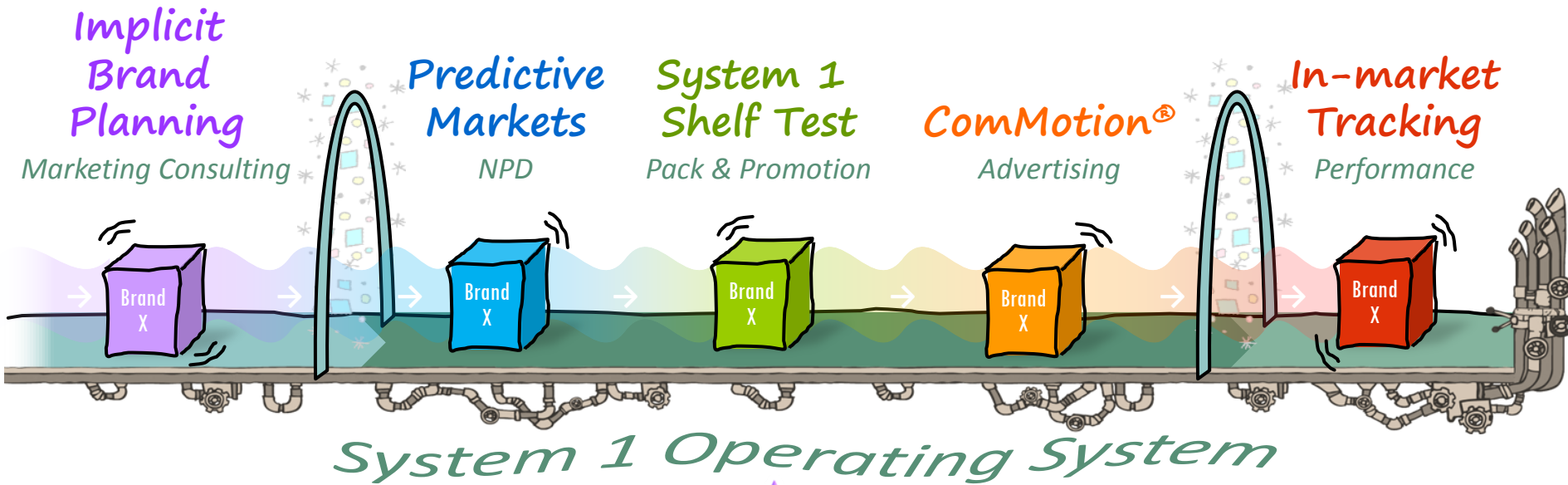


OUR RESEARCH APPROACH

- Truth is subjective and completely connected to context. Perspective is everything.



OUR SYSTEM 1 RESEARCH APPROACH



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