



Investor Presentation



Q1 2019 Earnings

April/May 2019

Safe harbor statement



This presentation contains “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, projections, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition and other actions by our counterparties.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation, and nothing in this presentation should be regarded as a representation by any person that these beliefs or assumptions will take place or occur. You should read the Company’s most recent Annual Report on Form 10-K filed on March 1, 2019, including the Risk Factors set forth therein and the exhibits thereto, as well as future filings and reports by the Company, completely and with the understanding that our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix slides.

Investment thesis



1

Large market opportunity

Digital advertising is large and growing fast

2

Clear vision

Be the leading advertising platform for the open Internet

3

Competitive moats

Technology
Scale
Openness

4

Proven track-record

Large client base
~90% client retention for all solutions combined

5

Attractive financial profile

Plan to return to growth
High profitability
Strong cash flow

OUR VISION:

**To be the leading advertising platform
for the open internet**

The open Internet offers multiple benefits to advertisers & publishers



Choice

Advertisers and publishers choose **which partners to work with and how**



Neutrality

We have **no conflicting interests** with advertisers and publishers



Control of data

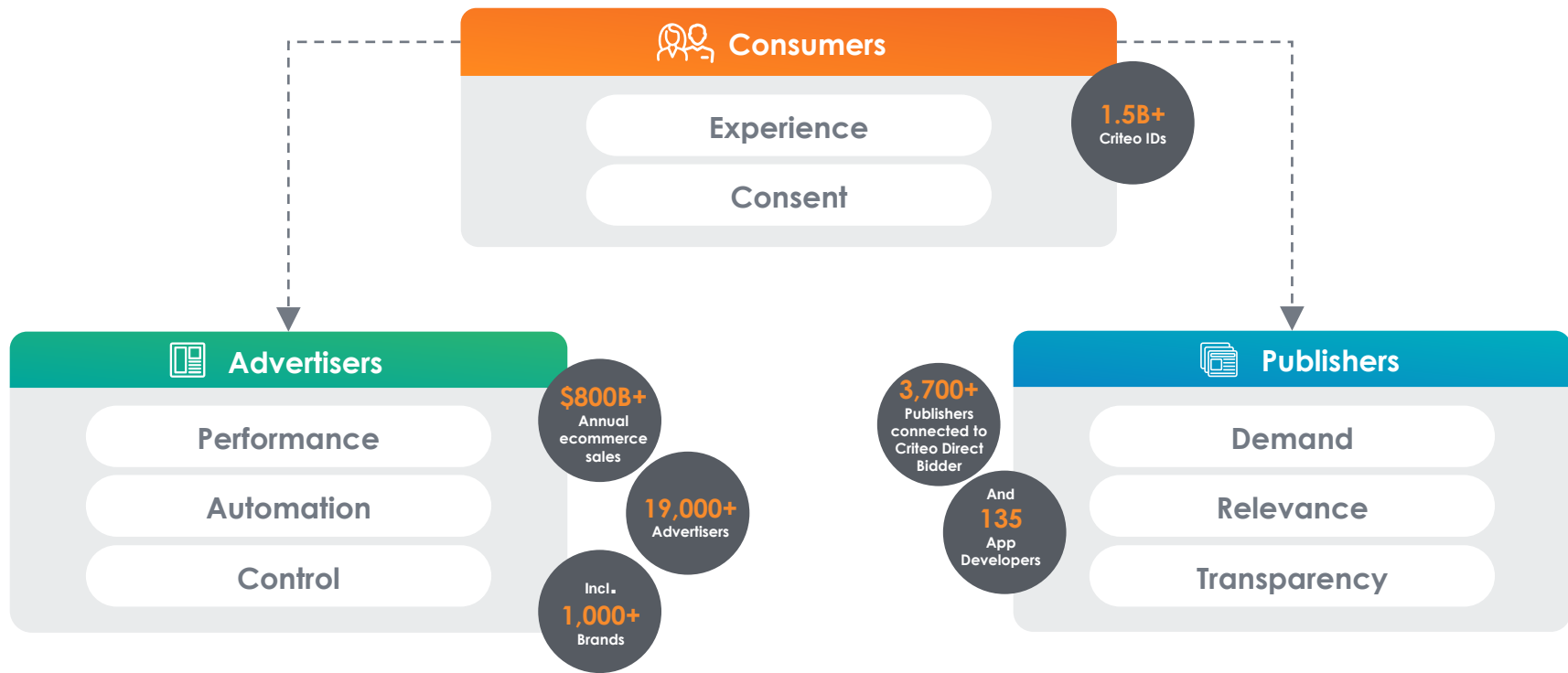
Advertisers and publishers keep **control of their own data**



Transparency

Advertisers and publishers determine **how to measure** success

Our open internet vision delivers benefits for all



Direct relationships with many premium commerce and brand clients



DIAGEO



Soft Surroundings

NEW LOOK



Extensive supply partnerships ensures audience access



Direct partnerships

3500+ Premium publishers



Exchange partners

Long-tail & emerging formats



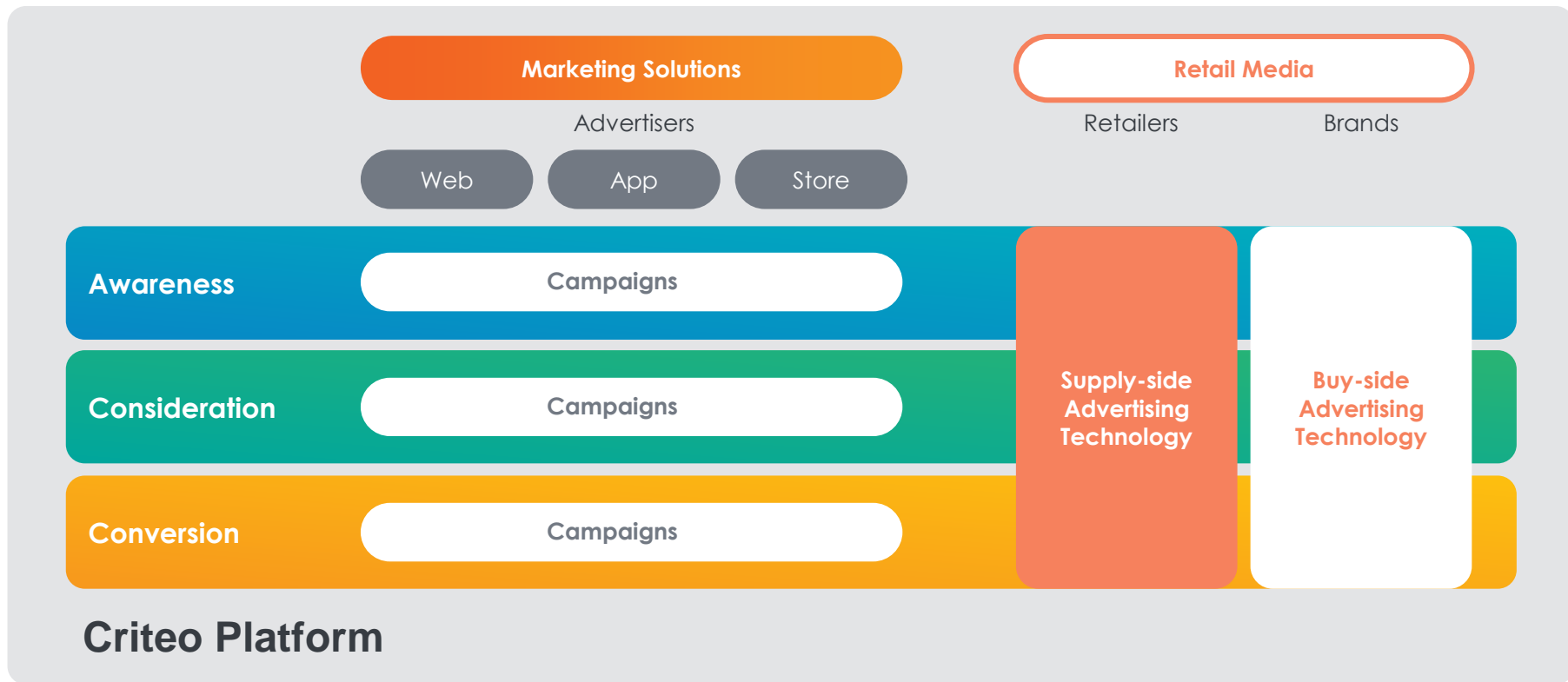
Closed environments

Additional Reach

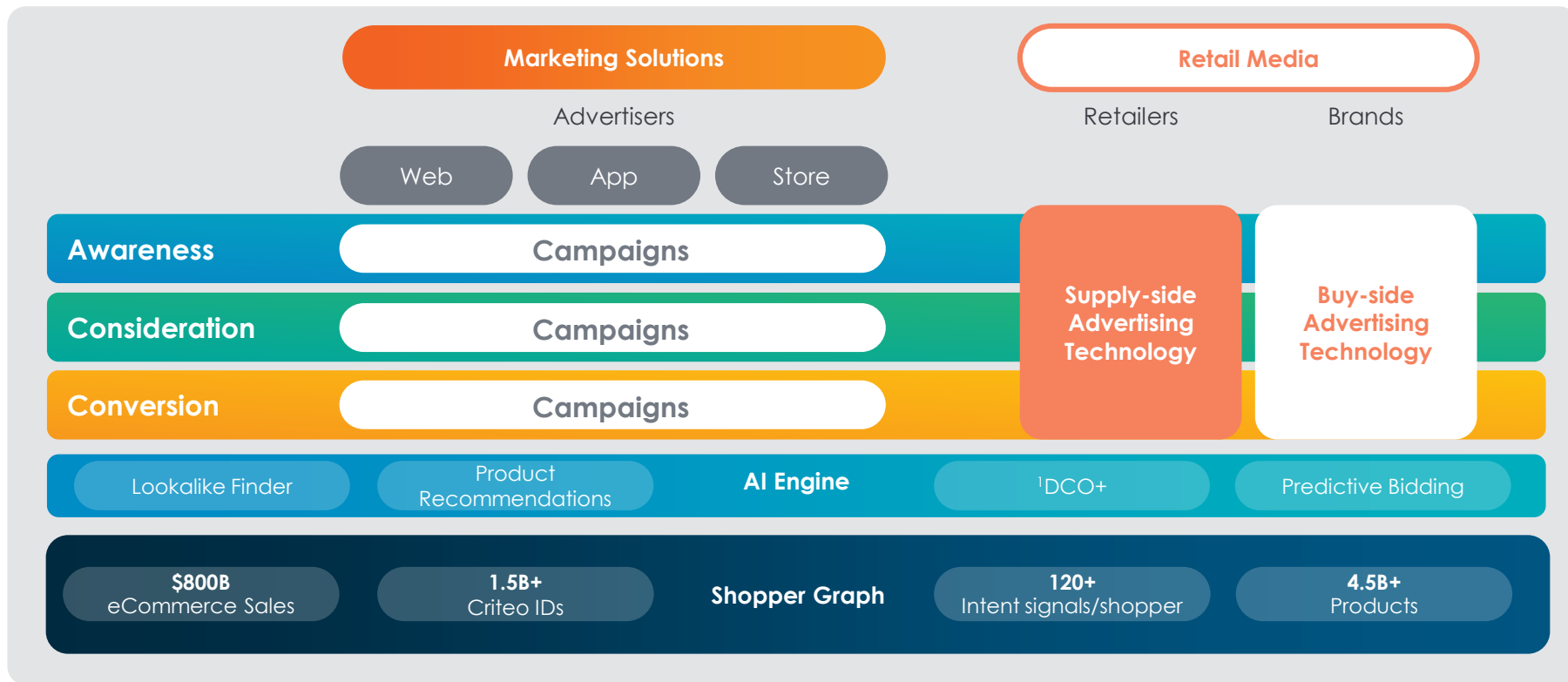
- **Flexible buying technology:** RTB/S2S, Criteo direct bidder, SDK, API
- **Any relevant creative formats/environment:** IAB, Native, In-App, Video, Google AMP



Criteo Platform delivers advertising and monetization opportunities

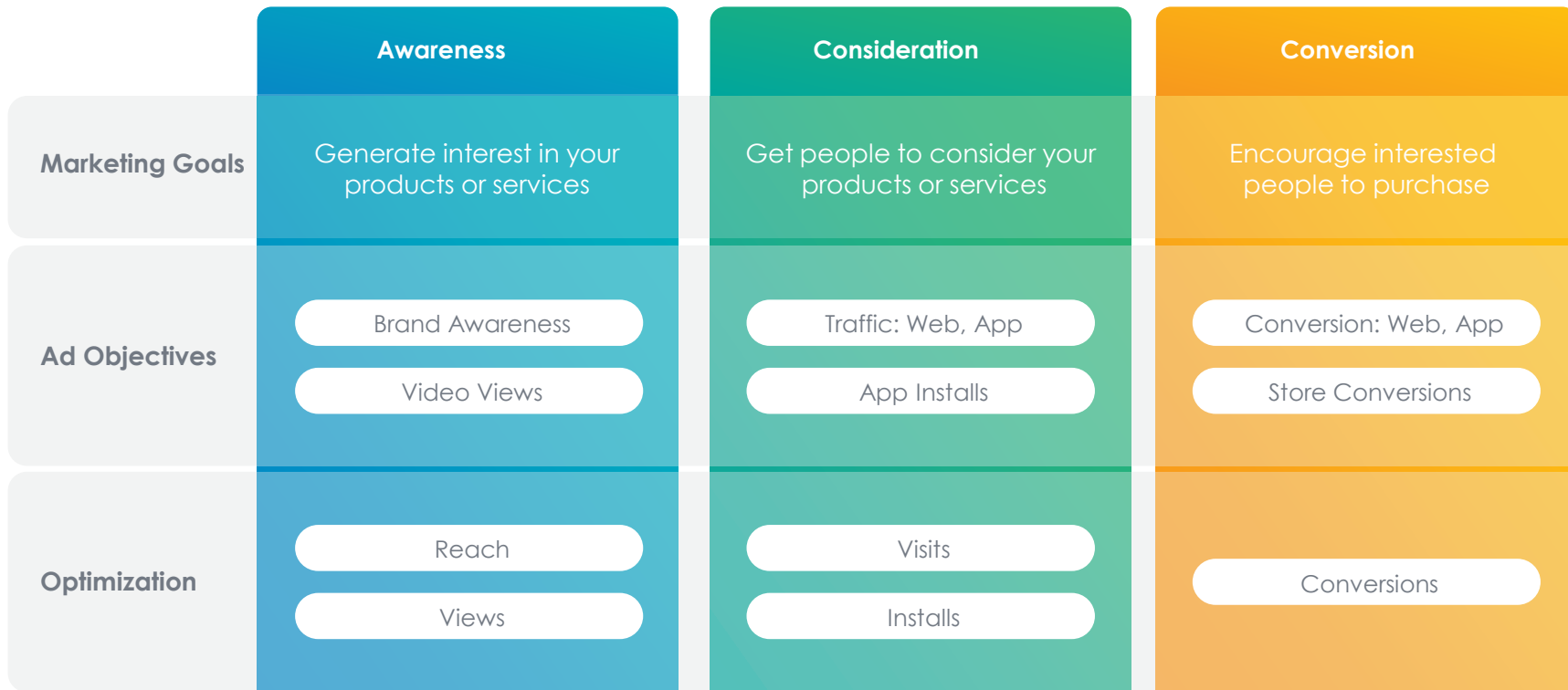


Fueled by a unique commerce data set and powered by AI



Marketing Solutions

Full-funnel capability addressing the entire customer journey



Retail Media

Technology for retailer and brand marketers to achieve their objectives



Full self-service campaign workflow

API and managed service options



Campaign Creation & Optimization

The screenshot shows a web interface for creating a campaign. It has a top navigation bar with four steps: 1. OBJECTIVE, 2. BUDGET, 3. PARAMETERS, and 4. LAUNCH. The current step is 'Parameters'. The interface includes several sections: 'Choose the name of your campaign*' with a text input field; 'Specify budget*' with 'Specify budget type*' (dropdown set to 'Campaign') and 'Specify an amount*' (input field with '50000' and 'EUR' selected); 'Scheduling*' with 'IMMEDIATE LAUNCH' (selected) and 'SCHEDULED' options, and an 'ADD MORE DATA' button; and 'Select creatives*' with three radio button options: 'Select creatives from the campaign' (selected), 'Select creatives from previous campaigns', and 'Add our creative experts for a new creative item'. A 'PREVIEW' button is also visible.

Analytics & Insights



We have strong core competencies



Technology



Scale



Openness

Our growth strategy is based on two strong pillars



Grow the customer base

- Evolve go-to-market strategy to gain large and midmarket clients in a scalable way
- Gain and retain clients through our self-service platform
- Add new brand and retailer clients globally



Increase our value for clients and partners

- Enhance AI/Deep Learning technology
- Grow and leverage Criteo Shopper Graph
- Enhance self-service capabilities
- Expand Marketing Solutions & Criteo Retail Media
- Broaden supply of quality inventory

Our company transformation supports our strategic goals

Further strengthening the leading advertising platform for the open Internet



**Further Broaden our
Suite of Solutions**



**Deliver Solutions on
Self-Service, API or
Managed-Service**



**Adapt
Go-to-Market**

We invest in growing areas in digital advertising – and beyond



Advertiser control

- Build flexible and modular client platform



- Self-service campaign optimization modules

Marketing goals

- Complete expansion of solution suite



- Consideration, Awareness*

Shopping environments

- Leverage strong growth of apps
- Store advertising



- App
- Store-to-web retargeting*

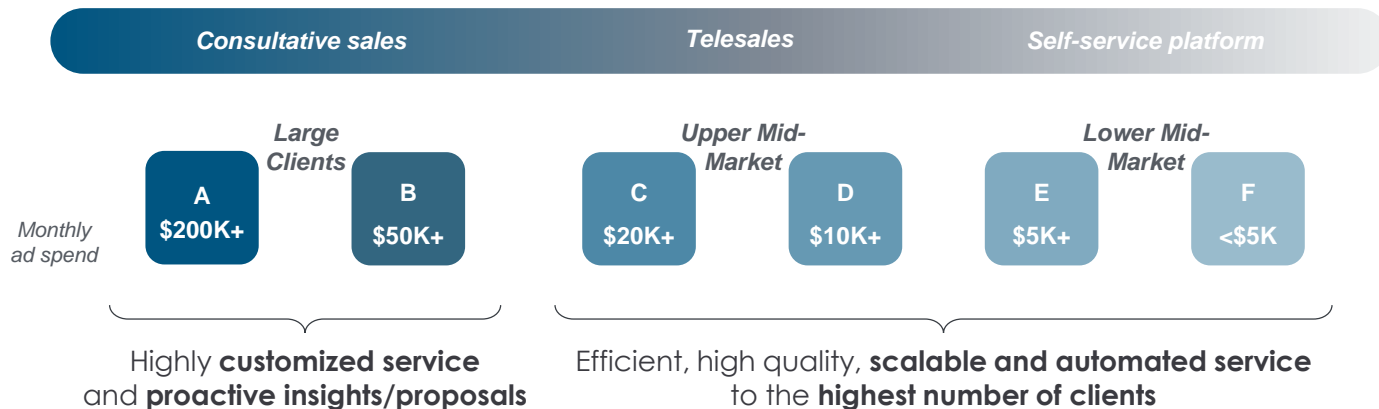
A go-to-market approach to best serve our clients at scale



Objectives

- 1 Adapt sales organization to a **multi-solution** offering
- 2 Provide the **right level of service** to each client segment
- 3 Scale **operations** and enhance **profitability**

Client tiering



We are working to sell our new solutions in a more scalable way

Execution delays make us take a more modest view on 2019 growth



1. Accelerate sales growth of new solutions

- Adapt **Sales & Operations** organization
- Hire more **sales specialists**
- Increase **training** of sales teams

Early 2020



2. Accelerate demand-generation programs for midmarket

- Third-party **sales channels**
- **Ecommerce Platform Partners**
- **Lead-generation** programs

Early 2020

2019 is another transition year with increased focus on profitability

Maintain our 2019 profitability outlook and will seek to increase it in 2020



**More scalable way
to sell entire
product suite**



**Increased focus on
effective cost
management**



- **Maintain 2019 profitability outlook**
- **Target higher margin in 2020**

Key Figures – Q1 2019

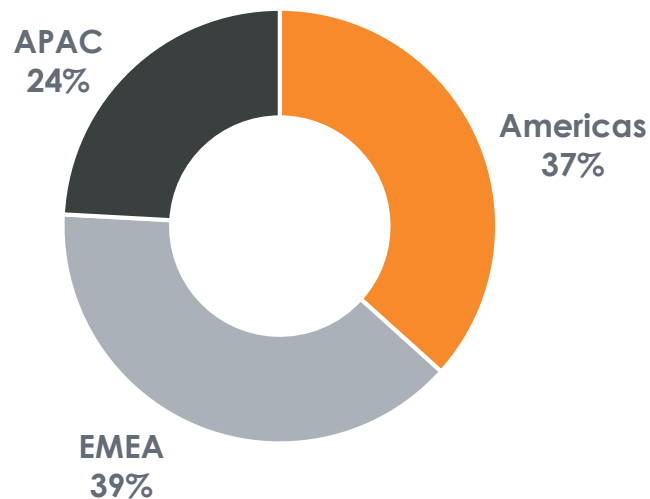


- Revenue ex-TAC was **\$236 million**,
Adj. EBITDA was **\$69 million**,
Free Cash Flow was **\$44 million**
- Revenue ex-TAC from **new solutions** represented **9%** of total Revenue ex-TAC, growing **74%** yoy
- **2,800+** Criteo employees across 31 offices globally
- **Over 19,000 clients** with retention at **close to 90%** for all solutions combined
- **Criteo Direct Bidder** now deployed with **3,700+** large publishers and **135** app developers

Regional performance – Q1 2019



Q1 2019 Revenue ex-TAC
mix by Region



Q1 2019 Revenue ex-TAC
Growth* by Region

+8% Americas
(+8% U.S.)

-2% EMEA

+3% APAC

Key figures – Q1 2019



REVENUE EX-TAC* (\$M)

+2%**

240

236

Q1 2018

Q1 2019

ADJUSTED EBITDA* (\$M)

29%
of Revenue ex-TAC

78

69

Q1 2018

Q1 2019

FREE CASH FLOW* (\$M)

63%
of Adj. EBITDA

52

44

Q1 2018

Q1 2019

* Revenue ex-TAC, Adjusted EBITDA, and Free Cash Flow are not measures calculated in accordance with U.S. GAAP. We have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix slides.

** At constant currency

Solid financial model: doubled Adj. EBITDA margin since IPO



As % of Revenue ex-TAC	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	LTM Q1 2018	LTM Q1 2019
Revenue ex-TAC	100%	100%	100%	100%	100%	100%	100%	100%
Other cost of revenue*	7.9%	6.6%	6.1%	6.4%	6.9%	6.7%	6.6%	6.9%
Gross margin	92.1%	93.4%	93.9%	93.6%	93.1%	93.3%	93.4%	93.1%
R&D*	14.9%	12.5%	13.4%	14.2%	14.7%	15.2%	14.8%	15.3%
S&O*	43.6%	39.9%	39.8%	35.3%	34.8%	33.6%	34.1%	33.7%
G&A*	16.0%	14.8%	13.8%	13.2%	10.7%	11.3%	10.4%	11.6%
Adjusted EBITDA	17.5%	26.2%	26.9%	30.8%	32.9%	33.2%	34.1%	32.5%
Revenue ex-TAC margin**	40.3%	40.8%	40.4%	40.6%	41.0%	42.0%	41.4%	41.9%

* Cost of revenue and operating expenses are expressed on a Non-GAAP basis, which excludes the impact of equity awards compensation expense, pension service costs, depreciation and amortization, acquisition-related costs, restructuring and deferred price consideration.

** As a % of revenue

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Investor Relations Contacts: IR@Criteo.com



Edouard Lassalle

VP, Head of Investor Relations
32, rue Blanche
75009 Paris
+33 1 7621 2166
e.lassalle@criteo.com



Friederike Edelmann

Director, Investor Relations
387 Park Ave South, 12th Floor
New York, NY 10016
+1 917 837 8617
f.edelmann@criteo.com

Appendix



Foreign Exchange impact on actual results and guidance



Q1 2019 Actual						
USD million	@ Q1 2018 FX	FX impact	Actual	@ Q1 2019 guidance FX	FX impact	Actual
Revenue ex-TAC	\$ 246.3	\$ (10.6)	\$ 235.7	\$ 236.0	\$ (0.3)	\$ 235.7

Q2 2019 Guidance			
USD million	@ Q2 2018 FX	FX impact	Guidance Midpoint*
Revenue ex-TAC	\$ 227.7	\$ (5.2)	\$ 222.5

Fiscal Year 2019 Guidance			
USD million	@ FY 2018 FX	FX impact	Guidance Midpoint*
Revenue ex-TAC	\$ 976.0	\$ (16.5)	\$ 959.5

* Based on FX assumptions for Q2 2019 and Fiscal Year 2019 published in the April 30, 2019 earnings release

Revenue ex-TAC reconciliation



(\$ in thousands)	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Revenue	516,667	542,022	563,973	674,031	564,164	537,185	528,869	670,096	558,123
Less: Traffic acquisition costs	306,693	322,200	329,576	397,087	323,746	306,963	305,387	398,238	322,429
Revenue ex-TAC	209,974	219,822	234,397	276,944	240,418	230,222	223,482	271,858	235,694

(\$ in thousands)	2017	2018
Revenue	2,296,692	2,300,314
Less: Traffic acquisition costs	1,355,556	1,334,334
Revenue ex-TAC	941,136	965,980

Adjusted EBITDA reconciliation



(\$ in thousands)	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	2017	2018
Net income	14,518	7,505	22,269	52,368	21,090	14,707	17,948	42,134	21,401	96,659	95,879
Adjustments:											
Financial (income) expense, net	2,333	2,094	2,886	2,221	1,325	1,006	1,007	1,746	1,974	9,534	5,084
Provision for income taxes	4,201	3,665	7,858	15,927	12,386	8,638	6,821	18,299	10,018	31,651	46,144
Equity awards compensation expense	14,940	14,918	22,028	20,464	19,303	20,245	17,261	10,267	13,882	72,351	67,076
Pension service costs	290	299	320	321	434	419	419	419	394	1,231	1,691
Depreciation and amortization expense	20,167	22,306	23,755	24,570	23,646	23,560	25,619	30,675	19,296	90,796	103,500
Acquisition-related costs	6	-	-	-	-	-	516	1,222	-	6	1,738
Restructuring	-	3,299	-	4,057	(252)	199	-	-	1,890	7,356	(53)
Total net adjustments	41,936	46,581	56,847	67,560	56,842	54,067	51,643	62,628	47,454	212,925	225,180
Adjusted EBITDA	56,454	54,086	79,116	119,928	77,932	68,774	69,591	104,762	68,855	309,584	321,059

Free cash flow reconciliation



(\$ in thousands)	Q1 2018	Q1 2019
CASH FROM OPERATING ACTIVITIES	84,527	67,220
Acquisition of intangible assets, property, plant and equipment	(7,413)	(13,292)
Change in accounts payable related to intangible assets, property, plant and equipment	(25,154)	(10,392)
FREE CASH FLOW	51,960	43,536