



CRITEO REPORTS STRONG RESULTS FOR THE THIRD QUARTER 2016

NEW YORK - November 2, 2016 - Criteo S.A. (NASDAQ: CRTO), the performance marketing technology company, today announced financial results for the third quarter ended September 30, 2016.

- Revenue increased 27% (or 25% at constant currency¹) to \$424 million.
- Revenue excluding Traffic Acquisition Costs, or Revenue ex-TAC², grew 32% (or 30% at constant currency) to \$177 million, or 41.7% of revenue.
- Net Income increased 154% to \$15 million.
- Adjusted EBITDA² grew 55% (or 51% at constant currency) to \$54 million, representing 12.6% of revenue and 30.3% of Revenue ex-TAC.
- Adjusted Net Income per diluted share² grew 173% to \$0.48.

"We continue to deliver terrific results for advertisers," said Eric Eichmann, CEO. "And with the addition of HookLogic and Criteo Predictive Search, we will cover an ever increasing part of their performance marketing and become a more strategic partner."

"We continue to deliver rapid growth and expanding profitability," said Benoit Fouilland, CFO. "Our ability to drive operating leverage while investing in the business demonstrates the scalability of our model."

Operating Highlights

- We added over 1,000 net clients in Q3, a new record in Criteo's history, approaching 13,000 clients.
- Revenue ex-TAC from existing clients, live in Q3 2015 and still live in Q3 2016, grew 15% at constant currency.
- Close to 57% of our revenue was generated on mobile ads.
- Users matched through our Universal Match technology generated 52% of Revenue ex-TAC, reflecting the growing adoption of our solution and the high value of matched users for advertisers.
- Close to 7,000 advertisers are now live on dynamic ads on Facebook and Instagram.
- On October 25, 2016, we launched Criteo Predictive Search, a groundbreaking product that brings our proven performance-based approach to the large and fast-growing Google Shopping market.

Acquisition of HookLogic

On October 3, 2016, Criteo signed a definitive agreement to acquire HookLogic, Inc., a New York-based company connecting many of the world's largest ecommerce retailers with consumer brand manufacturers. The acquisition of HookLogic will expand Criteo's business to brand manufacturers and will strengthen our performance marketing platform. The transaction is expected to close in the coming weeks.

¹ Growth at constant currency excludes the impact of foreign currency fluctuations and is computed by applying the 2015 average exchange rates for the relevant period to 2016 figures.

² Revenue ex-TAC, Adjusted EBITDA and Adjusted Net Income per diluted share are not measures calculated in accordance with U.S. GAAP.

Revenue and Revenue ex-TAC

Revenue grew 27%, or 25% at constant currency, to \$424 million (Q3 2015: \$333 million). Revenue ex-TAC grew 32%, or 30% at constant currency, to \$177 million (Q3 2015: \$134 million). This increase was primarily driven by technology innovation across all devices and platforms, the addition of a record quarterly number of clients across regions and the continued expansion of our publisher relationships.

- In the Americas, Revenue ex-TAC grew 31%, or 31% at constant currency, to \$64 million (Q3 2015: \$48 million) and represented 36% of total Revenue ex-TAC.
- In EMEA, Revenue ex-TAC grew 23%, or 27% at constant currency, to \$71 million (Q3 2015: \$57 million) and represented 40% of total Revenue ex-TAC.
- In Asia-Pacific, Revenue ex-TAC grew 51%, or 34% at constant currency, to \$42 million (Q3 2015: \$28 million) and represented 24% of total Revenue ex-TAC.

Revenue ex-TAC margin as a percentage of revenue was 41.7% (Q3 2015: 40.2%), slightly above prior quarters and in line with our expectations.

Net Income and Adjusted Net Income

Net income increased 154% to \$15 million (Q3 2015: \$6 million). Net income available to shareholders of Criteo S.A. was \$14 million, or \$0.21 per share on a diluted basis (Q3 2015: \$5 million, or \$0.08 per share on a diluted basis).

Adjusted Net income, defined as our net income adjusted to eliminate the impact of equity awards compensation expense, amortization of acquisition-related intangible assets, acquisition-related costs and deferred price consideration and the tax impact of these adjustments, increased 175% to \$31 million, or \$0.48 per share on a diluted basis (Q3 2015: \$11 million, or \$0.17 per share on a diluted basis). Adjusted Net income is not a measure calculated in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Adjusted EBITDA and Operating Expenses

Adjusted EBITDA grew 55%, or 51% at constant currency, to \$54 million (Q3 2015: \$34 million). This increase in Adjusted EBITDA is primarily the result of the strong Revenue ex-TAC performance in the quarter, as well as continued operating leverage, in particular in Sales and Operations.

Adjusted EBITDA margin as a percentage of revenue improved 230 basis points to 12.6% (Q3 2015: 10.4%) and 450 basis points as a percentage of Revenue ex-TAC to 30.3% (Q3 2015: 25.8%). While we continue to invest in R&D and innovation, this margin improvement demonstrates the scalability and operating leverage of our model.

Operating expenses increased 33% to \$131 million (Q3 2015: \$99 million). Operating expenses, excluding the impact of equity awards compensation expense, pension service costs, depreciation and amortization, acquisition-related costs and deferred price consideration, which we refer to as Non-GAAP

Operating Expenses, increased 23% to \$111 million (Q3 2015: \$91 million). This increase is primarily related to the year-over-year growth in headcount in Research and Development (32%), Sales and Operations (25%) and General and Administrative (26%), as we continued to grow the organization.

Non-GAAP Operating Expenses as a percentage of revenue decreased by 100 basis points to 26.2% (Q3 2015: 27.2%) and by 480 basis points as a percentage of Revenue ex-TAC to 62.9% (Q3 2015: 67.7%).

Cash Flow and Cash Position

Cash flow from operating activities increased 149% to \$44 million (Q3 2015: \$18 million).

Free Cash Flow, defined as cash flow from operating activities less acquisition of intangible assets, property, plant and equipment and net of proceeds from disposal, was \$24 million (Q3 2015: \$(7) million), increasing by \$30 million year-over-year.

Total cash and cash equivalents were \$407 million as of September 30, 2016 (December 31, 2015: \$354 million).

Business Outlook

The following forward-looking statements reflect Criteo's expectations as of November 2, 2016. We expect the HookLogic transaction to close in the coming weeks. The contribution of HookLogic is therefore not included in the following guidance for the fourth quarter and fiscal 2016.

Fourth Quarter 2016 Guidance:

- We expect Revenue ex-TAC to be between \$207 million and \$210 million excluding HookLogic.
- We expect Adjusted EBITDA to be between \$72 million and \$75 million excluding HookLogic.

Fiscal Year 2016 Guidance:

- We expect Revenue ex-TAC growth to be between 33% and 34% at constant currency excluding HookLogic.
- We expect our Adjusted EBITDA margin as a percentage of revenue to increase between 120 basis points and 140 basis points excluding HookLogic.

The above guidance for the fourth quarter 2016 assumes the following exchange rates for the main currencies having an impact on our business: a U.S. dollar-euro rate of 0.92, a U.S. dollar-Japanese yen of 105, a U.S. dollar-British pound rate of 0.78 and a U.S. dollar-Brazilian real rate of 3.2.

The above guidance assumes no acquisitions are completed during the fourth quarter ending December 31, 2016 and the fiscal year ending December 31, 2016.

Reconciliation of Revenue ex-TAC and Adjusted EBITDA guidance to the closest corresponding U.S. GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high

variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures; in particular, the measures and effects of equity awards compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our share price. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future U.S. GAAP financial results.

Non-GAAP Financial Measures

This press release and its attachments include the following financial measures defined as non-GAAP financial measures by the U.S. Securities and Exchange Commission (the "SEC"): Revenue ex-TAC, Revenue ex-TAC by Region, Revenue ex-TAC margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Adjusted Net Income per diluted share, Free Cash Flow, and Non-GAAP Operating Expenses. These measures are not calculated in accordance with U.S. GAAP.

Revenue ex-TAC is our revenue excluding Traffic Acquisition Costs ("TAC") generated over the applicable measurement period and Revenue ex-TAC by Region reflects our Revenue ex-TAC by our core geographies. Revenue ex-TAC and Revenue ex-TAC by Region are key measures used by our management and board of directors to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that the elimination of TAC from revenue can provide a useful measure for period-to-period comparisons of our core business and across our core geographies. Accordingly, we believe that Revenue ex-TAC and Revenue ex-TAC by Region provide useful information to investors and the market generally in understanding and evaluating our operating results in the same manner as our management and board of directors.

Adjusted EBITDA is our consolidated earnings before financial income (expense), income taxes, depreciation and amortization, adjusted to eliminate the impact of equity awards compensation expense, pension service costs, acquisition-related costs and deferred price consideration. Adjusted EBITDA is a key measure used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, we believe that by eliminating equity awards compensation expense, service costs (pension), acquisition-related costs and deferred price consideration, Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and the market generally in understanding and evaluating our results of operations in the same manner as our management and board of directors.

Adjusted Net Income is our net income adjusted to eliminate the impact of equity awards compensation expense, amortization of acquisition-related intangible assets, acquisition-related costs and deferred price consideration, and the tax impact of these adjustments. Adjusted Net Income is a key measure used by our management and board of directors to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that by eliminating equity awards compensation expense, amortization of acquisition-related intangible assets, acquisition-related costs and deferred price consideration, and the tax impact of these adjustments, Adjusted Net Income can provide a useful measure for period-to-period comparisons of our

core business. Accordingly, we believe that Adjusted Net Income provides useful information to investors and the market generally in understanding and evaluating our results of operations in the same manner as our management and board of directors.

Free Cash Flow is defined as cash flow from operating activities less acquisition of intangible assets, property, plant and equipment and net of proceeds from disposal. Free Cash Flow is a key measure used by our management and board of directors to evaluate the Company's ability to generate cash. Accordingly, we believe that Free Cash Flow permits a more complete and comprehensive analysis of our available cash flows.

Please refer to the supplemental financial tables provided in the appendix of this press release for a reconciliation of Revenue ex-TAC to Revenue, Revenue ex-TAC by Region to Revenue by Region, Adjusted EBITDA to Net Income, Adjusted Net Income to Net Income and Free Cash Flow to cash flow from operating activities, in each case, the most comparable U.S. GAAP measure. Our use of non-GAAP financial measures has limitations as an analytical tool, and you should not consider such non-GAAP measures in isolation or as a substitute for analysis of our financial results as reported under U.S. GAAP. Some of these limitations are: (1) other companies, including companies in our industry which have similar business arrangements, may address the impact of TAC differently; and (2) other companies may report Revenue ex-TAC, Revenue ex-TAC by Region, Adjusted EBITDA, Adjusted Net Income, Free Cash Flow or similarly titled measures but calculate them differently or over different regions, which reduces their usefulness as comparative measures. Because of these and other limitations, you should consider these measures alongside our U.S. GAAP financial results, including revenue and net income.

Forward-Looking Statements Disclosure

This press release contains forward-looking statements, including projected financial results for the quarter ending December 31, 2016 and the fiscal year ending December 31, 2016, our expectations regarding our market opportunity and future growth prospects and other statements that are not historical facts and involve risks and uncertainties that could cause actual results to differ materially. Factors that might cause or contribute to such differences include, but are not limited to: if the HookLogic acquisition is not timely completed or not completed at all, recent growth rates not being indicative of future growth, uncertainty regarding legislative, regulatory or self-regulatory developments regarding data privacy matters, uncertainty regarding our ability to access a consistent supply of internet display advertising inventory and expand access to such inventory, the investments in new business opportunities and the timing of these investments, whether the projected benefits of acquisitions materialize as expected, the impact of competition, our ability to manage growth, potential fluctuations in operating results, our ability to grow our base of clients, uncertainty regarding international growth and expansion and our ability to manage the integration of our acquisitions, and the financial impact of maximizing Revenue ex-TAC, as well as risks related to future opportunities and plans, including the uncertainty of expected future financial performance and results and those risks detailed from time-to-time under the caption "Risk Factors" and elsewhere in the Company's SEC filings and reports, including the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2016, as well as future filings and reports by the Company. Except as required by law, the Company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events, changes in expectations or otherwise.

Conference Call Information

Criteo's earnings conference call will take place today, November 2, 2016, at **8:00 AM ET, 1:00 PM CET**. The conference call will be webcast live on the Company's website <http://ir.criteo.com> and will be available for replay.

Conference call details:

- U.S. callers: +1 855 209 8212
- International callers: +1 412 317 0788 or +33 1 76 74 05 02

Please ask to be joined into the "**Criteo S.A.**" call.

About Criteo

Criteo (NASDAQ: CRTO) delivers personalized performance marketing at an extensive scale. Measuring return on post-click sales, Criteo makes ROI transparent and easy to measure. Criteo has over 2,200 employees in 30 offices across the Americas, EMEA and Asia-Pacific, serving 13,000 advertisers worldwide and with direct relationships with 17,500 publishers.

For more information, please visit www.criteo.com.

Contacts

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Financial information to follow

CRITEO S.A.
Consolidated Statement of Financial Position
(U.S. dollars in thousands)
(unaudited)

| | December 31, | September 30, |
|--|---------------------|----------------------|
| | 2015 | 2016 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 353,537 | \$ 407,158 |
| Trade receivables, net of allowances | 261,581 | 268,097 |
| Income taxes | 2,714 | 4,422 |
| Other taxes | 29,552 | 45,323 |
| Other current assets | 16,030 | 20,288 |
| Total current assets | <u>663,414</u> | <u>745,288</u> |
| Property, plant and equipment, net | 82,482 | 98,353 |
| Intangible assets, net | 16,470 | 18,595 |
| Goodwill | 41,973 | 45,690 |
| Non-current financial assets | 17,184 | 17,453 |
| Deferred tax assets | 20,196 | 28,586 |
| Total non-current assets | <u>178,305</u> | <u>208,677</u> |
| Total assets | \$ 841,719 | \$ 953,965 |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Trade payables | \$ 246,382 | \$ 253,938 |
| Contingencies | 668 | 286 |
| Income taxes | 15,365 | 7,133 |
| Financial liabilities - current portion | 7,156 | 6,403 |
| Other taxes | 30,463 | 35,844 |
| Employee - related payables | 42,275 | 42,317 |
| Other current liabilities | 15,531 | 18,383 |
| Total current liabilities | <u>357,840</u> | <u>364,304</u> |
| Deferred tax liabilities | 139 | 752 |
| Retirement benefit obligation | 1,445 | 2,262 |
| Financial liabilities - non current portion | 3,272 | 2,933 |
| Total non-current liabilities | <u>4,856</u> | <u>5,947</u> |
| Total liabilities | <u>362,696</u> | <u>370,251</u> |
| Commitments and contingencies | | |
| Shareholders' equity: | | |
| <i>Common shares, €0.025 per value, 62,470,881 and 63,760,491 shares authorized, issued and outstanding at December 31, 2015 and September 30, 2016, respectively.</i> | 2,052 | 2,087 |
| Additional paid-in capital | 425,220 | 470,871 |
| Accumulated other comprehensive (loss) | (69,023) | (57,902) |
| Retained earnings | 116,076 | 158,945 |
| Equity - attributable to shareholders of Criteo S.A. | <u>474,325</u> | <u>574,001</u> |
| Non-controlling interests | 4,698 | 9,713 |
| Total equity | <u>479,023</u> | <u>583,714</u> |
| Total equity and liabilities | \$ 841,719 | \$ 953,965 |

CRITEO S.A.
Consolidated Statement of Income
(U.S. dollars in thousands, except share and per share data)
(unaudited)

| | Three Months Ended | | | Nine Months Ended | | |
|--|--------------------|------------|---------------|-------------------|--------------|---------------|
| | September 30, | | YoY Change | September 30, | | YoY Change |
| | 2015 | 2016 | | 2015 | 2016 | |
| Revenue | \$ 332,674 | \$ 423,867 | 27 % | \$ 926,152 | \$ 1,232,321 | 33 % |
| Cost of revenue | | | | | | |
| Traffic acquisition cost | (198,970) | (247,310) | 24 % | (552,097) | (727,034) | 32 % |
| Other cost of revenue | (17,206) | (22,332) | 30 % | (44,418) | (60,950) | 37 % |
| Gross profit | 116,498 | 154,225 | 32 % | 329,637 | 444,337 | 35 % |
| Operating expenses: | | | | | | |
| Research and development expenses | (22,442) | (30,701) | 37 % | (60,141) | (88,097) | 46 % |
| Sales and operations expenses | (56,310) | (68,164) | 21 % | (169,120) | (201,862) | 19 % |
| General and administrative expenses | (19,915) | (32,492) | 63 % | (57,865) | (85,839) | 48 % |
| Total Operating expenses | (98,667) | (131,357) | 33 % | (287,126) | (375,798) | 31 % |
| Income from operations | 17,831 | 22,868 | 28 % | 42,511 | 68,539 | 61 % |
| Financial income (expense) | (6,650) | (570) | (91)% | (5,276) | (1,982) | (62)% |
| Income before taxes | 11,181 | 22,298 | 99 % | 37,235 | 66,557 | 79 % |
| Provision for income taxes | (5,388) | (7,574) | 41 % | (13,896) | (19,968) | 44 % |
| Net Income | \$ 5,793 | \$ 14,724 | 154 % | \$ 23,339 | \$ 46,589 | 100 % |
| Net income available to shareholders of Criteo S.A. | \$ 5,096 | \$ 13,539 | | \$ 21,618 | \$ 42,869 | |
| Net income available to non-controlling interests | \$ 697 | \$ 1,185 | | \$ 1,721 | \$ 3,720 | |
| Weighted average shares outstanding used in computing per share amounts: | | | | | | |
| Basic | 62,082,110 | 63,628,351 | | 61,662,308 | 63,163,922 | |
| Diluted | 65,254,238 | 65,816,422 | | 65,095,690 | 65,429,757 | |
| Net income allocated to shareholders of Criteo S.A. per share: | | | | | | |
| Basic | \$ 0.08 | \$ 0.21 | | \$ 0.35 | \$ 0.68 | |
| Diluted | \$ 0.08 | \$ 0.21 | | \$ 0.33 | \$ 0.66 | |

CRITEO S.A.
Consolidated Statement of Cash Flows
(U.S. dollars in thousands)
(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|--------------------|-----------------|-------------------|-----------------|
| | September 30, | | September 30, | |
| | 2015 | 2016 | 2015 | 2016 |
| Net income | \$ 5,793 | \$ 14,724 | \$ 23,339 | \$ 46,589 |
| Adjustments to reconcile to cash from operating activities | 23,155 | 36,609 | 62,685 | 96,235 |
| - Amortization and provisions | 13,236 | 16,030 | 32,436 | 45,555 |
| - Equity awards compensation expense ⁽¹⁾ | 4,600 | 13,965 | 16,242 | 30,030 |
| - Net gain or loss on disposal of non-current assets | 59 | 1 | 85 | 1 |
| - Interest accrued | 2 | (972) | 9 | 608 |
| - Non-cash financial income and expenses | (130) | 11 | 17 | 29 |
| - Change in deferred taxes | (979) | (3,121) | (3,149) | (7,545) |
| - Income tax for the period | 6,367 | 10,695 | 17,045 | 27,557 |
| Changes in working capital requirement | (7,120) | 4,576 | (2,341) | (22,860) |
| - (Increase)/decrease in trade receivables | (14,795) | (2,160) | (27,434) | (4,528) |
| - Increase/(decrease) in trade payables | 11,899 | 11,218 | 39,518 | (3,931) |
| - (Increase)/decrease in other current assets | (8,781) | (2,856) | (24,664) | (18,633) |
| - Increase/(decrease) in other current liabilities | 4,557 | (1,626) | 10,239 | 4,232 |
| Income taxes paid | (4,328) | (12,278) | (13,237) | (38,152) |
| CASH FROM OPERATING ACTIVITIES | 17,500 | 43,631 | 70,446 | 81,812 |
| Acquisition of intangible assets, property, plant and equipment | (21,514) | (15,792) | (62,671) | (54,970) |
| Change in accounts payable related to intangible assets, property, plant and equipment | (2,551) | (4,115) | 7,396 | 570 |
| FREE CASH FLOW | (6,565) | 23,724 | 15,171 | 27,412 |
| Payments for acquired business, net of cash acquired | (476) | — | (20,551) | (5,074) |
| Change in other non-current financial assets | (1,049) | (377) | (6,292) | 197 |
| CASH USED FOR INVESTING ACTIVITIES | (25,590) | (20,284) | (82,118) | (59,277) |
| Issuance of long-term borrowings | 790 | 739 | 3,183 | 3,798 |
| Repayment of borrowings | (1,484) | 32 | (6,130) | (5,416) |
| Proceeds from capital increase | 3,575 | 1,600 | 10,009 | 17,182 |
| Change in other financial liabilities | — | (25) | (1,000) | (196) |
| CASH FROM FINANCING ACTIVITIES | 2,881 | 2,346 | 6,062 | 15,368 |
| CHANGE IN NET CASH AND CASH EQUIVALENTS | (5,209) | 25,693 | (5,610) | 37,903 |
| Net cash and cash equivalents at beginning of period | 321,109 | 377,407 | 351,827 | 353,537 |
| Effect of exchange rates changes on cash and cash equivalents | (1,256) | 4,058 | (31,573) | 15,718 |
| Net cash and cash equivalents at end of period | \$ 314,644 | \$ 407,158 | \$ 314,644 | \$ 407,158 |

⁽¹⁾ out of which \$13.1 million and \$28.6 million was share-based compensation expense according to ASC 718 - Compensation - stock compensation for the quarter ended and year to date September 30, 2016, respectively.

CRITEO S.A.
Reconciliation of Revenue ex-TAC by Region to Revenue by Region
(U.S. dollars in thousands)
(unaudited)

| Region | Three Months Ended | | | | Nine Months Ended | | | |
|----------------------------------|--------------------|-------------------|---------------|--|-------------------|-------------------|---------------|--|
| | September 30, | | YoY Change | YoY Change at Constant Currency | September 30, | | YoY Change | YoY Change at Constant Currency |
| 2015 | 2016 | 2015 | | | 2016 | | | |
| Revenue | | | | | | | | |
| Americas | \$ 124,024 | \$ 160,739 | 30 % | 29 % | \$ 335,520 | \$ 464,435 | 38 % | 40 % |
| EMEA | 137,185 | 157,921 | 15 % | 19 % | 396,200 | 471,226 | 19 % | 22 % |
| Asia-Pacific | 71,465 | 105,207 | 47 % | 30 % | 194,432 | 296,660 | 53 % | 42 % |
| Total | 332,674 | 423,867 | 27% | 25% | 926,152 | 1,232,321 | 33% | 33% |
| Traffic acquisition costs | | | | | | | | |
| Americas | (75,684) | (97,239) | 28 % | 28 % | (203,781) | (284,728) | 40 % | 41 % |
| EMEA | (79,710) | (87,092) | 9 % | 13 % | (231,023) | (265,097) | 15 % | 17 % |
| Asia-Pacific | (43,576) | (62,979) | 45 % | 27 % | (117,293) | (177,209) | 51 % | 40 % |
| Total | (198,970) | (247,310) | 24% | 22% | (552,097) | (727,034) | 32% | 31% |
| Revenue ex-TAC | | | | | | | | |
| Americas | 48,340 | 63,500 | 31 % | 31 % | 131,739 | 179,707 | 36 % | 38 % |
| EMEA | 57,475 | 70,829 | 23 % | 27 % | 165,177 | 206,129 | 25 % | 27 % |
| Asia-Pacific | 27,889 | 42,228 | 51 % | 34 % | 77,139 | 119,451 | 55 % | 45 % |
| Total | \$ 133,704 | \$ 176,557 | 32% | 30% | \$ 374,055 | \$ 505,287 | 35% | 35% |

⁽¹⁾ We define Revenue ex-TAC as our revenue excluding traffic acquisition costs generated over the applicable measurement period. Revenue ex-TAC and Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region are not measures calculated in accordance with U.S. GAAP. We have included Revenue ex-TAC and Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region in this Form 8-K because they are key measures used by our management and board of directors to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that the elimination of TAC from revenue and review of these measures by region can provide useful measures for period-to-period comparisons of our core business. Accordingly, we believe that Revenue ex-TAC and Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management and board of directors. Our use of Revenue ex-TAC and Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region has limitations as an analytical tool, and you should not consider them in isolation or as a substitute for analysis of our financial results as reported under U.S. GAAP. Some of these limitations are: (a) other companies, including companies in our industry which have similar business arrangements, may address the impact of TAC differently; (b) other companies may report Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region or similarly titled measures but define the regions differently, which reduces their effectiveness as a comparative measure; and (c) other companies may report Revenue ex-TAC or similarly titled measures but calculate them differently, which reduces their usefulness as a comparative measure. Because of these and other limitations, you should consider Revenue ex-TAC and Revenue, Traffic Acquisition Costs and Revenue ex-TAC by Region alongside our other U.S. GAAP financial results, including revenue. The above table provides a reconciliation of revenue ex-TAC to revenue and revenue ex-TAC by region to revenue by region.

CRITEO S.A.
Reconciliation of Adjusted EBITDA to Net Income
(U.S. dollars in thousands)
(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|--------------------|------------------|-------------------|-------------------|
| | September 30, | | September 30, | |
| | 2015 | 2016 | 2015 | 2016 |
| Net income | \$ 5,793 | \$ 14,724 | \$ 23,339 | \$ 46,589 |
| Adjustments: | | | | |
| Financial (income) expense | 6,650 | 570 | 5,276 | 1,982 |
| Provision for income taxes | 5,388 | 7,574 | 13,896 | 19,968 |
| Equity awards compensation expense | 4,600 | 13,965 | 16,242 | 30,030 |
| <i>Research and development</i> | \$ 1,714 | \$ 4,667 | \$ 4,354 | \$ 9,248 |
| <i>Sales and operations</i> | 1,715 | 5,143 | 8,072 | 11,021 |
| <i>General and administrative</i> | 1,171 | 4,155 | 3,816 | 9,761 |
| Pension service costs | 110 | 132 | 332 | 392 |
| <i>Research and development</i> | 41 | 55 | 123 | 160 |
| <i>Sales and operations</i> | 37 | 38 | 115 | 107 |
| <i>General and administrative</i> | 32 | 39 | 94 | 125 |
| Depreciation and amortization expense | 11,892 | 14,771 | 30,598 | 40,588 |
| <i>Cost of revenue</i> | 8,503 | 10,406 | 21,287 | 27,846 |
| <i>Research and development</i> | 1,690 | 1,640 | 4,811 | 5,105 |
| <i>Sales and operations</i> | 1,330 | 1,813 | 3,434 | 5,604 |
| <i>General and administrative</i> | 369 | 912 | 1,066 | 2,033 |
| Acquisition-related costs | — | 1,793 | — | 1,941 |
| <i>General and administrative</i> | — | 1,793 | — | 1,941 |
| Acquisition-related deferred price consideration | 54 | 3 | 278 | 88 |
| <i>Research and development</i> | 54 | 3 | 278 | 88 |
| Total net adjustments | 28,694 | 38,808 | 66,622 | 94,989 |
| Adjusted EBITDA ⁽¹⁾ | \$ 34,487 | \$ 53,532 | \$ 89,961 | \$ 141,578 |

⁽¹⁾ We define Adjusted EBITDA as our consolidated earnings before financial income (expense), income taxes, depreciation and amortization, adjusted to eliminate the impact of equity awards compensation expense, pension service costs, acquisition-related costs and deferred price consideration. Adjusted EBITDA is not a measure calculated in accordance with U.S. GAAP. We have included Adjusted EBITDA because it is a key measure used by our management and board of directors to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that the elimination of equity awards compensation expense, pension service costs, acquisition-related costs and deferred price consideration in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management and board of directors. Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under U.S. GAAP. Some of these limitations are: (a) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements; (b) Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs; (c) Adjusted EBITDA does not reflect the potentially dilutive impact of equity-based compensation; (d) Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us; and (e) other companies, including companies in our industry, may calculate Adjusted EBITDA or similarly titled measures differently, which reduces their usefulness as a comparative measure. Because of these and other limitations, you should consider Adjusted EBITDA alongside our U.S. GAAP financial results, including net income.

CRITEO S.A.
Detailed Information on Selected Items
(U.S. dollars in thousands)
(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|--------------------|----------|-------------------|----------|
| | September 30, | | September 30, | |
| | 2015 | 2016 | 2015 | 2016 |
| Equity awards compensation expense | | | | |
| Research and development | \$ 1,714 | \$ 4,667 | \$ 4,354 | \$ 9,248 |
| Sales and operations | 1,715 | 5,143 | 8,072 | 11,021 |
| General and administrative | 1,171 | 4,155 | 3,816 | 9,761 |
| Total equity awards compensation expense | 4,600 | 13,965 | 16,242 | 30,030 |
| Pension service costs | | | | |
| Research and development | 41 | 55 | 123 | 160 |
| Sales and operations | 37 | 38 | 115 | 107 |
| General and administrative | 32 | 39 | 94 | 125 |
| Total pension service costs | 110 | 132 | 332 | 392 |
| Depreciation and amortization expense | | | | |
| Cost of revenue | 8,503 | 10,406 | 21,287 | 27,846 |
| Research and development | 1,690 | 1,640 | 4,811 | 5,105 |
| Sales and operations | 1,330 | 1,813 | 3,434 | 5,604 |
| General and administrative | 369 | 912 | 1,066 | 2,033 |
| Total depreciation and amortization expense | 11,892 | 14,771 | 30,598 | 40,588 |
| Acquisition-related costs | | | | |
| General and administrative | — | 1,793 | — | 1,941 |
| Total acquisition-related costs | — | 1,793 | — | 1,941 |
| Acquisition-related deferred price consideration | | | | |
| Research and development | 54 | 3 | 278 | 88 |
| Total acquisition-related deferred price consideration | \$ 54 | \$ 3 | \$ 278 | \$ 88 |

CRITEO S.A.
Reconciliation of Adjusted Net Income to Net Income
(U.S. dollars in thousands except share and per share data)
(unaudited)

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|------------|-------------------|------------|
| | September 30, | | September 30, | |
| | 2015 | 2016 | 2015 | 2016 |
| Net income | \$ 5,793 | \$ 14,724 | \$ 23,339 | \$ 46,589 |
| Adjustments: | | | | |
| Equity awards compensation expense | 4,600 | 13,965 | 16,242 | 30,030 |
| Amortization of acquisition-related intangible assets | 1,200 | 943 | 3,794 | 3,145 |
| Acquisition-related costs | — | 1,793 | — | 1,941 |
| Acquisition-related deferred price consideration | 54 | 3 | 278 | 88 |
| Tax impact of the above adjustments | (274) | (129) | (830) | (516) |
| Total net adjustments | 5,580 | 16,575 | 19,484 | 34,688 |
| Adjusted net income ⁽¹⁾ | \$ 11,373 | \$ 31,299 | \$ 42,823 | \$ 81,277 |
| Weighted average shares outstanding | | | | |
| - Basic | 62,082,110 | 63,628,351 | 61,662,308 | 63,163,922 |
| - Diluted | 65,254,238 | 65,816,422 | 65,095,690 | 65,429,757 |
| Adjusted net income per share | | | | |
| - Basic | \$ 0.18 | \$ 0.49 | \$ 0.69 | \$ 1.29 |
| - Diluted | \$ 0.17 | \$ 0.48 | \$ 0.66 | \$ 1.24 |

⁽¹⁾ We define Adjusted Net Income as our net income adjusted to eliminate the impact of equity awards compensation expense, amortization of acquisition-related intangible assets, acquisition-related costs and deferred price consideration and the tax impact of the foregoing adjustments. Adjusted Net Income is not a measure calculated in accordance with U.S. GAAP. We have included Adjusted Net Income because it is a key measure used by our management and board of directors to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that the elimination of equity awards compensation expense, amortization of acquisition-related intangible assets, acquisition-related costs and deferred price consideration, and the tax impact of the foregoing adjustments in calculating Adjusted Net Income can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted Net Income provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management and board of directors. Our use of Adjusted Net Income has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under U.S. GAAP. Some of these limitations are: (a) Adjusted Net Income does not reflect the potentially dilutive impact of equity-based compensation or the impact of certain acquisition related costs; and (b) other companies, including companies in our industry, may calculate Adjusted Net Income or similarly titled measures differently, which reduces their usefulness as a comparative measure. Because of these and other limitations, you should consider Adjusted Net Income alongside our other U.S. GAAP-based financial results, including net income.

CRITEO S.A.
Constant Currency Reconciliation
(U.S. dollars in thousands)
(unaudited)

| | Three Months Ended | | | Nine Months Ended | | |
|---|---------------------|---------------------|---------------|---------------------|---------------------|---------------|
| | September 30, | | YoY Change | September 30, | | YoY Change |
| | 2015 | 2016 | | 2015 | 2016 | |
| Revenue as reported | \$ 332,674 | \$ 423,867 | 27 % | \$ 926,152 | \$ 1,232,321 | 33 % |
| Conversion impact U.S. dollar/other currencies | | (7,986) | | | (4,186) | |
| Revenue at constant currency ⁽¹⁾ | \$ 332,674 | \$ 415,881 | 25% | \$ 926,152 | \$ 1,228,135 | 33% |
| Traffic acquisition costs as reported | (198,970) | (247,310) | 24 % | (552,097) | (727,034) | 32 % |
| Conversion impact U.S. dollar/other currencies | | 4,997 | | | 3,210 | |
| Traffic Acquisition Costs at constant currency ⁽¹⁾ | \$ (198,970) | \$ (242,313) | 22% | \$ (552,097) | \$ (723,824) | 31% |
| Revenue ex-TAC ⁽²⁾ as reported | 133,704 | 176,557 | 32 % | 374,055 | 505,287 | 35 % |
| Conversion impact U.S. dollar/other currencies | | (2,989) | | | (976) | |
| Revenue ex-TAC ⁽²⁾ at constant currency ⁽¹⁾ | \$ 133,704 | \$ 173,568 | 30% | \$ 374,055 | \$ 504,311 | 35% |
| Revenue ex-TAC ⁽²⁾/Revenue as reported | 40% | 42% | | 40% | 41% | |
| Other cost of revenue as reported | (17,206) | (22,332) | 30 % | (44,418) | (60,950) | 37 % |
| Conversion impact U.S. dollar/other currencies | | 251 | | | 266 | |
| Other cost of revenue at constant currency ⁽¹⁾ | \$ (17,206) | \$ (22,081) | 28% | \$ (44,418) | \$ (60,684) | 37% |
| Adjusted EBITDA ⁽³⁾ | 34,487 | 53,532 | 55 % | 89,961 | 141,578 | 57 % |
| Conversion impact U.S. dollar/other currencies | | (1,296) | | | (1,409) | |
| Adjusted EBITDA ⁽³⁾ at constant currency ⁽¹⁾ | \$ 34,487 | \$ 52,236 | 51% | \$ 89,961 | \$ 140,169 | 56% |

⁽¹⁾ Information herein with respect to results presented on a constant currency basis is computed by applying prior period average exchange rates to current period results. We have included results on a constant currency basis because it is a key measure used by our management and Board of Directors to evaluate operating performance. Management reviews and analyzes business results excluding the effect of foreign currency translation because they believe this better represents our underlying business trends. The table above reconciles the actual results presented in this section with the results presented on a constant currency basis.

⁽²⁾ Revenue ex-TAC is not a measure calculated in accordance with U.S. GAAP. See the table entitled "Reconciliation of Revenue ex-TAC by Region to Revenue by Region" for a reconciliation of Revenue Ex-TAC to revenue.

⁽³⁾ Adjusted EBITDA is not a measure calculated in accordance with U.S. GAAP. See the table entitled "Reconciliation of Adjusted EBITDA to Net Income" for a reconciliation of Adjusted EBITDA to net income.

CRITEO S.A.
Information on Share Count
(unaudited)

| | Nine Months Ended | |
|---|--------------------------|-------------------|
| | September 30, | |
| | 2015 | 2016 |
| Shares outstanding as at January 1, | 60,902,695 | 62,470,881 |
| Weighted average number of shares issued during the period | 759,613 | 693,041 |
| Basic number of shares - Basic EPS basis | 61,662,308 | 63,163,922 |
| Dilutive effect of share options, warrants, employee warrants - Treasury method | 3,433,382 | 2,265,835 |
| Diluted number of shares - Diluted EPS basis | 65,095,690 | 65,429,757 |
| Shares outstanding as at September 30, | 62,249,428 | 63,760,491 |
| Total dilutive effect of share options, warrants, employee warrants | 6,582,870 | 8,165,801 |
| Fully diluted shares as at September 30, | 68,832,298 | 71,926,292 |

CRITEO S.A.
Supplemental Financial Information and Operating Metrics
(U.S. dollars in thousands except where stated)
(unaudited)

| | Q4 2014 | Q1 2015 | Q2 2015 | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | YoY Change | QoQ Change |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| Clients | 7,190 | 7,832 | 8,564 | 9,290 | 10,198 | 10,962 | 11,874 | 12,882 | 39% | 8% |
| Revenue | 294,489 | 294,172 | 299,306 | 332,674 | 397,018 | 401,253 | 407,201 | 423,867 | 27% | 4% |
| Americas | 109,543 | 100,624 | 110,872 | 124,024 | 170,133 | 147,174 | 156,522 | 160,739 | 30% | 3% |
| EMEA | 131,275 | 132,208 | 126,807 | 137,185 | 144,905 | 159,405 | 153,899 | 157,921 | 15% | 3% |
| APAC | 53,671 | 61,340 | 61,627 | 71,465 | 81,980 | 94,674 | 96,780 | 105,207 | 47% | 9% |
| TAC | (172,538) | (175,888) | (177,239) | (198,970) | (237,056) | (238,755) | (240,969) | (247,310) | 24% | 3% |
| Americas | (66,774) | (61,244) | (66,853) | (75,684) | (104,646) | (90,929) | (96,560) | (97,239) | 28% | 1% |
| EMEA | (73,264) | (78,158) | (73,155) | (79,710) | (82,905) | (91,185) | (86,820) | (87,092) | 9% | —% |
| APAC | (32,500) | (36,486) | (37,231) | (43,576) | (49,505) | (56,641) | (57,589) | (62,979) | 45% | 9% |
| Revenue ex-TAC | 121,951 | 118,284 | 122,067 | 133,704 | 159,962 | 162,498 | 166,232 | 176,557 | 32% | 6% |
| Americas | 42,769 | 39,380 | 44,019 | 48,340 | 65,487 | 56,245 | 59,962 | 63,500 | 31% | 6% |
| EMEA | 58,011 | 54,050 | 53,652 | 57,475 | 62,000 | 68,220 | 67,079 | 70,829 | 23% | 6% |
| APAC | 21,171 | 24,854 | 24,396 | 27,889 | 32,475 | 38,033 | 39,191 | 42,228 | 51% | 8% |
| Cash flow from operating activities | 51,170 | 41,007 | 11,938 | 17,500 | 66,706 | 18,907 | 19,274 | 43,631 | 149% | 126% |
| Capital expenditures | 12,562 | 12,862 | 18,348 | 24,066 | 19,205 | 12,109 | 22,386 | 19,907 | (17)% | (11)% |
| Net cash position | 351,827 | 316,376 | 321,109 | 314,644 | 353,537 | 386,110 | 377,407 | 407,158 | 29% | 8% |
| Days Sales Outstanding (days - end of month) ⁽¹⁾ | | | | | | 56 | 57 | 56 | | |

⁽¹⁾ Due to the conversion from IFRS (euros) to U.S. GAAP (U.S. dollars), the Days Sales Outstanding for historic quarters has not been recalculated and is not available.