



## PUBLICIS GROUPE

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### PRESS RELEASE

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**Paris, April 29, 2009**

This replaces the announcement made at 8.10am (CET) on April 29, 2009 due to the following corrections : the main gains in the appendix.

### **1<sup>ST</sup> QUARTER 2009 REVENUE**

- **Revenue: EUR 1,075 million**
- **Revenue Growth (published): +1.3%**
- **Organic growth: -4.4%**
- **New Business: USD 1.7 billion**  
(Publicis Groupe ranked no. 1 by Nomura)

**Maurice Lévy, Chairman and CEO of Publicis Groupe:**

*"With a rise of 1.3% in published revenue and a 4.4% decline in organic growth, Publicis Groupe is holding up well in this fiercely turbulent economic crisis.*

*Although I cannot be satisfied with the decrease in our organic growth, all available indicators seem to point in the same direction: market deterioration is much worse than anticipated. Our main competitors have published numbers with a decline between 5.6% and 6.6%, clearly showing that Publicis Groupe is gaining market share. The strategy followed over the last few years is bearing fruit: growth in digital activities and emerging markets has helped to cushion the shock. In addition, our comprehensive and well-adapted offer has proven successful for advertisers: Publicis Groupe was ranked 1<sup>st</sup> in New Business in 2008, a distinction we have maintained throughout the first quarter of 2009. We have an even bigger lead and everything indicates that we should maintain this advantage over our competitors in the month of April. We are strengthening this commercial success by forging stronger ties with our clients across all sectors. Efforts made by the group are fully focused on the following four objectives: providing better service to our clients in these difficult times, gaining market share, protecting our margins and consolidating Publicis Groupe's financial health. Forecasts suggest that the low point will be this summer, with the*



*second half of 2009 proving better than the first. Recovery is expected in the summer of 2010. The latest indicators support this view."*

## I. REVENUE

Group consolidated revenue came to EUR 1,075 million for the first quarter of 2009, up 1.3% from a year earlier.

Organic growth was -4.4% for the quarter, declining less than the overall market.

## II. ACTIVITY OF THE FIRST QUARTER

The resilience of revenue and the relatively limited decline in organic growth in the first quarter were attributable mainly to the effects of the strategy implemented over the last few years. The market decline was cushioned by growth of digital activities in the United States. Steady performance from emerging markets like Latin America, Turkey, Central Europe and the Middle East combined to reduce the negative impact of mature economies. In the 1<sup>st</sup> quarter 2009, Advertising represented 38% of total revenue, SAMS 41% (including 100% of digital activities) and Media activities 21%. Digital activities alone accounted for 20.5% of total revenue, compared with 17.6% in the 1<sup>st</sup> quarter 2008 and 19.6% for the full year 2008 (at 2009 exchange rate).

The client portfolio remains well diversified, with over 50% showing growth. The automotive sector is in steep decline (nearly 20% at constant exchange rate) and represented 13% of revenue in the first quarter of 2009, compared with 15% in the full year 2008.

### *Revenue by Geographic Region*

<i>(in millions of euros)</i>	Revenue		Organic growth	2009/2008
	1 <sup>st</sup> quarter 2009	1 <sup>st</sup> quarter 2008		
Europe	357	403	-6.6%	-11.6%
North America	526	466	-3.6%	+13.0%
Asia-Pacific	114	116	-6.3%	-1.6%
Latin America	51	52	+3.1%	-2.1%
Middle East & Africa	27	24	+3.0%	+12.8%
<b>Total</b>	<b>1,075</b>	<b>1,061</b>	<b>-4.4%</b>	<b>+1.3%</b>

**Europe** saw a decline in growth of 6.6%. Most countries – the United Kingdom (-4.9%), France (-7.4%) and especially southern Europe (-20.5%) – were hurt by the slowdown of the first quarter, which was even more pronounced in March. Germany is still in positive territory (0.9%), and central European countries continued to experience solid growth (14.8%).



**North America**, with negative growth of -3.6%, is resisting better, mainly because of digital activities. **The Asia-Pacific** region was strongly penalized by Korea, Japan and Australia.

**Latin America and the countries of Africa and the Middle East** continued to grow.

In this difficult economic situation, Publicis Groupe remains determined to protect its profitability and financial health. Certain measures taken since September 2008, such as a hiring freeze and other targeted adjustments, are being maintained in 2009. The emphasis on managing operating costs, further development of optimization operations such as simplified structures, the "multi-door" policy, and the consolidation of Shared Service Centers such as "Americas" will pay off in 2009 and especially in 2010.

The implementation of an ERP at the group level was launched at the beginning of the year.

- **NET DEBT AT MARCH 31, 2009**

On January 19, 2009, Publicis Groupe bought back 12.7% of the original issue amount of the Oceane 2018 (Oceane Publicis Groupe SA 2018-2.75%-FR0000180127) in the amount of EUR 95 million.

At March 31, 2009, net debt came to EUR 1,097 million, compared with EUR 1,077 million at March 31, 2008.

- **NEW BUSINESS: USD 1.7 BILLION OF NET GAINS**

Despite reservation shown by advertisers, Publicis Groupe took in USD 1.7 billion in net New Business in the first quarter, proof of its dynamic teams and the relevance of its offer. This performance puts Publicis Groupe at the front of the pack in terms of New Business wins for the first three months of the year (source: Nomura ranking).

The month of April is slated to be highly satisfactory, with the new HP-PCS account (Personal Computers for Europe, the Middle East and Africa) and confirmation of the following wins: Shanghai Expo 2010, Visa 2012 and Siemens (China).

### **III. FIRST QUARTER HIGHLIGHTS**

- **EMPLOYEE SHAREHOLDING**

As approved at the combined shareholders meeting on June 3, 2008 (23<sup>rd</sup> resolution), Publicis Groupe's Management Board has decided to closely associate the employees to Publicis Groupe development.

Firstly, the Management Board decided, with the Supervisory Board's approval, to allocate 50 free shares in the first half of 2009 to each of the 4,500 employees in France working in subsidiaries in which Publicis Groupe owns over 50%. The granting of these shares will not be performance related, but will be offered to those with the company for a minimum of three months and will be subject to a two-year holding period from the date the shares are granted.



The free share scheme in France is the first step of a broader-based employee share-ownership program which will gradually benefit all the group's employees in countries where the group has significant operations. This plan will be implemented in the coming two years in order to take into account the diverse legal systems and tax regimes.

Secondly, a co-investment program has been offered to approximately 160 key executives to enable them to participate in a Publicis Groupe share investment program.

This program is based on a personal investment through a dedicated structure, and real financial commitment on the part of the key executives. It also includes retention and group performance incentives. Subject to certain conditions, executive-investors will receive free shares rewarding loyalty after three or four years according to local rules. In addition, executive-investors may receive performance-related free shares based on Publicis Groupe's organic growth and operating margin compared with its peers.

Concerning the members of the Management Board, the free share allocation will be in compliance with the AFEP/MEDEF recommendations of October 2008. Those free shares will only be awarded based on the group's growth and margin performance by comparison with its peers. The rules concerning continued presence in the group and the holding period will be the same for everyone.

By involving employees to the greatest extent possible and creating a structure of co-investment and incentive, the group intends to show its appreciation to those who are the true reasons for its success. Furthermore, the group wishes to encourage its employees to provide their clients with innovative, creative, and high-performance solutions. The group also wants to encourage its employees to work towards growth, both by winning new business and by consolidating long-term margins in order to preserve the culture and independence of Publicis Groupe.

#### ▪ **ACQUISITIONS IN THE 1<sup>ST</sup> QUARTER 2009**

In early April, Publicis Groupe acquired Nemos, a leading Swiss agency in interactive communication. Founded in 2002 and based in Zurich, Nemos is one of the top agencies in multimedia and flash programming. With a team of ten digital experts, Nemos counts Carlsberg, Mövenpick and Condor Films among its clients.

This acquisition is yet another demonstration of Publicis Groupe's determination to continue to enrich its digital offer through targeted acquisitions in the sector.

#### **IV. OUTLOOK**

The most recent ZenithOptimedia forecasts show a decline in worldwide advertising spending of 6.9% hurting analog media while digital continues to grow.

These latest forecasts should be considered in the context of forecasts made at the end of last year, which estimated that advertising spending worldwide would show negative growth of -0.2%. These numbers reflect the unprecedented economic slowdown worldwide. Other market indicators, while slightly less negative, deliver the same message.



In this context, Publicis Groupe, strengthened by its strategic choices, is intensely focused on cost management with the constant concern of protecting its margins and financial health.

The relevance of the Publicis Groupe offer and the strength and energy of its teams around the world are attested to by new business of USD 1.7 billion. The group's priority of gaining market share is being achieved.

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### **Next Shareholders' Meeting: June 9, 2009, at 10 a.m. at publiciscinemas**

#### **About Publicis Groupe**

Publicis Groupe [Euronext Paris: FR0000130577] is the world's fourth largest communications group. In addition, it is ranked as the world's second largest media agency, and is a global leader in digital and healthcare communications. With activities spanning 104 countries on five continents, the Groupe employs approximately 45,000 professionals. Publicis Groupe offers local and international clients a complete range of advertising services through three global advertising networks, Leo Burnett, Publicis, Saatchi & Saatchi, and two multi-hub networks, Fallon and 49%-owned Bartle Bogle Hegarty. Media consultancy and buying is offered through two worldwide networks, Starcom MediaVest Group and ZenithOptimedia; and interactive and digital marketing led by Digitas. Publicis Groupe recently launched VivaKi to leverage the combined scale of the autonomous operations of Digitas, Starcom MediaVest Group, Denuo and ZenithOptimedia to develop new services, tools, and next generation digital platforms. Publicis Groupe's Specialized Agencies and Marketing Services offer healthcare communications, corporate and financial communications, sustainability communications, shopper marketing, public relations, CRM and direct marketing, event and sports marketing, and multicultural communications.

Web site: [www.publicisgroupe.com](http://www.publicisgroupe.com)

*This presentation contains forward-looking statements. The use of the words "aim(s)," "expect(s)," "feel(s)," "will," "may," "believe(s)," "anticipate(s)" and similar expressions in this press release are intended to identify those statements as forward looking. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than in connection with applicable securities laws, Publicis Groupe undertakes no obligation to publish revised forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events. Publicis Groupe urges you to review and consider the various disclosures it made concerning the factors that may affect its business carefully, including the disclosures made to the French financial authority (AMF).*

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## APPENDIX

### 1<sup>ST</sup> QUARTER 2009 NEW BUSINESS

**USD 1.7 billion (net)**

#### MAIN GAINS

##### LEO BURNETT

Caltax *petroleum products* (Australia), Carrefour (Colombia), MCYS *Government Social Awareness* (Singapore), MillerCoors (US), Turkcell *telecommunications* (Turkey), Wella tone-P&G (Russia), Falabella *department store* (Colombia), TVO *television station* (Canada), Alfa *telecommunications* (Lebanon), Peroni, Molson, Mil.B *beer* (US).

##### PUBLICIS

Alitalia (Italy), Carrefour (France/International), Procter & Gamble *Crest* (UK), Vichy (UK), Wrigley (China), Zurich Connect (Switzerland), Century 21 (France).

##### SAATCHI & SAATCHI

BingoLotto (UK), House of Travel (New Zealand), Invalidity Insurance (Switzerland), LMG International *car insurance* (Thailand), Panasonic (Indonesia), RTA/Dubai Metro Launch (United Arab Emirates), Suning *appliances* (China), Tsingtao (China), Kosovo Ministry of Finance, Midea *appliances* (China), Cadbury Dairy Milk (Australia/New Zealand)

##### STARCOM MEDIAVEST GROUP :

Alfa *telecommunications* (Lebanon), Capital One (UK), Cervceria Nacional (Panama), Heinz (Mexico), Honda (Spain), Kraft Foods (United Arab Emirates), Metro Group (Poland), PTC *telecommunications* (Poland), PZU *financial services* (Poland), Schering Plough *Claritin* (Hungary), CNAMTS *health insurance* (France), Supermercados Plaza's (Venezuela), Bupa International *health insurance* (UK), British Gas (UK), Comcast (US).

##### ZENITHOPTIMEDIA :

Al-Bandar Group *multibrand store* (Saudi Arabia), Nestlé (The Netherlands), Si.mobil Vodafone (Slovenia), Jenny Craig (US), Ubank (Australia), Jamena Gas Networks (Australia), China Mobile (China), T38/40 *slimming product* (Portugal), MTV (UK), Panasonic (Indonesia), Turismo de Valencia (Spain), Haberturk *press* (Turkey), BA *airline* (Digital) (UK), Kang Yuan *pharmaceuticals* (China), Parques Reunidos *theme park* (Spain), sanofi-aventis (Ukraine).

##### PUBLICIS HEALTHCARE COMMUNICATIONS GROUP (PHCG) :

sanofi-aventis Aplenzin *anti-depressant* (US), Biogen-Idec *neurological* (US).

##### PUBLICIS CONSULTANTS

Biscuit LeClerc (US), Carrefour (France), City of The Hague (The Netherlands), Diageo (UK), FIMF *online banking* (Germany), Lactalis *dairy products* (Italy),



Ministry of Agriculture (The Netherlands), Ministry of Economy, Industry and Employment (France), Roman Meal (US), Sanofi Aventis (Germany).

**FALLON**

The Auteurs (UK).

**DIGITAS:**

Total (France).

**Q1 2009 PRESS RELEASES:**

- 01/08/09 Mathias Emmerich is appointed Senior Vice President of Publicis Groupe
- 01/14/09 Philippe Lentschener to leave Publicis Groupe
- 02/04/09 Isabelle Simon joins Publicis Groupe as Senior Vice President
- 02/11/09 2008 Annual Results
- 02/20/09 Results of the standing purchase offer for holders of OCEANES maturing on January 18, 2018
- 03/11/09 Publicis Groupe involves its employees in group growth
- 03/24/09 136 Publicis key executives invest heavily in the group
- 04/15/09 Publicis Groupe pursues its global digital expansion with the acquisition of Nemos, Swiss leader in multimedia and flash programming
- 04/16/09 Publicis Groupe wins Hewlett-Packard Personal Systems Group pan-European advertising and digital communications
- 04/23/09 Reference Document (financial statements) made available

**For further information:** [www.publicisgroupe.com](http://www.publicisgroupe.com)