

PRESS RELEASE

**2011 First Half Results:
Net income up +8%
Substantial increase in income from operations margin on:
+12.4% (+90 basis points)**

- ▶ **Revenue growth:**
 - +5.6% organic growth in H1 2011 over H1 2010
- ▶ **Marked increase in income from operations +13% :**
 - Income from operations margin of 12.4% for H1 2011 compared with 11.5% for H1 2010, an increase of +90 basis points
- ▶ **Net income, Group share of €53 million, up +8% over H1 2010**
- ▶ **Net New Business¹ continues strong at €940 million for H1 2011**
- ▶ **The Group's financial situation continues to improve:**
 - Average net financial debt² and debt on closing both reduced

David Jones, CEO Havas, said : *"Havas had a good first half 2011: We delivered solid improvements in profitability, achieving an increase in margin of 90 basis points compared to the same period last year to reach one of the highest margins in the sector at 12.4%.*

Organic growth was particularly strong in LATAM, APAC and North America for the first six months. Our dedicated efforts to improve operational efficiencies have borne fruit and debt reduction has proceeded apace, with average net financial debt standing at just €22 million.

Havas now has a strong balance sheet structure and is in a good position to capitalize on new growth opportunities but similarly is agile and entrepreneurial enough to respond to any changes driven by economic uncertainty".

1. KEY FIGURES

in €M	H1 2009	H1 2010	H1 2011	Variance H1 2011 / H1 2010
Revenue	700	729	765	+5%
Organic growth	-9.2%	+1.8%	5.6%	
Income from operations	71	84	95	+13%
Income from operations margin	10.2%	11.5%	12.4%	+90 bp.
Operating income	63	81	85	+5%
Net income, Group share	40	49	53	+8%
Net income, Group share in % of revenue	5.7%	6.7%	6.9%	+20 bp.
Net financial debt	179	129	105	-19%
Average net financial debt²	162	81	22	-73%

2. GENERAL COMMENTS

The Board of Directors, meeting on August 30, 2011, approved the consolidated financial statements for the interim period ended June 30, 2011. In accordance with current regulations governing interim financial statements, these were the subject of limited examination by the Group's statutory auditors, whose report is included in the half-yearly financial report available on the Group website: <http://www.havas.com>

→ Group **revenue** of €765 million for H1 2011 was up +5% on a reported basis over H1 2010.

→ **Organic growth** (excluding exchange rate variations and changes in the scope of consolidation) was +5.6% for H1 2011 (+6.8% for Q1 and +4.5% for Q2). A stronger euro had a negative exchange rate impact of €12 million for H1 2011 overall.

Revenue (in €M)	H1 2010	H1 2011	Organic Growth	H1 2010	H1 2011
EUROPE	397	406	EUROPE	-2.6%	+1.3%
<i>of which</i>			<i>of which</i>		
France	158	163	France	-1.6%	+1.7%
UK	86	86	UK	+1.7%	+0%
Rest of Europe	153	157	Rest of Europe	-5.7%	+1.5%
NORTH AMERICA	245	252	NORTH AMERICA	+4.9%	+8.1%
REST OF THE WORLD	87	107	REST OF THE WORLD	+15.4%	+18.2%
<i>of which</i>			<i>of which</i>		
Asia Pacific	34	41	Asia Pacific	+0.7%	+9.2%
Latin America	53	66	Latin America	+25.2%	+24.6%
TOTAL	729	765	TOTAL	+1.8%	+5.6%

Highlights by region:

Europe: Growth in Europe over the first half of 2011 was +1.3%. After a first quarter of strong growth in the main countries, the second quarter reflected a more mixed picture, with good performances from central European countries (Germany, Poland and Switzerland) and from Turkey and Russia; partially offset by moderate declines in southern Europe (Spain, Greece and Portugal). France delivered a satisfactory second quarter performance in media and digital, and the UK in media, digital and healthcare communication.

North America: the region carried over its strong first quarter performance (+7.2%) into the second quarter (+9%), driven mainly by advertising, digital, healthcare communication and media businesses.

The **rest of world** reported solid growth, particularly in Latin America (+24.6%), driven by Brazil, Argentina and Mexico. In Asia, China posted strong growth, led by our new financial communications agency Porda.

→ Results

Income from operations for H1 2011 was €95 million, up +13% as compared to €84 million for H1 2010. **Income from operations margins** continued to improve, rising by +90 basis points from 11.5% in H1 2010 to 12.4% in H1 2011, thanks to tight control of compensation and rental costs.

Operating income rose by +5% after allowing for non-recurring expenses relating mainly to certain longstanding litigations and restructuring costs for certain local agencies.

Net financial expense fell slightly to €14 million due to a well structured average cash position. The effective tax rate was 23%.

Net income, Group share for H1 2011 was €53 million, +8% up on H1 2010, and representing 6.9% of H1 2011 revenue. **Net earnings per share** (basic and diluted) were 12 cents (€) in H1 2011, an increase of +8% on H1 2010.

→ Financial structure

Net financial debt was down to €105 million at June 30, 2011 compared with €129 million at June 30, 2010, a reduction of 19%.

Average net debt² for H1 2011 was €22 million, a reduction of 73% on H1 2010.

3. NET NEW BUSINESS¹

The Group's strong track record in winning new accounts was confirmed yet again with Net New Business¹ worth €940 million for H1 2011.

Some of the most significant new accounts include:

Havas Worldwide

Dell (Arnold), **Pfizer** (Euro RSCG Life), **Freescale Semiconductors** (Euro RSCG San Francisco with MPG), **Van Cleef + Arpels** (BETC Luxe) and **Durex** (Euro RSCG PR) worldwide.

Bosch Home Appliances for Asia (Euro RSCG Singapore), **Metro** Europe-wide (Euro RSCG Germany/Euro RSCG Czech Republic), **Cracker Barrel** and **Reynolds**(Euro RSCG Chicago) for the US. Euro RSCG Latin America was appointed agency of record for **Endesa** for LATAM (Colombia, Argentina, Chile and Brazil).

Strategic wins in digital included **Dove (Unilever)** deodorants for digital advertising and social media and also **Groupon** and **Citibank** (Euro RSCG Chicago) worldwide.

Volvo for Europe and **Reckitt Benckiser** (EHS 4D), **Transitions Optical** (BETC Digital), **Coca-Cola** to activate the BTL brand in association with the UEFA Euro 2012 football tournament and **Nescafe** (Euro RSCG 4D Poland), **CarMD.com** (Euro RSCG Edge appointed agency of record for online media business), **Peugeot** for digital and social media and **Telecom Italia** (Euro RSCG 4D Italy) for Italy for grassroots digital and ethnic marketing, **Granini** (Euro RSCG 4D Germany) for Germany, **World Cyber Games** (Euro RSCG 4D and Euro RSCG Sensors) for the organization of the European Final of the 2011 World Cyber Games, **Pernod Ricard** (Project House) for Turkey for the Ballantine's brand, **Strivectin** (Cake UK appointed agency of record for all social media business), **PepsiCo** (Euro RSCG Vale) for Mexico, **TI Cycles** (Euro RSCG 4D Matrix) for India for bicycle brands BSA, Hercules and Montra.

Havas Media

The most relevant wins from Havas Media are: **Eurostar** for the whole of Europe (Arena Media UK, Havas Sports & Entertainment), **RJ Reynolds**, **Volvo**, **Transitions Optical**, **Yellow Tail** (MPG USA), **Affinity** (Havas Media France and MPG Spain), **Brightsolid** (Arena Media UK), **Click Seguros**, **Groupama**, **Maxxium**, **Port Aventura**, **Tesoro Publico** (MPG Spain), **Crédit Agricole** (Havas Media France), **Mars** (MPG Portugal, Havas Media France), **Megabrands** (MPG Spain, France, UK, Portugal, Germany, Belgium, Italy), **Escada** (MPG Global for Germany), **Polska - Polish Tourism Organisation** (Arena Media Poland, Arena Media UK, Havas Media France), **Mobilicity** (MPG and Media Contacts Canada), **Belcorp** and **Nextel** (MPG LATAM), **Danone** (MPG Mexico and Turkey), **Axa** (MPG Japan) and **KIA** (Havas Media China).

Strategic gains in digital included:

Barceló (Media Contacts USA, Media Contacts Spain), **Medwins** (MPG/Media Contacts UK, Media Contacts Spain), **Mexico Tourism** (Havas Digital Global), **Micromax** (Havas Digital Brazil), **Panasonic**, **The Economist** (Media Contacts USA), **Verti** (Iglue Spain).

(See Annex 2 for the detailed list of main new accounts won).

4. CALENDAR

Q3 2011 revenue will be published in mid-November 2011.

ANNEX 1: FINANCIAL INFORMATION

in €M	H1 2010	H1 2011	Variance H1 2011 / H1 2010
Revenue	729	765	+5%
Organic growth	+1.8%	+5.6%	
Income from operations	84	95	+13%
Income from operations margin	11.5%	12.4%	
Operating income	81	85	+5%
Operating income margin	11.1%	11.1%	
Net financial expense	(15)	(14)	
Income tax expense	(16)	(16)	
Net income of fully consolidated companies	50	55	+10%
Net income of fully consolidated companies in % of revenue	6.9%	7.2%	
Net income, Group share	49	53	+8%
Net income, Group share in % of revenue	6.7%	6.9%	

in €M	as of June 30, 2010	as of June 30, 2011	Variance 06/30/2011 vs 06/30/2010
Total consolidated equity	1182	1175	-1%
Net financial debt	129	105	-19%
Net financial debt / Total consolidated equity	0.11	0.09	
Earnings per share (in €)	0.11	0.12	+8%
Average net debt²	81	22	-73%

Revenue (in €M)	Q1 2011	Q2 2011	H1 2011
EUROPE	190	216	406
<i>of which</i>			
France	75	87	163
UK	43	43	86
Rest of Europe	72	86	157
NORTH AMERICA	125	127	252
REST OF THE WORLD	47	61	107
<i>of which</i>			
APAC and Africa	19	23	41
LATAM	28	38	66
TOTAL	361	404	765

Organic Growth	Q1 2011	Q2 2011	H1 2011
EUROPE	+3.8%	-0.9%	+1.3%
<i>of which</i>			
France	+4.9%	-0.9%	+1.7%
UK	+2.4%	-2.3%	+0.0%
Rest of Europe	+3.5%	-0.7%	+1.5%
NORTH AMERICA	+7.2%	+9.0%	+8.1%
REST OF THE WORLD	+19.5%	+18.0%	+18.2%
<i>of which</i>			
APAC and Africa	+10.3%	+8.4%	+9.2%
LATAM	+24.6%	+24.6%	+24.6%
TOTAL	+6.8%	+4.5%	+5.6%

ANNEX 2: NEW BUSINESS IN H1 2011

WORLDWIDE



MEDIA



ANNEX 3: MAJOR AWARDS IN H1 2011

During the second quarter of 2011, many of the Group's agencies were awarded by leading advertising festivals around the world. Some of the most notable awards include:

At the 58th **International Advertising Festival** in Cannes, the Group carried off a total of 23 Lions:

- Six Gold Lions – one to **MPG/Media Contacts USA** for Fidelity Investments 'Follow the Green Line' in the Media category, one for **MPG/Media Contacts/Havas Sports Mexico** for Nike 'Nike City Cup', also in Media; two for **Havas City** for Monoprix '*Non au quotidien quotidien*' in Design, one for **Euro RSCG Bangkok** for Reckitt-Benckiser/Naturgard '*Chameleon/Frog*' in Press and one for **Fuel Lisbon** for Amnesty International '*Mugshots*' in the Outdoor category.
- Nine Silver Lions: two for **Euro RSCG London** for Dulux '*Walls*' in Film Craft, one for **BETC Euro RSCG** for Canal+ '*Movie Flowcharts*' in Press, one for **Euro RSCG Bangkok** for Reckitt-Benckiser/Naturgard '*Chameleon/Frog*' in Outdoor, one for **Euro RSCG Warsaw** for Reckitt-Benckiser/Airwick in Press, one for **Havas Sports & Entertainment/Havas Media Miami** for Mars/Pedigree 'My Ideal Dog' in Media, one for **Arena/Havas Sports & Entertainment Chile** for Gasco 'Mission Impossible' in Media, one for **Havas City** for Monoprix '*Non au quotidien quotidien*' in Design and one for **W&Cie** for 'BrandAddicted Agency' in Design.
- Eight Bronze Lions: three for **Z+ Brazil** in the Outdoor category for Dia Supermarket, Penalty running shoes and Jamute Audio Studio, one for **BETC Euro RSCG** for Canal+ '*Carlos*' in Cyber, one for **Euro RSCG London** for Dulux '*Walls*' in Cyber, one for **AIS London** for CoppaFeel! '*Boob Hijack*' in Media, one for **Cake London** for West End Partnership '*Get Lost in the West End*' in Media and one for **Euro RSCG Warsaw** for The Polish Federation of Cancer Survivors in Promotion.

The Group won a total of eight **Clio Awards**. **Euro RSCG New York** took two Gold awards Heineken/Dos Equis in Film and in Radio, **BETC Euro RSCG** netted two Silvers for Canal+ '*Carlos*' in Film, **Euro RSCG London** took Silver for Dulux '*Let's Colour*' in Integrated, **Euro RSCG Bangkok** another Silver for Reckitt-Benckiser/Naturgard '*Chameleon/Frog*' in Print and **Arnold Boston** won two Bronze awards in the Film category – one for Nike '*Fresh Air*' and the other for Truth '*Stop Me/Okay/Offer*'.

At the **One Shows**, **Euro RSCG New York** took a Gold in Radio for Heineken/Dos Equis, **BETC Euro RSCG** a Silver in Design for Petit Bateau '*Izia*' and a Bronze in Interactive for Canal+ '*Carlos*', while **Euro RSCG London** won a Silver in Interactive for Dulux '*Let's Colour*' and **Euro RSCG Amsterdam** a Silver One Show Entertainment award for Volvo '*Eclipse*'.

At the **D&AD**, **Euro RSCG New York** won a Yellow Pencil for Heineken/Dos Equis in Radio.

At the **New York ADC**, **Arnold Boston** took Silver for Truth '*Stop Me/Okay/Offer*' in Film.

The **Andy Awards** saw **Euro RSCG New York** scoop three Golds for Heineken/Dos Equis – two in Film and one in Radio. **BETC Euro RSCG** won Silver for Canal+ '*Tick*'.

At the **New York Festivals**, Havas Worldwide notched up a tally of 15 awards: **BETC Euro RSCG** took a total of five – a Gold and a Silver in Technique for Canal+ '*Tick*', a Silver in Print for Canal+ '*Movie Flowcharts*', a Silver in Print and a Bronze in Outdoor for Evian '*Baby Inside*'; **Arnold Boston** went home with five Bronze awards – four for Truth (one in Integrated and three in Film) and one in Radio for McDonald's; **Euro RSCG New York** took three Bronze prizes in Art & Technique for Heineken/Dos Equis; **Euro RSCG Bangkok** a Silver in Print for Reckitt-Benckiser/Naturgard '*Chameleon/Frog*' and **Euro RSCG Spain** a Bronze in Outdoor for Reckitt Benckiser/Strepsils '*Screams*'.

MPG/Media Contacts USA won the Grand Prix at the **Internationalist Awards for Media Innovation** for Fidelity Investments '*Follow the Green Line*'. Havas Media won three Gold awards - **Havas Media Latin America** for Mars/Pedigree '*My Ideal Dog*', **AIS London** for O2 '*3D Rugby*' and **Cake London** for West End Partnership. **MPG/Media Contacts USA** won Silver for Valspar.

Media Contacts Spain was named Best Agency for the eighth year running at the **Interactiva Magazine Awards**.

AIS London took the Consumer Benefit Award at the **Festival of Media Global** for CoppaFeel! '*Boob Hijack*' and took four awards at the **John Caples**: a Gold and a Bronze for O2, a Silver for WRAP and a Bronze for Expedia.

Arena Spain took two awards at the **El Sol Awards** – a Gold for Movistar and a Bronze for FNAC, while **MPG/Media Contacts Spain** took Silver for Nike Iberia.

At the **Portada Pan-Regional Advertising & Media Awards**, the Mars/Pedigree '*My Ideal Dog*' campaign by **Havas Media/Havas Sports & Entertainment Miami/Havas Entertainment (Argentina)** was named best regional campaign.

At the **Sabre European Awards**, **Havas Sports & Entertainment UK** was named winner of the Global Programme prize for Yahoo! '*Penalty Shoot Out*'.

About Havas

Havas (Euronext Paris: HAV.PA) is a global advertising and communications services group. Headquartered in Paris, Havas operates through its two Business Units, Havas Worldwide and Havas Media, in order to optimize synergies and further reinforce Havas's position as the most integrated of all of the major holding companies. Havas Worldwide incorporates the Euro RSCG Worldwide network as well as agencies with strong local identities: Arnold in the USA and the UK, H and W&Cie in France... Havas Media incorporates the MPG, Arena Media, Havas Sports & Entertainment and Havas Digital networks. A multicultural and decentralized Group, Havas is present in more than 75 countries through its networks of agencies and contractual affiliations. The Group offers a broad range of communications services, including traditional advertising, direct marketing, media planning and buying, corporate communications, sales promotion, design, human resources, sports marketing, multimedia interactive communications and public relations. Havas employs approximately 14,000 people. Further information about Havas is available on the company's website: www.havas.com

Forward-Looking Information

This document contains certain forward-looking statements which speak only as of the date on which they are made. Forward looking statements relate to projections, anticipated events or trends, future plans and strategies, and reflect Havas' current views about future events. They are therefore subject to inherent risks and uncertainties that may cause Havas' actual results to differ materially from those expressed in any forward-looking statement. Factors that could cause actual results to differ materially from expected results include changes in the global economic environment or in the business environment, and in factors such as competition and market regulation. For more information regarding risk factors relevant to Havas, please see Havas' filings with the AMF (*Autorité des Marchés Financiers*) (documents in French) and, up to October 2006, with the U.S. Securities and Exchange Commission (documents in English only). Havas does not intend, and disclaims any duty or obligation, to update or revise any forward-looking statements contained in this document to reflect new information, future events or otherwise.

(1): Net New Business

Net new business represents the estimated annual advertising budgets for new business wins (which includes new clients, clients retained after a competitive review, and new product or brand expansions for existing clients) less the estimated annual advertising budgets for lost accounts. Havas' management uses net new business as a measurement of the effectiveness of its client development and retention efforts. Net new business is not an accurate predictor of future revenues, since what constitutes new business or lost business is subject to differing judgments, the amounts associated with individual business wins and losses depend on estimated client budgets, clients may not spend as much as they budget, the timing of budgeted expenditures is uncertain, and the amount of budgeted expenditures that translate into revenues depends on the nature of the expenditures and the applicable fee structures. In addition, Havas' guidelines for determining the amount of new business wins and lost business may differ from those employed by other companies.

(2): Average Net Debt (quarterly, by semester or annually) is calculated for countries included in the international cash pool as the difference between structured gross debt as defined under IFRS (OBSAAR, bonds, used credit lines, etc.) and cash in hand and at bank measured on a daily basis. For the other countries, average net debt is the debt accounted for at the end of the previous quarter (2007 to 2009) and monthly average net debt as from 2010. Average net debt also includes debts associated with earn-out and minority interest buy-out obligations, which are reviewed every six months and adjusted as and when payments are made.

Other definitions:

Organic growth is calculated by comparing revenue for the current financial period against revenue for the previous financial period adjusted as follows:

- revenue for the previous financial period is recalculated using the exchange rates for the current financial period;
- to this resulting revenue is added the revenue of companies acquired between January 1 of the previous financial period and the acquisition date for the period in which these companies were not as yet consolidated;
- revenue for the previous financial period is also adjusted for the consolidated revenue of companies disposed of or closed down between January 1 of the previous financial period and the date of disposal or closure.

Organic growth calculated by this method is therefore adjusted for variations in exchange rate against the euro, and for variations in the scope of consolidation.

Income from operations corresponds to revenue after deduction of compensation and other operating income and expenses from operations.

Operating income is equivalent to income from operations after deduction of individually significant items of "other operating expenses and income" of an unusual or infrequent nature.

Contacts:

Communication:

Lorella Gessa
Communications Director, Havas Group
Tel: +33 (0)1 58 47 90 36
lorella.gessa@havas.com

Investor Relations:

Hervé Philippe
Directeur Général Délégué, Havas Group
Tel: +33 (0)1 58 47 91 23
relations.actionnaires@havas.com

Elsa Cardarelli
Director of Investor Relations, Havas Group
Tel: +33 (0)1 58 47 90 58
elsa.cardarelli@havas.com

2 allée de Longchamp 92281 Suresnes Cedex, France
Tel +33 (0) 1 58 47 90 00 Fax +33 (0) 1 58 47 99 99 www.havas.fr
SA au capital de 171 974 690,80€- 335 480 265 RCS Nanterre - APE 7311Z