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PRESS RELEASE

## Q3 2011 Revenue Organic growth of +7.3%

<b>Revenue:</b>	<b>€387 million</b>
<b>Organic growth:</b>	<b>+7.3%</b>
<b>Net new business<sup>1</sup>:</b>	<b>€351 million</b>

David Jones, Havas CEO, said “We delivered strong organic growth in the third quarter of 7.3%, our best organic growth performance in 3 years. For the first nine months of the year, all our regions grew led by Latin America and Asia with strong growth in North America. All divisions contributed to our performance including a continued acceleration in digital. This performance highlights the strength of our organization and our ability to deliver value to our clients and shareholders even in an uncertain economic environment.”

### 1. KEY FIGURES

Revenue (in €M)	3rd quarter			9 Months		
	2010	2011	Organic	2010	2011	Organic
EUROPE	190	195	1.8%	587	601	1.4%
of which						
France	75	76	-0.8%	234	240	0.9%
UK	46	45	3.7%	132	131	1.3%
Rest of Europe	69	77	3.6%	221	229	2.2%
NORTH AMERICA	127	126	8.2%	372	378	8.2%
REST OF WORLD	51	66	18.7%	137	173	18.4%
of which						
Asia Pacific & Africa	17	26	14.6%	50	67	11.3%
Latin America	34	40	21.5%	87	106	23.4%
<b>TOTAL</b>	<b>368</b>	<b>387</b>	<b>7.3%</b>	<b>1 097</b>	<b>1152</b>	<b>6.1%</b>

## 2. GENERAL COMMENTS

→ Group **revenue** in Q3 2011 was €387 million, compared with €368 million for the same period in 2010: an increase of +5% on an unadjusted basis.

Group revenue for the first nine months of 2011 was €1,152 million, compared with €1,097 million for the equivalent period last year.

A stronger euro resulted in a negative exchange rate impact of €26 million for the first nine months of 2011.

→ Group **organic growth** (excluding variations in exchange rates and scope of consolidation) was +7.3% in Q3 2011 and + 6.1% for the first nine months of 2011.

### Highlights by region:

#### Europe:

In the third quarter, growth in Europe was more restrained than in the first half of the year but showed improvement versus the third quarter of 2010. Growth in France declined, but the UK came back strongly in the third quarter, thanks in particular to strong performances in healthcare communication, media, digital and advertising businesses, driven by major international accounts. In the rest of Europe, notable growth drivers were Germany, in both our communications and media businesses, and the Netherlands. Southern Europe has yet to recover its economic vitality.

#### North America:

The region continues to generate sustained growth with many companies delivering double-digit increases.

#### Rest of world:

**Asia Pacific** is accelerating its pace of growth, thanks to the strong performance of all activities, in particular digital and media businesses and to the acquisition of the Host agency in Australia. All countries in the region contributed to this strong performance, in particular China and the Middle East. **Latin America** continues to post very strong growth, double-digit in virtually every country, driven primarily by digital, media and healthcare communication.

## 3. NET NEW BUSINESS<sup>1</sup>

The Group kept up its commercial momentum with Net new business<sup>1</sup> of €351 million in Q3 2011, for a total of €1,291 million for the first nine months of the year.

Some of the most significant new accounts won in **Q3 2011** include:

### HAVAS WORLDWIDE

- **Pernod Ricard's** global portfolio of standard vodka brands, including Wyborowa and Wyborowa International.
- Global corporate communication and social media for music on demand platform **Deezer**.
- The global creative and digital account for hotel chain **Ibis**.
- **sanofi-aventis**, with BETC Euro RSCG handling the division responsible for diabetes monitoring and delivery devices.
- **Reckitt Benckiser**, with the account for Paras Pharmaceuticals OTC products going to Euro RSCG India which will now be in charge of brands such as Moov, Itchguard, Krack, Dermicool, D'Cold.
- **Hershey's** in Mexico (Euro RSCG Vale), **KLM** in Argentina (Euro RSCG Buenos Aires).
- **Yili**: 5 of China's largest dairy company's brands (Euro RSCG China)
- **Sony** (Euro RSCG Copenhagen) for all the Nordic countries as well as the launch of the **Sony tablet** in Spain.
- **Coca-Cola** chose Cake UK to create a global music anthem for the Coke London 2012 programme and also create content for the campaign.
- **Banco Santander** (Euro RSCG London).

- **Sixt** and **Crédit Agricole** in France (BETC Euro RSCG).
- **Fairmont Hotels** in North America for the loyalty programme (Euro RSCG Toronto).
- Sustainable development budget for **Georgia-Pacific** products in North America (Euro RSCG San Francisco).
- Pan-European account for recycling firm **Green Dot** (Euro RSCG Lisbon).
- **Revlon** (Euro RSCG South Africa) in advertising and digital.
- **Citroën** in Turkey (Euro RSCG Turkey).
- **Volvo** in Greece (Euro RSCG Greece).
- **Cockburns** in the UK (BETC London)

Principal digital and social media wins:

- **Unilever** for 5 new brands across Asia (Euro RSCG Asia), in the UK social media responsibilities for **VO5** (Euro RSCG London) and in Mexico digital business for AdeS.
- **IBM**: account wins on mobile projects in the US and China.
- **Pernod Ricard**, with the **Havana Club** digital account going to Euro RSCG Belgium, the social media and experiential marketing account for its champagne brands in Japan to Euro RSCG Tokyo and the group corporate website to Euro RSCG C&O.
- **Reckitt Benckiser** appointed Euro RSCG Singapore for the digital launch of Dettol in Singapore and Malaysia.
- **EDF**: social media business in France (Euro RSCG C&O).
- **Telefonica** and **Coca Cola Light** (Euro RSCG Madrid).
- In North America, Cake NY was appointed AOR for social media by **Oppenheimer Funds** and **Shutterstock**.
- Cake UK was appointed social media AOR for **Geek Squad**.
- **Air Mauritius**: e-marketing services and social media plus global re-design of the website (Euro RSCG C&O).
- Euro RSCG Chicago was named AOR for **Hefty**.

## HAVAS MEDIA

- The **Turismo de Mexico** global account was won by MPG.
- The **Liebeskind** global off and online account was won by MPG & Media Contacts.
- **Vlisco** and **Canal+** global accounts were won by Havas Media Africa.
- **Insead** chose Havas Media International for its global account.
- **Air Mauritius** and **Haier** global accounts were won in Europe by Havas Media International.
- **Nissan** and **Powerade** will work with Havas Sports & Entertainment on two global assignments.
- **Chiquita** was won in Italy by MPG Italy.
- **KIA** was won by MPG in Denmark.
- Arena Media UK will extend its duties to the online account of **Eurostar**.
- In the UK, Havas Sports & Entertainment will work for **Powerade** on a special project for the Olympic Games London 2012.
- **La Foir Fouille** and **Yellow Village** (Havas Media France) and **Dia** (Havas Media Regions) in France.
- **Bristol Myers Squibb** (Arena Media) and **Carls Jr** (MPG) in Mexico.
- **Alcampo** (Proximia), **Dia**, **Partido Popular** and **Junta de Andalucía** (Arena Media) in Spain.
- **Clarins** (MPG International Miami) in the United States.
- **Quikr** (MPG India) in India.
- **Nature's Bounty** and **China Auto Rental** (MPG China) in China.

Principal digital and social media wins:

- In the UK Cake become **Sony's** social media and experiential agency.
- In Spain iGlue won **Iberostar's** digital communication, MPG / Media Contacts won **ICO** and **Media Contacts** won **Mapfre**.

- In the Philippines, Media Contacts added digital work with **Nestlé, Uniliver, Qatar Air** and **Yahoo**.
- In Singapore, Havas Media won digital assignments for **BNP Paribas** and **Bosch**.

(See Annex 1 for the detailed list of main new accounts won).

## 4. KEY EVENTS

Since the beginning of the year, the Group has developed and diversified its activity on all fronts:

### a) The Arnold micronetwork expands within Havas Worldwide

Spurred by growth in global new business and client development on an international scale, Arnold Worldwide opened an office in Shanghai in September this year. This new foothold in China is part of the Group's ambitious growth strategy for Arnold Worldwide, to make it the most competitive, creative and profitable micronetwork in the world. In May this year, Arnold launched Arnold Furnace in Sydney and Melbourne to serve global clients such as Progressive Insurance and Carnival Cruise Lines. These launches follow the creation of Arnold Amsterdam to serve as the global hub for its client Volvo. Arnold also strengthened its UK presence by merging with Euro RSCG KLP.

### b) BETC expands within Euro RSCG

The **BETC London** agency opened its doors in May, headed by Matthew Charlton (ex Modernista!) and Neil Dawson (ex DDB). BETC has set its sights on opening up in the US, Brazil and Asia.

### c) Acquisitions and specialist start-ups

- In September 2011, Havas launched **multicultural marketing agency Totality**, a full-service creative, strategic and media agency dedicated to the Hispanic, Afro-American and LGBT markets.
- Havas acquired Australian agency **Host** and sister company **One Green Bean** in July this year, as part of long-term plans to strengthen its Asia Pacific operations. Prior to the acquisition, Host was Australia's largest independent agency, positioned at the intersection of creativity and digital in the region.
- Havas took a majority stake in **Socialistic**, the American specialized social media and social technology agency led by Colleen DeCourcy, formerly head of digital at TBWA. Socialistic works with the other Havas agencies.
- Havas launched start-up **Camp + King** in February. This new kind of agency, run by Jamie King and Roger Camp, aims to create ideas and content that influence conversations with consumers in a multichannel way.
- **Euro RSCG Worldwide PR** formed the New York-based **Health Buzz Group** to offer its targeted buzz generation services to the pharmaceutical and wellness sectors worldwide.
- **BETC** launched **BETC Content**, a new agency positioning itself "at the intersection of editorial expertise and entertainment".
- Following its merger with Euro RSCG Apex, London agency **Maitland** set up a new public relations arm named **Maitland Political**.
- In partnership with sister agency Cake, **Havas Sports & Entertainment** set up a new sports PR division in the UK, based on experiential marketing and social media.
- In France, **Havas Digital** launched **Socialyse**, its new social media brand.
- **MPG** launched its mobile marketing brand **Mobext** in Asia, starting with China, Indonesia and the Philippines. Mobext currently operates in eight markets around the world.
- **MPG Media Contacts** launched dedicated creative unit **Branded**, providing in-house production capability that includes digital ad production, video apps and product placement strategy.
- **WebNarrative**, the London digital design and build agency, has joined **MPG Media Contacts**.
- Irish digital agency **eightytwenty/interactive** has joined Havas Worldwide's global digital

network 4D and will now be known as **eightytwenty/4D**. The agency's clients include Bank of Ireland, Toyota, The Irish Times, Munster Rugby and Unilever.

- In the wake of strong growth and performances, **Euro RSCG Life 4D** opened in London. Other offices are scheduled to open in Brazil shortly and in Asia Pacific in early 2012.
- **Havas Media Spain** launched public relations and communications agency **Havas Media PR**.

#### d) Havas recognized as a key player in digital

**MOBEXT** (Havas Media) was named **best mobile agency** at the **Digiday Mobi Awards**.

**David Jones** was the only CEO of a holding company to be invited by **Facebook** to be part of its Facebook Client Council created to advise the social network on advertising.

**BLiNQ Media**, the world leader in technological innovation for Facebook advertising and the only pure-play media and technology company with official access to Facebook APIs, signed a partnership agreement with Havas Digital.

Havas has attracted recognised digital talents including :

- **Matt Howell, Sebastian Gard** and **Bob Goodman**. The former Modernista! team joined **Arnold** as Global Chief Digital Officer, Director Social Media, Director of User Experience Arnold.
- **Elliot Seaborn**, ex Digitas, is now Executive Director of **Arnold**.
- **Andrew Althersonn**, ex Digitas joined **Havas Digital North America** as its President.
- **Dave Dugan**, ex President of BzzAgent joined **Arnold** as Global Commercial Officer.
- **Justin Crawford**, ex Organic, became Executive Creative Director of **Socialistic**.
- **Jason Jercinovic**, ex R/GA became President of **Euro RSCG 4D New York**.
- **Claire Adams**, formerly with Social Fuel is now heading **The Cupola Lab**, Euro RSCG London's Social Media unit in the UK.
- **Colleen DeCourcy**, ex Chief Digital Officer of TBWA, is the founder and head of **Socialistic**.

#### e) Major awards

Many of the Group's agencies were awarded in the third quarter of 2011 for their digital activity:

At the **One Show Entertainment Euro RSCG 4D Amsterdam/Arnold** won a Silver in digital for the Eclipse VOLVO campaign.

At the **One Show Interactive Euro RSCG London** won a Silver in digital for the integrated branding campaign Let's Colour Akzo Nobel/Dulux and **BETC Euro RSCG** won a Bronze for the campaign Carlos/Canal+ in the Web Sites and Microsites category.

At the **ADC\*E Digital BETC Euro RSCG** won a gold for the campaign Carlos/Canal+ in the Web Sites category.

At the **Interactive Media Awards**, **Euro RSCG New York** won a prize for GE and another for Dr Scholls.

At the **WebAwards**, several agencies were awarded: **Arnold Boston** (4 prizes), **BETC Euro RSCG** (3 prizes), **Euro RSCG 4D Amsterdam** (3 prizes), **H** (2 prizes), and **Euro RSCG C&O** (1 prize).

As well as in other disciplines:

**RECMA** ranked **MPG France top agency** not only in terms of revenue (+3% since 2009) but also for quality.

**Media Monitor** named **Euro RSCG Portugal** Agency of the Year.

At the **Sharks International Awards**, **Euro RSCG New York** won 3 Gold awards for Heineken - Dos Equis. **Euro RSCG Sydney** won a Silver for Reckitt Benckiser - Vanish Napisan Crystal White and another Silver went to **BETC Euro RSCG** for the Tick film for Canal+. **Fuel Lisbon** took two Bronze awards for Amnesty International.

At **The Spikes Asia festival** **Euro RSCG Bangkok** won 3 Gold awards for Reckitt Benckiser - Shieldtox Naturgard while **Euro RSCG Sydney** won 2 Bronze awards for Reckitt Benckiser - Vanish Napisan Crystal White and **Euro RSCG Hong Kong** took a Silver in the Young Spikes Integrated Competition.

**Euro RSCG New York** won 2 prizes, one of them **Best of Show**, for Heineken – Dos Equis at the **Radio Mercury Awards**.

At the **Golden Bridge Awards**, **Euro RSCG PR Worldwide** swept a total of 8 prizes, including PR Agency of the Year.

#### **f) Havas and social responsibility**

The second One Young World Summit was held in Zurich, Switzerland in September. This year's summit attracted close on 1,300 delegates from 170 countries. Counsellors including Desmond Tutu, Bob Geldoff, Muhammad Yunus and key business leaders such as Paul Polman - Global CEO of Unilever, Jean-Paul Agon – Chairman and CEO of L'Oréal, and Anthony Jenkins, Chief Executive, Barclays Global Retail Banking, advised and accompanied the delegates throughout the different sessions. For more information on the second "Davos for the Young": <http://www.oneyoungworld.com>

## ANNEX 1

Revenue (in €M)	Q1 2011	Q2 2011	Q3 2011	9M 2011
<b>EUROPE</b>	<b>190</b>	<b>216</b>	<b>195</b>	<b>601</b>
<i>of which</i>				
France	75	87	76	252
UK	43	43	45	131
Rest of Europe	72	86	73	228
<b>NORTH AMERICA</b>	<b>125</b>	<b>127</b>	<b>126</b>	<b>378</b>
<b>REST OF WORLD</b>	<b>47</b>	<b>61</b>	<b>66</b>	<b>173</b>
<i>of which</i>				
Asia Pacific & Africa	19	23	26	67
Latin America	28	38	40	106
<b>TOTAL</b>	<b>362</b>	<b>404</b>	<b>387</b>	<b>1152</b>

Organic Growth	Q1 2011	Q2 2011	Q3 2011	9M 2011
<b>EUROPE</b>	<b>3.8%</b>	<b>-0.9%</b>	<b>1.8%</b>	<b>1.4%</b>
<i>of which</i>				
France	4.9%	-0.9%	-0.8%	0.9%
UK	2.4%	-2.3%	3.7%	1.3%
Rest of Europe	3.5%	-0.7%	3.6%	2.2%
<b>NORTH AMERICA</b>	<b>7.2%</b>	<b>9.0%</b>	<b>8.2%</b>	<b>8.2%</b>
<b>REST OF WORLD</b>	<b>19.5%</b>	<b>18.0%</b>	<b>18.7%</b>	<b>18.4%</b>
<i>of which</i>				
Asia Pacific & Africa	10.3%	8.4%	14.6%	11.3%
Latin America	24.6%	24.6%	21.5%	23.4%
<b>TOTAL</b>	<b>6.8%</b>	<b>4.5%</b>	<b>7.3%</b>	<b>6.1%</b>

**ANNEX 2 Q3 2011 New Business**

**HAVAS**  
WORLDWIDE



**HAVAS**  
M E D I A





## **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](http://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.

## **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.

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