



Puteaux, November 6, 2013

PRESS RELEASE

## Q3 2013 Revenue

### 3<sup>rd</sup> Quarter 2013

Revenue:	€411 million
Organic growth:	+1.2%
Net New Business <sup>1</sup> :	€364 million

**Yannick Bolloré**, Havas Chairman, and **David Jones**, Global CEO, said: *"The Group's performance in the third quarter of 2013 was positive overall, with strong growth in Europe, particularly in France (+5%), where we are already reaping the benefits of the "Havas Village" only eighteen months after its inception. These highly encouraging results bear out the relevance of the integration strategy now gradually being extended to all our key markets.*

*Following 2011 and 2012 where Havas was at the top of the class in North America in organic growth, 2013 has been a slow year but momentum in the business is excellent in terms of both new business and talent additions and the 2014 forecasts for the major divisions in North America are very encouraging.*

*The rest of the world continues to grow, particularly in Latin America.*

*It has also been a strong quarter for Net New Business, both globally and locally, with major wins such as the global media business for Emirates, DISH network in North America, CRM duties for Danone in Europe and social media & online community management for JC Penney in the United States with new assignments from our global clients including Pernod Ricard, Sanofi, Heineken, Novartis and Reckitt Benckiser.*

*The Group is pursuing its strategy of integration with digital, data and content at the heart of all its businesses. We continue to deliver strong margin improvement and following our record first-half profit we are on track to deliver our 2013 plan."*

## 1. KEY FIGURES

(in €M)	Revenue		Organic Growth	
	Q3 2013	9 months 2013	Q3 2013	9 months 2013
<b>EUROPE</b>	203	633	2.7%	1.1%
<i>of which</i>				
France	78	249	5.0%	3.1%
UK	48	142	0.0%	0.9%
Rest of Europe	78	242	2.1%	-0.9%
<b>NORTH AMERICA</b>	136	409	-1.9%	-1.8%
<b>REST OF WORLD</b>	72	206	3.2%	5.2%
<i>of which</i>				
Asia Pacific & Africa	30	87	2.6%	0.2%
Latin America	42	119	3.7%	9.1%
<b>TOTAL</b>	<b>411</b>	<b>1 248</b>	<b>1.2%</b>	<b>0.7%</b>

## 2. GENERAL COMMENTS

→ Group **revenue** for Q3 2013 was €411 million and consolidated revenue for the first nine months of the year was €1,248 million.

→ Group **organic growth** (excluding variations in exchange rate and scope of consolidation) was +1.2% in Q3 2013 and +0.7% for the first nine months of the year.

A weaker euro resulted in a negative exchange rate impact of €31.2 million for the first nine months of 2013.

### Highlights by region:

#### Europe:

France performed well over the first nine months of 2013, with all agencies and activities contributing to higher Q3 growth (+5%).

Q3 2013 saw a return to positive performances across the rest of Europe, driven mainly by Spain, Portugal, Italy, Belgium and, in particular, Germany, which reported double-digit growth.

#### North America:

The region reported a -1.9% downturn in growth for the third quarter and -1.8% for the first nine months of the year, mainly due to several one-off client losses at Arnold. Havas Worldwide New York is back on the growth track, however, and continuing to produce solid performances in media and in corporate and digital communications.

#### Rest of world:

**Asia Pacific** has returned to positive growth thanks mainly to China and Australia, especially in healthcare communications, advertising and direct marketing. The media business is beginning to feel the benefits of winning the LG account.

Growth in **Latin America** remains satisfactory, despite a slowdown from the excellent performance of Q2 2013. Mexico, Argentina and Peru all posted double-digit growth for the first nine months of the year.

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

Net new business<sup>1</sup> was strong in Q3 2013 at €364 million, contributing to a total of €1,202 million for the first nine months of the year (in terms of billings, the yardstick adopted by the market).

Among the most significant gains of **Q3 2013**: the global recruitment site for **Tesco**, global employer brand duties for **AB InBev** and global media duties for **Emirates** and **Hugo Boss**. At the European level, the Group won the **Celesio** account, CRM duties for **Danone Dairy** and media duties for **Wargaming.net** and **Line**. Havas Media won the **MSD** account for Latin America and Canada, media duties for **Poland's Ministry of the Economy** in six markets and **Subaru** for APAC.

National account wins by Group agencies included **Acer** in Germany, **Fitbionic**, **Avocados de Mexico**, **Robert Half International**, **WingStop** and **Yellow Pages** in the USA, **AutoZone** in Mexico, **Maicao** in Chile, **Meta Petroleum Limited** in Colombia, **Kalbe Pharma** in Indonesia, **MTV**, **Panzani**, **Michelin**, **The North Face**, **Asos**, **Bricorama** and **Sodebo** in France, **Scelta Civica** in Italy, PR and media duties for the **Pernod Ricard** brands in the UK, **Grameen Creative Lab** in Singapore and **AIG** in China.

On the digital front, the Group won the **Weber** account in Europe, **Schneider Electric** in France, **TSB Bank** in the UK, **Bayer** in Finland, **JC Penney**, **Otsuka Pharma**, **DISH Network** and **Prevacid** (a Novartis brand) in the North American market, **Valvoline** in Canada and **Tory Burch** in Italy, China and the USA.

*(See Annex 2 for a detailed list of new account wins).*

### 4. CORPORATE SOCIAL RESPONSIBILITY

The Group further underscored its leadership in the field of Corporate Social Responsibility through a number of initiatives:

- The fourth One Young World summit was held for the first time in Africa – in Johannesburg, in October this year. The event was attended by over 1,300 young delegates from 190 countries. Following the now well-established pattern, counselors drawn from the ranks of the world's most influential and highly-respected leaders also attended to engage in dialogue with the delegates and to help formulate concrete solutions to the most pressing issues facing their generation. Counselors this year included **Kofi Annan**, former UN Secretary General, **Sir Richard Branson**, businessman and founder of the Virgin Group and co-founder of B-Team, **Sir Bob Geldof**, activist, musician and founder of Live Aid, **Paul Polman**, CEO Unilever, **Arianna Huffington**, founder of the Huffington Post, **Antony Jenkins**, CEO Barclays, **Muhammad Yunus**, founder of Grameen Bank and Nobel Peace Prize Laureate, **Ahmed Kathrada**, former political advisor to President Mandela, **Francois Pienaar**, former captain of the South African rugby team, along with many other influential thought leaders.

Over 400 sustainable development projects have been launched around the world as a direct result of One Young World, a platform unique of its kind.

For further information: <http://www.oneyoungworld.com>

- Around 100 pro bono campaigns have already been created in 2013. Havas continues to provide active support to many charities and humanitarian organizations both through financial donations and by making its services available without charge. In total, the Group aims to spend over 2,000 working days on pro bono campaigns.

For more information about our CSR approach:

<http://www.havas.com/havas-dyn/en/commitments-socialresponsibility.1.html>

## 5. MAJOR AWARDS

At the **Cresta International Advertising Awards**, **Havas Worldwide** was named network of the year. **Havas Worldwide London** was awarded a Grand Prix in Craft and a Gold for its "Metamorphosis" campaign for Credit Suisse. Other Group agencies to receive awards included: **BETC Paris**, awarded a Gold and a Bronze for Canal+ and another Bronze for MCM Pizza; **Havas Worldwide Helsinki**, taking Gold for "Monsters" Fragile Childhood/Parental Alcohol Awareness; **Havas Worldwide Sydney**, winner of a Silver for Virgin Mobile and the "Fair Go Bro" campaign; **Havas Worldwide Singapore** won a Bronze award in the Print category for its campaign for Chubb. **Havas Worldwide Spain** won Bronze for its "Shooooout" campaign; **Leg** took Bronze in Branded Content for Nike.

At the **Bulldog Stars of PR Awards**, **Havas PR North America** won Gold in the Agency of the Year award.

**Havas PR UK** was voted Agency of the Year at the **MPA Awards**.

**Mobext Philippines** won two Silver awards at the **Smarties APAC**, for P&G and McDonald's. The agency also took home a Gold, a Silver and a special award for McDonald's from the **Boomerang Awards**.

**Havas Worldwide Spain** was awarded Gold for Esteve at the **ASPID** awards.

At the **Festival of Media LatAm**, **Havas Media** won the Pan Latin America award for the Jean-Paul Gaultier "Le Mâle" campaign.

At the **Spikes**, the "Fair Go Bro" campaign for Virgin Mobile Australia by **Havas Worldwide Australia/One Green Bean** scooped three Gold awards (one in Integrated and two in PR) plus Silver in PR. **Host Sydney** was awarded Bronze in Branded Content & Entertainment for Coca-Cola. **Havas Worldwide Australia** also won Silver in Direct and Bronze in PR for the Reckitt Benckiser "Durexperiment Fundawear" campaign and Silver in Media for its "The Most Powerful Arm Ever Invented" campaign on behalf of the Duchenne Foundation & Save Our Sons. The campaign was also awarded Gold in the Direct category at the **IAB Mixx Awards**.

**Havas Media Singapore** took Gold for DBS Bank at the **Singapore Media Awards**.

**Havas Worldwide Paris** laid down a marker at the **Shark Awards**, lifting a grand total of seven awards: two Gold (Print Craft and Design), four Silver (one in Digital, one in Design and two in Print) and a Bronze in Print Craft. **BETC** won Gold in Outdoor, Bronze in Digital and Bronze in Film, while **BETC London** took a Gold in Film Craft as well as a Silver and a Bronze in Film. **Arnold Boston** won Silver in Film and two Bronze awards in Design. Other Group agencies were not to be left out: **Havas Worldwide Dubai** went home with a Bronze

in Outdoor, **Havas Worldwide Amsterdam** with a Silver in Digital, **Havas Worldwide London** with a Bronze in Digital and **Havas Worldwide Australia** with another Bronze in Digital.

At the **Loeries**, **Havas Worldwide South Africa** took Gold for Jik/Reckitt Benckiser and Bronze for Strepsils & Strepsils Intensive/Reckitt Benckiser in the Outdoor category. **Havas Worldwide Dubai** won Bronze in Media for Dettol/Reckitt Benckiser.

At the **Effies Uruguay**, **Havas Worldwide Gurisa** won Silver for Claro and Bronze for El Observador.

Over at the **Effies Australia**, the **Havas Worldwide Sydney/One Green Bean** pairing won Bronze for Virgin Mobile Australia, while **Host** took Silver for Air New Zealand.

A number of Group agencies were among the winners at the **WebAwards**: **BETC** and **Arnold Boston** each went home with three awards, and **Havas Worldwide Amsterdam**, **Palm+Havas**, **Arnold Amsterdam** and **Havas Worldwide Prague** with an award apiece.

## **ANNEX 1**

Revenue (in €M)	3rd quarter			9 Months		
	2012	2013	Organic	2012	2013	Organic
<b>EUROPE</b>	202	203	2.7%	619	633	1.1%
<i>of which</i>						
France	74	78	5.0%	242	249	3.1%
UK	51	48	0.0%	143	142	0.9%
Rest of Europe	77	78	2.1%	234	242	-0.9%
<b>NORTH AMERICA</b>	148	136	-1.9%	430	409	-1.8%
<b>REST OF WORLD</b>	78	72	3.2%	208	206	5.2%
<i>of which</i>						
Asia Pacific & Africa	32	30	2.6%	92	87	0.2%
Latin America	46	42	3.7%	116	119	9.1%
<b>TOTAL</b>	428	411	1.2%	1 257	1 248	0.7%

## ANNEX 2

Significant wins:

### **HAVAS CREATIVE GROUP**

- **AB InBev:** Havas People (global employer brand duties)
- **Acer:** Havas Worldwide Dusseldorf (advertising duties)
- **Arrow:** Havas Worldwide Helsinki (digital duties for IT services)
- **Bayer:** Havas Worldwide Helsinki (digital PR duties)
- **Celesio:** Havas Worldwide Dusseldorf (pan-European integrated duties)
- **Chivas:** Havas Worldwide Johannesburg
- **Danone:** BETC Digital/Havas EHS (CRM duties for Europe)
- **DISH:** Havas Worldwide Chicago (lead digital and social media agency)
- **Fitbionic:** Victors and Spoils (brand strategy and research)
- **Grameen Creative Lab:** Havas Worldwide Siren Singapore (marketing and PR for the 2014 Social Business Summit to be held in Malaysia)
- **JC Penney:** Victors and Spoils (social media and online community management duties)
- **Michelin:** Havas 360 (publishing)
- **Michelob:** Havas Worldwide Toronto (advertising and digital duties)
- **MTV:** Havas 360 (advertising duties)
- **Novartis:** Adrenaline won NA digital duties for Prevacid. Adrenaline's win was for the entire Novartis Integrated Digestive Health business (or portfolio)
- **Panzani:** BETC (advertising duties)
- **Pernod Ricard:** Havas PR UK for the Oddka and Aberlour brands
- **Roger's RCI:** Havas Worldwide Toronto won the digital project for the telecom brand
- **Sanofi:** Havas Worldwide Warsaw won advertising duties for the Emolium brand
- **Santacasa:** Havas Worldwide Lisbon (advertising duties)
- **Schneider Electric:** BETC Digital (BtoB CRM duties)
- **Shoppers Drugmart:** Havas Worldwide Toronto (digital and social media duties)
- **Tesco:** Havas People (recruitment website)
- **TSB Bank:** Havas EHS (digital duties and CRM)
- **Unibail Rodamco:** BETC Shopper (advertising duties)

- **Valvoline:** Havas Worldwide Toronto (digital duties)
- **Weber:** Havas Worldwide Paris (website development on six markets)

#### HAVAS MEDIA GROUP

- **AIG:** Havas Media China
- **Asos:** Havas Media France
- **AutoZone:** Havas Media Mexico
- **Avocados de Mexico:** Havas Media USA
- **Bricorama:** Havas Media France
- **DISH Network:** Havas Media USA (lead digital agency)
- **Emirates:** Havas Media Dubai (Global)
- **Hugo Boss:** Havas Media Germany (Global)
- **Kalbe Pharma:** Havas Media Indonesia
- **Line:** Havas Media Italy, Havas Media International Miami (inter-regional media duties)
- **Maicao:** Arena Chile
- **MSD:** Havas Media (in Latin America and Canada)
- **Meta Petroleum Limited:** Havas Media Colombia
- **Otsuka Pharma:** Havas Media USA (in collaboration with Havas Worldwide)
- **Pernod Ricard:** Havas Media International London
- **Polish Ministry of Economy:** Havas Media in Poland, Germany, Czech Republic, Russia, Ukraine and China
- **Robert Half International:** Havas Media USA
- **Scelta Civica:** Havas Media Italy
- **Sodebo:** Havas Media France
- **Subaru:** Havas Media Singapore (Singapore and APAC)
- **Tory Burch:** Havas Media for Italy, China and the USA – (digital duties and research)
- **Wargaming.net:** Havas Media International Paris (Europe)
- **WingStop:** Havas Media USA
- **Yellow Pages:** Havas Media USA



### **About Havas**

Havas (Euronext Paris SA: HAV.PA) is one of the world's largest global advertising, digital and communications groups. Headquartered in Paris, Havas operates through its two Business Units: Havas Creative Group and Havas Media Group.

Havas Creative Group incorporates the Havas Worldwide ([www.havasworldwide.com](http://www.havasworldwide.com)) network - formerly Euro RSCG Worldwide - (316 offices in 75 countries), the Arnold ([www.arn.com](http://www.arn.com)) micro-network (16 agencies in 15 countries on 5 continents) as well as several other strong agencies.

Havas Media Group ([www.havasmedia.com](http://www.havasmedia.com)), is the world's fastest growing media group, operating in over 100 countries, and incorporates two major commercial brands: Havas Media (ex MPG) and Arena.

A multicultural and decentralized Group, Havas is present in more than 100 countries through its networks of agencies and contractual affiliations. The Group offers a broad range of communications services, including digital, 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 15,000 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 translates 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.

**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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