

Puteaux, July 21, 2016

H1 2016 Results

Revenue up +5.2%
Organic growth +3.0%
Profitability up again to 13.5%
New business still strong

1. KEY FIGURES

In €M	H1 2015	H1 2016	Variation
Revenue	1,034	1,087	+5.2%
Organic Growth			+3.0%
Income from operations	137	147	+7.3%
Income from operations margin	13.3%	13.5%	
Operating income	128	137	+7.0%
Operating margin	12.3%	12.6%	
Net income, Group share	77	82	+6.5%
Net income, Group share in % of revenue	7.4%	7.6%	
Financial net debt	139	95	-31.6%
Earnings per share (in €)	0.18	0.20	+6.8%
Headcount at June 30, 2016	17,468	19,426	

Yannick Bolloré, Havas CEO, said: “The first half of 2016 was positive overall for Havas, with revenue up 5.2% on an unadjusted basis and robust growth at our agencies in Europe, Asia-Pacific and Latin America.

We also continued to enhance our profitability with a 20 basis points increase in our income from operations margin, and our financial structure is as healthy and solid as ever.

Business continued at a highly satisfactory level with new wins including the global media account for Swarovski, the global digital, advertising and content account for 5 consumer healthcare categories of GSK, Shionogi, and two big wins in the US: media duties for Tracfone by Havas Media North America and Wallapop by our Edge agency. These new clients will bring a big boost to our North American business over the coming months.

Our Together strategy we implemented three years ago, which aims to create the most integrated and agile Group in the industry to deliver better outcomes for our clients, continues to deliver strong results.

I would like to thank our clients for the confidence they continue to place in our Group, and our employees for their unfailing commitment.

This strong performance in the first half of the year gives us every confidence that our annual targets will be met."

GENERAL COMMENTS

The Board of Directors, meeting on July 21, 2016, approved the consolidated financial statements for the interim period ended June 30, 2016. These statements were the subject of limited examination by the statutory auditors, whose report can be found in the interim financial report available on the Group's website: <http://www.havas.fr>.

→ Group **Revenue** in Q2 2016 was €581 million, giving a total of €1,087 million for the first half, an increase of +5.2% on an unadjusted basis.

→ The Group's **organic growth** (excluding exchange rate variations and changes in the scope of consolidation) was +2.7% in Q2 2016 and +3.0% for H1 2016.

Changes in the scope of consolidation had a positive impact of €51 million, while exchange rate variations had a negative impact of €29 million on the first half of the year overall.

REVENUE AND ORGANIC GROWTH BY REGION:

Revenue (in €M)	Q1 2016	Q2 2016	H1 2016
EUROPE	252	301	553
of which			
France	101	115	216
UK	63	67	130
Other European countries	88	119	207
NORTH AMERICA	187	196	383
APAC & AFRICA	38	46	84
LATIN AMERICA	29	38	67
TOTAL	506	581	1,087

Organic Growth	Q1 2016	Q2 2016	H1 2016
EUROPE	4.1%	3.4%	3.8%
of which			
France	2.6%	2.8%	2.7%
UK	-1.6%	-2.0%	-1.8%
Other European countries	10.6%	7.3%	8.7%
NORTH AMERICA	1.2%	0.3%	0.7%
APAC & AFRICA	4.3%	8.9%	6.7%
LATIN AMERICA	11.4%	2.6%	6.2%
TOTAL	3.4%	2.7%	3.0%

Europe: Europe reported satisfactory organic growth of 3.8% in the first half of 2016.

France continued its positive performance, due in large part to BETC Paris, Havas Media France and the successful merger of Havas Paris and Havas 360.

The UK suffered from the effects of a high baseline coupled with the "wait and see" attitude prompted by the June referendum on whether the UK should leave the European Union.

The other European countries reported very strong momentum with H1 organic growth of 8.7%, driven by Germany, Italy and Portugal.

North America: Overall growth in the region slowed, again as a result of a very high baseline. Despite this, Havas Health and Havas Worldwide Chicago nevertheless produced strong performances. Recent New Business wins such as Tracfone, Wallapop, Pfizer and Sears should bring about an improvement in the second half.

APAC & Africa: After a solid first quarter, the region achieved an excellent performance in Q2 to reach organic growth of 6.7% for the first half. All the countries in the region played their part in achieving these results, headed by Australia, the Middle East and the media businesses in China.

Latin America: The region posted satisfactory organic growth of +6.2% for H1 2016, despite a temporary slowdown in the second quarter, mainly affecting Mexico. Brazil and Argentina continue to be the region's big growth drivers.

→ Results

Income from operations for H1 2016 was €147 million, up +7.3% from the figure of €137 million posted for H1 2015. **Income from operations margin** was 13.5% for H1 2016 compared to 13.3% for the same period in 2015, an increase of 20 basis points.

Operating income was €137 million, an increase of +7.0% over the €128 million reported for the equivalent period in 2015.

The effective tax rate was 31.0% compared to 30.4% in H1 2015.

Net income, Group share, of €82 million for H1 2016 was up +6.5% over H1 2015, representing 7.6% of H1 2016 revenue. **Net earnings per share** were €0.20, an increase of +6.8%.

→ Financial structure

Net financial debt stood at €95 million at June 30, 2016, representing gearing of 6%, down from €139 million at June 30, 2015.

Average net debt¹ for H1 2016 was €-23 million, compared to €24 million in H1 2015, a reduction of €47 million.

2. HIGHLIGHTS OF H1 2016

a) Net new business²

Net new business² for H1 2016 amounted to €1,587 million, of which €799 million was generated in Q2 (in terms of billings – the benchmark used by the market).

In terms of Havas Village wins, the collaboration between Havas Media Brazil and Havas Worldwide Italy won the global social media account for **Telecom Italia**; Havas Worldwide New York joined forces with design agency Conran Design Group in a successful pitch for **Teva**, and HPS and Havas Media together won **JDE** for the European market.

At global level, Havas Worldwide New York won global digital, advertising and content duties for 5 consumer healthcare categories of **GSK** and Havas Media USA won the media account for **Tracfone**.

Some of the biggest wins in media included **Dr. Wolff**, won by Havas Media Germany, Austria and Poland, and **Universal Music Group**, won by Havas Media Germany, Netherlands & Belgium for several countries.

Healthcare duties won included **Novartis**, **Gilead Sciences** and **Astellas**. Other noteworthy wins were **Pfizer** and **Sanofi** in the UK and USA.

At a regional level, significant wins included **Chiquito** by Havas Media USA and Havas Media Italy, **Lidl** and **PKO** by Havas Media Poland, and **Jean Coutu** and **Quiznos** by Havas Worldwide Canada.

A list of accounts won in Q2 2016 is given in Annex 2.

b) The Havas Villages

Havas continues to deploy its strategy of collaboration and integration, one key aspect of which is the introduction of the Havas Villages, bringing together creativity, media and innovation. There are currently 45 Havas Villages around the world, including the very latest, BETC Pantin, which opened its doors just this week.

On July 18, the agency's 850 staff moved into their new 18,000 m² (180,000 sq. ft.) premises. The former warehouses have been transformed into two vast patio/light wells, hanging gardens and open spaces punctuated by large windows, designed ultimately to accommodate between 900 and 1,000 people.

c) Talent

Talents are constantly at the forefront of the Group's concerns. Recent promotions include that of **Laura Maness** to CEO of Havas Worldwide New York and **Douglas Patricio** to Managing Director, LATAM.

A number of new hires have joined the Group, among them **Thomas Funk** as Managing Director Europe for Havas Worldwide, **Michael Keany** as Chief Commercial Officer for Havas Worldwide in the USA, **Xavier Rees** as Chief Executive Officer for Havas Worldwide London and **Louise Whitcombe** as Group Managing Director for Havas Helia.

Within Havas Media Group, **Chloe Smith** was appointed Partnership Director, and **Colin Kinsella** joined the Group as CEO of Havas Media North America. **Paul Frampton** was appointed UK & Ireland Chief Executive for Havas Media Group, while **Matt Adams** was appointed Chief Executive of Havas Media UK.

d) Acquisitions and specialist start-ups

- **Beebop**, a Hamburg-based agency specializing in social media and ambient advertising
- **TP1**, a full-service digital agency based in Montreal, Quebec, known for its strategic expertise in marketing and communications and its commitment to outstanding user experiences, open technologies and web accessibility.
- **Launch of Havas 18/35**: Havas 18/35 is a new forward-looking offering at the intersection between innovation lab and entrepreneurship. The main aim is to develop early-stage ideas and turn them into tangible projects that make a real impact on the communications industry, helping us to better understand consumers' behavior and, consequently, to better serve our clients.
The first project to emerge was a connected couch by the name of **Marty**, an innovative concept designed to satisfy every digital demand in a single object. Marty is chock-full of high-tech objects: a 3D printer, virtual reality headset, smartplugs and inductive chargers, touchscreen control tablet, massage cushion developed by Aurassens, projector, fridge, etc.

e) Partnerships

Havas continues to move forward on two strategic fronts: programmatic and the quality of its media campaigns, based on partnerships delivering real value for clients. Sharpening its response to the market challenges of programmatic, Havas has set up new partnerships with platforms such as TubeMogul (video), Adwizz and Triton (audio) and StrikeAd (mobile), as well as with specific DSPs (Amazon Platform).

With the aim of guaranteeing the quality of media campaigns for the Group's clients, media agencies continue, via Artemis Alliance, to deploy the Meta Quality Barometer (MQB) with market leaders (Adledge, Catchpoint, ClarityAd, Hub'Scan, WhiteOps and Peer39/Sizmek).

3. CORPORATE SOCIAL RESPONSIBILITY

At the latest Cannes Lions Festival, Havas and the world's biggest global communications groups, Dentsu, IPG, Omnicom, Publicis and WPP, joined forces to launch the **Common Ground** initiative, in support of the UN's 17 Sustainable Development Goals ("SDG").

The initiative singles out the communications industry as a pioneer in this kind of collaborative approach.

The announcement in Cannes kicked off with a joint global advertising campaign, and the six groups also decided to provide funding for each of the winning ideas in the Cannes Young Lions competition, which this year focused exclusively on the SDGs. Each Group committed to a particular goal: Dentsu to health, IPG to access to clean drinking water, Omnicom to education, Publicis to food, WPP to gender equality and **Havas to climate change**.

At the **AACC Campagne Citoyenne** awards honoring pro bono campaigns:

- **BETC Paris** won the Grand Prix with its "War Reporters" campaign for Reporters Without Borders, plus two more awards in the "Public or Private Sector Businesses" category with "Devenez skin checker" for La Roche Posay and "#aunomdesseins" for Carte Noire
- **Rosapark** was also awarded in the "Charities & NGOs – Human Rights" category for its campaign "Le Témoin" on behalf of the children's charity Innocence en Danger.
- In the "Charities and NGOs – Public Health" category, **Les Gaulois** was recognized for its "Préjugés" campaign for the Fédération Française de Cardiologie.

For more information about the Group's CSR policy:

<http://www.havas.com/csr>

4. AWARDS AND ACCOLADES

At the **Cannes Lions 2016** International Festival of Creativity, Havas scooped a total of 23 Lions: 2 Gold, 10 Silver and 11 Bronze. The two Gold Lions went to the **Havas Life Sao Paulo** agency for its work for client Teva Neurosciences and to **Havas Worldwide Shanghai** for its Global Road Safety Partnership. The most awarded Group agency in Cannes this year was **BETC Paris**.

At the **D&AD** awards, the French agencies also made their mark, accounting for 7 of the Group's total of 9 awards (Pencils). "The Interactive Form" campaign by **BETC Paris** for Canal+ won a Yellow Pencil; "Sounds of the City" by **Rosapark** for Thalys took 3 Wood Pencils and "#SnackHolidays" for Transavia by **Les Gaulois** took 2 Wood Pencils. The **Havas Worldwide Singapore** and **Arnold Boston** agencies also joined the rankings with a Wood Pencil each.

The Group took 12 awards at the **New York Festivals**. **BETC Paris** was awarded a Grand Prix, 1 Gold and 1 Bronze for Canal+ plus 1 Bronze for its campaign “The Ad Filter” for D&AD. The “#SnackHolidays” campaign by **Les Gaulois** for Transavia received 2 Silver awards and **Rosapark** took home 4 Bronze awards, three for Thalys and one for Fruits & Wine. **Havas Worldwide New York** and **Havas Worldwide Paris** were each awarded 1 Bronze, for Sony Music/Legacy Recordings and Mercurochrome respectively.

At the **One Show** awards, Group agencies carried off 10 awards including a Grand Prix for “The Interactive Form” by **BETC Paris/BETC Digital** for Canal+, 4 Gold (**BETC Paris/BETC Digital, Arnold Boston/Havas Worldwide New York, Rosapark, Havas Worldwide Paris**), 1 Silver (**Havas Worldwide New York**) and 4 Bronze (**Rosapark, BETC Paris, Les Gaulois** and **Arnold Boston/Havas Worldwide New York**).

At the **ANDY Awards**, **BETC Paris** won 1 Silver for Evian and **Rosapark** 1 Bronze for Thalys. **Rosapark** also won 1 Silver at the **ADC New York** awards for Thalys and **Havas Chicago** took 1 Bronze for Reynolds.

The **Webby** awards for the best digital campaigns resulted in two awards for the “#AllTreesAreBeautiful” campaign by **Arnold Boston/Havas Worldwide** for Reese’s.

At regional level, the **Festival El Sol** saw **Arena Media Spain** carry off 1 Grand Prix, 1 Gold, 1 Silver and 1 Bronze. **Havas Worldwide Vale Mexico, HSE/Havas Media** and **FullSIX** were also awarded.

In Asia-Pacific, the **PR Awards Asia** named **Red Agency** Best Australian PR Agency and its campaign for Western Sydney University Best Media Campaign. The **Mumbrella Awards** named **Havas Media Singapore** Agency of the Year and at the **AWARD Awards**, **Host** won 1 Silver and 1 Bronze and **Havas Worldwide Sydney** 1 Bronze.

In the US, **Arnold Boston** won 1 Bronze for New Balance at the **Effies North America**.

The Group’s media agencies won recognition at the **Internationalist Awards for Innovation in Media** (1 Gold and 3 Silver for Arena Media/Havas Media Spain and UK and Havas Media Middle East) and at the **Festival of Global Media** (1 Silver for HSE/Cake UK and 1 Bronze for Havas Media Middle East), while Havas Media Australia won Bronze at the **Asia-Pacific Media Festival** for its campaign for Paypal.

5. CALENDAR

Q3 2016 revenue will be published end October 2016.

ANNEX 1: FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT AT JUNE 30, 2016

€m	H1 15	H1 16	Variance 2016/2015
Revenue	1,034	1,087	+5.2%
Compensation	(636)	(673)	
Other expenses and income from operations	(261)	(267)	
Income from operations	137	147	+6.8%
Other operating expenses and income	(9)	(10)	
Operating income	128	137	+7.2%
Net financial expense	(9)	(11)	
Income tax	(36)	(39)	
Income tax rate	30.4%	31.0%	
Net income of consolidated companies	83	87	+4.4%
Minority interests	(6)	(5)	
Net income, group share	77	82	+7.0%

CONSOLIDATED BALANCE SHEET AT JUNE 30, 2016

€m

Assets	06/30/15	06/30/16	Liabilities	06/30/15	06/30/16
Intangible and tangible assets	2,172	2,266	Consolidated equity	1,547	1,641
Net deferred taxes	100	92	Provisions	173	176
WCR	(254)	(282)	Net financial debt	139	95
			Earn-out / Buy-out	159	164
Total	2,018	2,076	Total	2,018	2,076

H1 2015 REVENUE AND ORGANIC GROWTH

Revenue (in €M)	Q1 2015	Q2 2015	H1 2015	Organic Growth	Q1 2015	Q2 2015	H1 2015
EUROPE	224	280	504	EUROPE	4.4%	5.1%	4.8%
of which				of which			
France	82	100	182	France	1.1%	3.4%	2.4%
UK	64	72	136	UK	6.7%	3.7%	5.1%
Other European countries	78	108	186	Other European countries	6.2%	7.7%	7.0%
NORTH AMERICA	178	197	375	NORTH AMERICA	10.2%	8.2%	9.2%
APAC & AFRICA	36	44	80	APAC & AFRICA	10.1%	1.8%	5.4%
LATIN AMERICA	31	44	75	LATIN AMERICA	5.4%	1.6%	3.2%
TOTAL	469	565	1 034	TOTAL	7.1%	5.5%	6.3%

ANNEX 2: ACCOUNT WINS IN Q2 2016

Havas Creative Group:

Adidas: Arnold Worldwide Madrid (integrated project)
Airports Connected: Havas Worldwide Düsseldorf (design)
Burn Energy Drink (Coca-Cola): BETC Pop (integrated)
Café de Paris (Pernod Ricard): Havas Worldwide Tokyo (integrated)
Canal+: Havas PR Warsaw (PR)
CERT.be: Havas Boondoggle Leuven (integrated)
FTD (Florists' Transworld Delivery): Havas Formula (PR)
GlassesUSA.com: Havas Formula (PR)
Hope Lingerie: BETC São Paulo (advertising)
I amsterdam: Havas Boondoggle Amsterdam (digital)
Jean Coutu: Havas Worldwide Canada (digital)
Johnson & Johnson: Havas Riverorchid Yangon (integrated)
Quiznos: Havas Worldwide Canada (CRM)
Ratiopharm: Havas Worldwide Helsinki (integrated)
Reynolds Wrap (Alcan): Havas Worldwide Toronto (integrated)
Subaru: Host Sydney (digital, content)
TUI Cruises: Havas Beebop (digital)
Voyages-sncf.com: Havas PR UK (PR)
XXXX Beer: Host Sydney (creative)

Havas Media Group:

A&E: Arena UK (global)
Calzedonia: Havas Media UK (global)
Capitaland: Havas Media Singapore (global)
CIMB Niaga: Arena Indonesia (global)
Chiquita: Havas Media USA & Havas Media Italy (global)
Coyote: Forward France (global)
Cti: Havas Media Argentina (global)
Eastern Bank: Havas Media USA (global)
EDF: Havas Media UK (digital duties)
Karlovarske Mineralni Vody: Havas Media Czech Republic (global)
Lidl: Havas Media Poland (global)
Ministry of Tourism of Indonesia: Havas Media Indonesia (global)
PKO: Havas Media Poland (global)
Radioshack: Havas Media Mexico (global)
Schneider: Havas Media Singapore (global)
Studiocanal: Havas Media Germany (global)
Tracfone: Havas Media USA (global)
TUI: Arena France (global)
Universal Music Group: Havas Media Germany, Netherlands & Belgium (global duties in 6 markets)
4finance: Havas Media LATAM (global)

About Havas

Havas is one of the world's largest global communications groups. Founded in 1835 in Paris, the Group now employs 19,500 people in over 100 countries. Havas is committed to being the world's best company at creating meaningful connections between people and brands through creativity, media and innovation. Havas is also the most integrated Group in its sector, with most of its creative and media teams sharing the same premises, the Havas Villages, designed to increase synergies and creativity for all its clients and agencies.

Havas is organized into two divisions: Havas Creative Group and Havas Media Group. Havas Creative Group incorporates the Havas Worldwide network (havasworldwide.com), 316 offices in 75 countries, the Arnold micro-network (arn.com), 15 agencies in 12 countries, as well as several leading agencies including BETC. Havas Media Group (havasmediagroup.com) operates in over 100 countries, and incorporates four major commercial brands: Havas Media (havasmedia.com), Arena Media (arena-media.com), Forward Media and Havas Sports & Entertainment (havas-se.com).

Further information about Havas is available on the company's website: 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): The Average Net Debt is calculated as the difference between the structured gross debt under IFRS (OBSAAR, Eurobond, Euro Private Placement, used credit lines, employee profit sharing debt blocked on a current account, other financial debt etc...) and the cash & cash equivalent measured on a daily basis for the main countries integrated in the International cashpool ; for the other countries, the net debt taken into account is the average of the net debt at the end of each month. The earn-out and buy-out debts are excluded from the definition of the average net debt.

(2): 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.

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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