

**PUBLICIS
GROUPE**

December 8, 2015

SUMMARY

- Q3 2015 Highlights
- 2015 Outlook
- Media Reviews
- Short Term Challenges and Opportunities
- Long Term Challenges and Opportunities
- Focus on New Organization

Q3 HIGHLIGHTS

- Q3 organic growth at +0.7%, with unexpectedly no growth in September
 - Contrasted performance by geography: slow growth in Europe and the US, improving Asia Pacific, Latin America deteriorating further
 - Impact of budget cancellations / postponements in FMCG, automotive and pharma sectors
- Strong revenue growth in Q3 2015: +33.0%
 - Q3 revenue up 20.5% at constant currencies
- Sapient back to growth in Q3 2015, as planned: circa 5%
- “*Media palooza*”: positive outcome, above market expectations ⁽¹⁾

(1) As of December 4, 2015

2015 OUTLOOK

- ➔ Full year Publicis Groupe organic growth expected to be around 1%
- ➔ Double digit increase in FY2015 reiterated on a reported basis
 - Revenue
 - Operating margin
 - Headline EPS
- ➔ Free cash flow ⁽¹⁾ above €1 billion

(1) Before change in WCR

PUBLICIS GROUPE HAS PERFORMED ABOVE MARKET'S EXPECTATIONS IN « MEDIA PALOOZA » (1)

	PUBLICIS GROUPE	DENTSU	HAVAS	IPG	OMNICOM	WPP
Citibank	✓					✗
Coca-Cola US	✗			✓		
Coty	✓				✗	
Etihad	✓					✗
General Mills US	✗					✓
Johnson & Johnson US				✓	✗	
Kraft Heinz	✓			✗		
Mondelez US	✗	✓				
Rest of the world	✓	✓				
SC Johnson					✓	✗
Sears	✓		✗			
Taco Bell	✓					✗
Visa	✓				✗	

➔ Positive net new business for Publicis Groupe, **above market's expectations**

- After 70% of media reviews have come to an end...
- ... Publicis Groupe has been able to add news business thanks to its digital capabilities

➔ Some reviews yet to come to a conclusion for the industry

- P&G North America, 21st Century Fox, Sony, Volkswagen, L'Oreal USA

(1) As of December 4, 2015
RECMA and media reviews announced between April and September 2015
according to press reports

IN THE SHORT TERM...

Challenges

- Cautious view on Q4 2015
- Restructuring charges in Q4 2015 to accelerate adaptation to new market conditions

Opportunities

- Positive outcome in “*media palooza*” ⁽¹⁾
- Inclusion of Sapient into 2016 organic growth
- Benefit of 2015 bolt-on acquisitions on 2016 revenue
- Quadrennial events in 2016

(1) As of December 4, 2015

... AND IN THE LONGER TERM

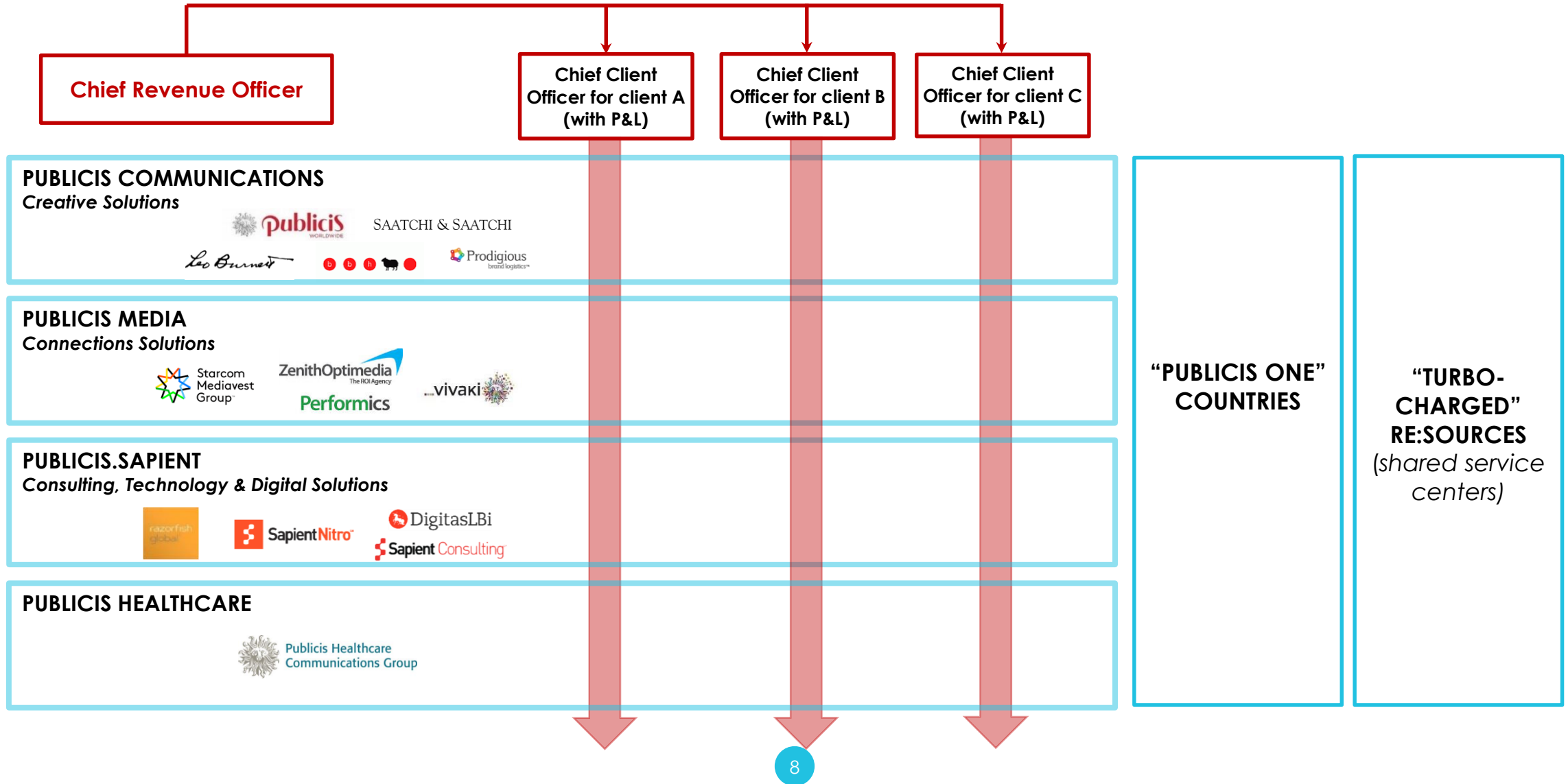
Challenges

- Significant changes to media landscape
- Clients facing challenges with new comers, changes in consumer behavior (empowerment, always on...) exercising pressure on agencies
- Deliver organic growth above peers thanks to our digital skills and know-how

Opportunities

- Exposure to digital
- Publicis.Sapient, the integrated digital platform to serve the Groupe's clients with the best expertises
- Seize tactical M&A opportunities to enlarge our footprint and our digital capabilities
- Unique positioning combining creativity and technology, in an integrated organization

WE ARE MOVING TO A CLIENT-CENTRIC ORGANIZATION



NEW ORGANIZATION

- Why such a transformational move?
 - The pace of change and digitalization of our world is accelerating
 - A need of our clients to benefit the best expertise from agencies
- When?
 - As soon as January 2016
- What's new?
 - 4 solutions Hubs: Publicis Communications, Publicis Media, Publicis.Sapient and Publicis Healthcare, focused on main markets
 - New positions: Chief Client Officers reporting to Chief Revenue Officers
 - P&L by client
 - “Publicis ONE” for smaller markets

OUTCOME FOR PUBLICIS

“The admired force for business transformation driven through the alchemy of creativity and technology”

➔ Better use of capabilities

- For instance, economies of scale in media and digital

➔ Better efficiencies

- Elimination of duplication

➔ Revenue growth acceleration

➔ Confirmed 2018 objective of 17.3% to 19.3% operating margin