



PUBLICIS GROUPE

PRESS RELEASE

Paris, February 14, 2008

Annual Results 2007: Exceptional Financial Performance Targets Met or Exceeded One Year Ahead of Schedule

In EUR million, except for percentages
and per-share data (in euros)

▪ Revenue	4,671	+ 6.5%
<i>Excluding exchange rate impact*</i>	4,886	+ 11.4%
▪ Operating margin	779	+ 9.3%
<i>Excluding exchange rate impact*</i>	822	+ 15.3%
▪ Operating margin as % of revenue	16.7%	+ 40 bp
▪ Organic growth		+ 3.1%
▪ Net income excluding minorities	452	+ 2%
<i>Excluding 2006 capital gains</i>		+ 8.7%
▪ Free cash flow	615	+ 9%
<i>Excluding exchange rate impact*</i>	636	+ 13%
▪ Diluted Headline EPS	2.11	+ 5%
▪ Dividend**	0.60	+ 20%
▪ Cancellation of 8 million shares followed by equivalent share buy-back		

* 2007 at the 2006 exchange rate

** Subject to approval at Shareholders' Meeting on June 3, 2008



Maurice Lévy, Chairman and CEO of Publicis Groupe, states:

"I would first like to thank all the Publicis Groupe teams around the world who have contributed to these excellent results.

Over the course of 2007, a year in which the world economy was buffeted by the sub-prime financial crisis, our Groupe engaged in a deep transformation of its operations as we more fully entered the digital world.

Despite this uncertain economic environment and these substantial efforts of transforming our Groupe, we have turned in an exceptional financial performance. In 2007 we reached, and in some cases surpassed, the targets for 2008 we had published back in 2004:

- The operating margin of the Groupe reached 16.7% (our 2008 target), which takes into account the performance of Digitas (whose margins, although improving, are somewhat below the Groupe average) as well as the restructuring costs linked to this acquisition.*
- The share of revenue from fast-growth markets – a gauge of our future development – has reached 21.3%. Without taking into account Digitas, whose activities have been essentially U.S.-focused, the share of these markets would have been 24%.*
- The share of advertising in our total revenue mix has fallen to below 40% - from 55% in 2004.*
- Marketing services and digital (which alone already represents 15% of total revenue) have reached 36% of total revenue, compared to 23% in 2004.*

This performance demonstrates the solidity of our operations, the quality of our teams and our ability to weather macroeconomic difficulties.

The only somber note has been our insufficient organic growth number -- 3.1% -- essentially due to the particular situation of the pharmaceutical sector. Our activities outside this sector grew by an annual growth rate of 4.3%, with growth accelerating in the second half of the year to + 6.1%.

New Business activity (more than USD 5 billion in 2007 and already more than USD 1.3 billion for the month of January alone) demonstrates, if nothing else, the dynamism of the Groupe and the strength of our offer.

A new world is coming into being before our eyes – a world marked by the incessant development of new technologies, by the co-creation of content and by the rapid emergence of powerful, high-growth economies. For this new world, a new Publicis Groupe model: one in which we have made a radical shift towards digital and have moved to suppress internal silos. At the same time, we are reinforcing teams and capabilities in creative, digital and emerging markets.



With this new model giving us strength, our Groupe priority is growth. In terms of staking out new positions we are better armed and better equipped than our main competitors. We will make the necessary investments to constantly strengthen our human and technological potential in order to better apprehend the needs of consumers and to better serve our clients.

The Management Board (Directoire) has been renewed with the arrival of Jean-Yves Naouri and David Kenny. I would like to express my warmest thanks to Bertrand Siguier and Claudine Bienaimé, who are retiring from the Management Board, for their valuable services to our company over so many years.

The current year, 2008, presents some challenges: a slowdown in the U.S., as well as the after-effects of the financial crisis. But, equally, there are opportunities: the Beijing Olympics, the UEFA-EURO 2008 and the continued effervescence of the digital world. We are more determined than ever to thrive in this time of economic uncertainty, by making the most of the huge opportunities in the market. That is because Publicis Groupe is now in a clear position of strength, the best able to guide our clients through this new world. Not only do we have the necessary financial robustness to be reactive in a fast-changing environment, but the model we wield is unique in the industry: holistic and digital; creative, innovative and fluid; without silos or solos; and with the tools and teams to make our clients win.”

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Maurice Lévy, Chairman and CEO, presented the financial statements and management report for 2007 to the Supervisory Board of Publicis Groupe at its meeting presided by Elisabeth Badinter on February 12, 2008.

Key figures

in EUR million, except for percentages and per-share data (in euros)	2007	2006	Variation 2006/2007
Revenue	4,671	4,386	+ 6.5%
Operating margin before depreciation and amortization	888	820	+ 8.3%
<i>As % of revenue</i>	<i>19.0%</i>	<i>18.7%</i>	-
Operating margin	779	713	+ 9.3%
<i>As % of revenue</i>	<i>16.7%</i>	<i>16.3%</i>	-
Operating income	746	689	+ 8.3%
Net income attributable to Publicis Groupe	452	443	+ 2.0%
Earnings per share ⁽¹⁾	2.18	2.11	+ 3%
Diluted earnings per share ⁽²⁾	2.02	1.97	+ 3%
Dividend per share	0.60	0.50	+ 20%
Balance sheet data	December 31 2007	December 31 2006	
Total assets	12,244	11,705	-
Shareholders' Equity	2,198	2,080	-

A dividend of EUR 0.60 per share will be submitted for the approval of shareholders, at the General Meeting to be held on June 3, 2008. It will be paid on July 25, 2008.

On February 12, 2008, the Management Board's decision to proceed with the cancellation of 8 million shares, followed by equivalent share buy-back, was presented to the Supervisory Board.

◆ Analysis of Key Figures

▪ 2007 Revenue

Consolidated revenues for 2007 amounted to EUR 4,671 million compared with EUR 4,386 million in 2006, up 6.5%, or +11.1% excluding exchange rate fluctuations (with a 2006 revenue at 2007 exchange rate).

2007 was a record year for Saatchi, which benefited from new accounts and from the growth of major clients.

Publicis Worldwide recorded a marked improvement in the second half-year with a return to growth, thanks in particular to its strong rebound in France.

Only Leo Burnett, despite its excellent growth outside the United States, continued to suffer from the loss of important accounts in 2006 (US Army and Cadillac).

Publicis Groupe Media achieved exceptional growth in the three key regions of the United States, Europe and Asia.

As was explained on several occasions in 2007, the low organic growth rate resulted mainly from the difficulties of pharmaceutical industry.



Organic growth rates, excluding the health sector, improved sharply in the third quarter (+ 6.5%) and fourth quarter (+ 6.1%), confirming that all other parts of the Groupe's business were not only holding up well, but accelerating their growth.

Geographical distribution of revenues for 2007

(EUR million)	<i>Revenue</i>		Growth	
	2007	2006	Global	Organic
Europe	1,799	1,747	3.0%	1.7%
North America	2,016	1,842	9.4%	1.7%
Asia-Pacific	502	471	6.6%	8.6%
Latin America	237	214	10.7%	8.9%
Africa and Middle East	117	112	4.5%	11.1%
Total	4,671	4,386	6.5%	3.1%

Growth in the emerging economies, which represented 21.3% of revenue in 2007 (24% excluding Digitas) compared with 21.0% in 2006, enabled the targets fixed in 2004 for 2008 to be reached a year ahead of schedule.

Reduced activities in the healthcare sector weighed on performance in the United States and Europe. The latter should return to a good level of growth in 2008, following some one-off problems.

India and Russia saw growth rates above 20%, while growth in China reached 15%.

■ 2007 Fourth Quarter Revenue

In the fourth quarter business recovered globally to more usual growth rates to reach EUR 1.30 billion, up by + 4.2%, at constant scope and exchange rates. However the accelerating fall in the healthcare communications sector had a negative impact on organic growth during the period. Excluding this sector, the Groupe's activities registered an organic growth rate of + 6.1%.

Geographical distribution of Q4 revenue

(EUR million)	<i>Revenue</i>		Growth	
	4 th quarter 2007	4 th quarter 2006	Global	Organic
Europe	535	530	0.9%	3.1%
North America	521	491	6.1%	1.1%
Asia-Pacific	142	134	6.0%	15.3%
Latin America	67	60	11.7%	11.1%
Africa and Middle East	36	36	-	6.7%
Total	1,301	1,251	4.0%	4.2%

The growth of Groupe revenues in the fourth quarter confirms the dynamism of growth in the emerging economies.



▪ **Operating Margin**

The operating margin rose to **EUR 779 million**, up by **+ 9.3%**, or **+ 15.3%** excluding exchange rate fluctuations (2007 figures at the 2006 exchange rate).

The operating margin as percentage of revenue for 2007 was 16.7%, reaching the target fixed by the Groupe a year ahead of schedule, and up by 40 basis points compared to the already-high margin rate of 16.3% achieved in 2006.

This remarkable performance was achieved thanks to continued efforts throughout the Groupe to control costs, and despite the significant integration costs of Digitas and the fact that profit margins of acquisitions have been below average of Groupe.

Tighter cost management as well as the optimization of various operating costs strongly contributed to the improved margin.

▪ **Net Income**

The net income excluding minorities amounted to EUR 452 million, up by 2% compared to 2006. Excluding exceptional 2006 capital gains of EUR 27 million on the sale of a building in 2006, net income increased by **+ 8.7%**.

▪ **Free Cash Flow**

The Groupe's free cash flow (excluding changes in working capital requirement) increased sharply (+ 9%) from EUR 565 million in 2006 to **EUR 615 million in 2007**.

Free cash flow is an indicator used by the Groupe to measure liquidity arising from operating activities after accounting for investments in fixed assets but before acquisitions or sales of subsidiaries and before financing activities (including financing of working capital requirement).

▪ **Net Debt**

Net financial debt rose from EUR 221 million at December 31, 2006 to **EUR 837 million** at December 31, 2007: the increase is due largely to the use of available cash to finance the acquisition of Digitas (\$1.3 billion).

The Groupe's average net debt at December 31, 2007, was EUR 1,207 million compared to EUR 636 million at December 31, 2006. Without the Digitas acquisition, average net debt for 2007 would have been **EUR 461 million**, an improvement of EUR 175 million over the previous year.

At December 31, 2007, after the acquisition of Digitas, the total liquidity available reached USD 3.3 billion.

▪ **Shareholders' Equity**

Consolidated shareholders' equity rose from EUR 2,080 million at December 31, 2006 to **EUR 2,198 million at December 31, 2007**.

The ratio of net debt to shareholders' equity increased from 0.10 at December 31, 2006 to **0.38 at December 31, 2007**.



◆ The Groupe in 2007

2007 was a key year for the digital transformation of Publicis Groupe.

■ Awards/Creativity

Publicis Groupe has been ranked **Number 1 in the Gunn Report since 2004 for the best creative performance**. This distinction is a recognition of the creative qualities of Groupe teams over the years – talents that are all the more precious in a digital world where quality of content gives a decisive edge.

This creative quality is also reflected in many other awards and industry rankings during the year.

During the 54th Cannes International Advertising Festival Publicis Groupe won 93 Lions, practically one quarter of all prizes awarded. Saatchi & Saatchi topped the list with 33 awards and Saatchi & Saatchi New York was named “Agency of the Year”.

The Groupe was also very successful at the 2007 Clio Awards, one of the most prestigious international advertising competitions. In total, 418 prizes were awarded in 27 countries, of which 97 went to Publicis Groupe.

The creative qualities of Publicis Groupe were also recognized at the 2007 Effie Awards for the most effective creative agencies, the Groupe taking second place in the general classification with 42 prize-winning agencies.

Finally, through Zed Digital, Starcom MediaVest Group and ZenithOptimedia Group were ranked tenth and third respectively in the 2007 classification of the 450 major interactive agencies worldwide compiled by RECMA.

■ New Business

2007 was a particularly rich year for New Business, with the total value of new accounts won amounting to more than USD 5 billion, placing Publicis Groupe in the No. 2 position worldwide (Lehmann Brothers ranking), just short of first place.

2007 was a record year for Saatchi & Saatchi, which benefited from new accounts (JC Penney, Wendy's, SAB Miller).

For Publicis Worldwide, alongside the global accounts won throughout the year, its activity in France stood out, with important new accounts such as BNP Paribas and Cap Gemini (global).

The Publicis Groupe Media (PGM) network continued to win New Business, in particular some key worldwide contracts Starcom MediaVest Group (Samsung) and ZenithOptimedia Group.

All units of PGM contributed to this success, thanks to the accelerated development of digital solutions – both through collaborations with companies acquired recently by Publicis Groupe (Moxie, Pôle Nord or Phonevalley) and through partnerships with leading players in interactive media.

On a global level, Digitas has clearly enriched Publicis Groupe's digital offering and played a decisive part in winning major accounts such as BPG and GM (excluding Europe).



▪ External Growth

In line with its strategy of focusing development in the two strong growth sectors, digital communication and emerging markets, Publicis Groupe has pursued an active policy of external growth throughout the year.

- Acquisitions in digital: The key event of 2007, the acquisition of Digitas, was the first in a series in the digital sector. Acquisitions such as CCG, the leading digital agency in China which now hoists the Digitas banner in that country under the brand Digitas Greater China, contributed to the world-wide expansion of Digitas.

Business Interactif, the leading independent French group in interactive digital communication, also joined the Groupe after a successful take-over bid. Business Interactif joins the network under the Digitas France brand.

The acquisitions of Wcube and Phonevalley in France enrich Publicis Groupe's digital offering, particularly in the buoyant mobile communication market.

Finally, in the highly specialized digital health communication segment, Publicis Groupe has acquired Healthware SpA and one of Italy's leading independent PR agencies, Multimedia Healthcare Communication.

Acquisitions in emerging economies:

Combining its skills with the strengths of fast-growing economies, Publicis Groupe has continued to give priority to development in China, not only with CGC but also by increasing its holding in the capital of Betterway to 51% and by acquiring a majority interest in Chengdu-based Yong Yang, a leader in marketing services, operational marketing for large retail groups and promotional campaigns.

Yong Yang has become part of Arc, the marketing services network of Leo Burnett Greater China

The Groupe has also significantly strengthened its presence in India with the acquisition of Capital Advertising, one of the largest advertising agencies in that country.

With a strong base in Delhi, Capital increases the presence of Publicis Worldwide in India's most active economic center.

Similarly, the acquisition of a majority stake in the capital of Hanmer & Partners, one of the largest PR agencies in India, present in forty-two cities, extends the range of MS&L's offering.

Other acquisitions:

Corporate communication: Publicis Groupe has acquired The McGinn Group, an agency based in Arlington (Virginia) specializing in corporate communication, risk management and crisis management. This acquisition significantly strengthens the position of MS&L in the corporate communication sector.

Media: Publicis Groupe has announced an agreement to acquire Muraglia, Calzolari & Associati (M,C&A), the largest independent special media agency in Italy. Renamed "M,C&A MediaVest", this company will strengthen the Groupe's position in Italy.



▪ Governance

On December 4, 2007, the Supervisory Board, chaired by Elisabeth Badinter, examined the composition of the Management Board of Publicis Groupe, made up of five members, each serving a term of four years in line with legal obligations. The Supervisory Board decided to renew the mandates of Kevin Roberts, Jack Klues and Maurice Lévy and to reappoint Maurice Lévy as CEO and Chairman of the Management Board. In view of their imminent retirement, the mandates of Bertrand Siguier and Claudine Bienaimé were not renewed, and the Supervisory Board appointed two new members: David Kenny, CEO, Digitas and Jean-Yves Naouri, Executive Vice President-Operations, Publicis Groupe. Jean-Michel Etienne, in his role as Executive Vice President – Finance Publicis Groupe continues to attend all Management Board meetings and will participate in all decisions.

The Supervisory Board extended its warmest thanks to Claudine Bienaimé and Bertrand Siguier for their services to the Groupe over many years.

These developments underscore Publicis Groupe's commitment to bringing together the industry's best talents, while remaining true to its roots as it firmly focuses on the future.

♦ The year 2008

▪ Recent events:

- 2008 is off to a promising start: **more than USD 1.3 billion of New Business** recorded for the month of January alone, including new prestigious accounts such as Yoplait, L'Oréal (media planning France), Crest, BT, etc.

- **On January 22 Publicis Groupe and Google** publicly announced a collaboration project. This collaboration began over a year ago and is based on a shared vision of how new technologies can be used to develop advertising. It is not exclusive, but is a further addition to the partnerships already established with leading players in the interactive media field. This unique approach opens the way to progress in identifying and measuring the impact of advertising campaigns, providing precise answers to advertisers' questions, notably through the creation of increasingly sophisticated consumer profiles.

- **On January 31 the Groupe announced the acquisition of Act Now**, founded and run by one of the leading personalities in sustainable development in the United States. Act Now allows companies to better understand the crucial issue of sustainable development in all its aspects – economic, environmental, social and cultural. The agency joins the Saatchi & Saatchi X network and becomes part of the new Saatchi & Saatchi S brand.

▪ Outlook

At the end of 2007, a year marked by its decisive entry into the digital world and the strengthening of its presence in emerging markets, notably China and India, Publicis Groupe has made growth a top priority.

Despite an uncertain environment (subprimes, slowdown in the US, commodity prices), growth should be boosted by major world events (Beijing Olympics, American elections), and the acceleration of growth in the emerging countries and in digital communication, where the Groupe is world leader.



To reach these goals, Publicis Groupe will make human resources a top priority by investing in talent, training, and cultural diversity.

The Groupe's competitive edge and the motivation of its staff should lead to fresh New Business wins and enable it to derive 50% of its revenues from digital and emerging markets by 2010, as forecast in 2006.

The results for 2007 demonstrate the robustness of the Groupe and its ability to improve earnings and win new accounts in an unfavorable context, thereby proving its resilience.

Publicis Groupe's robust business model is underpinned by its:

- management stability
- ability to attract and retain talent
- leadership role in digital
- healthy business mix:
 - media / advertising / marketing services
 - mature markets / emerging markets
 - clients in both growth sectors and defensive sectors
- solid balance sheet
- margins at record levels for the sector
- experience in successfully integrating acquisitions

It is with confidence that the Groupe faces an uncertain near-future, due to the risk of slowdown in certain major economies. The 2007 results demonstrate the robustness of the Groupe and its ability to improve results while winning New Business in a difficult context. These excellent results bolster Publicis Groupe's confidence in its short to mid-term growth prospects.

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Publicis Groupe is the world's fourth largest communications group. In addition, it is ranked as the world's second largest media counsel and buying group, and is a global leader in digital and healthcare communications. With activities spanning 104 countries on five continents, the Groupe employs approximately 44,000 professionals.

The Groupe offers local and international clients a complete range of communication services, through three autonomous global advertising networks, Leo Burnett, Publicis, Saatchi & Saatchi and two multi-hub networks, Fallon and 49%-owned Bartle Bogle Hegarty; to media consultancy and buying, through two worldwide networks, Starcom MediaVest Group and ZenithOptimedia; interactive and digital marketing led by Digitas; Specialized Agencies and Marketing Services offering healthcare communications, corporate and financial communications, sustainability communications, shopper marketing, public relations, CRM and direct marketing, event and sports marketing, and multicultural communications.

Web Site: www.publicisgroupe.com



New Business Year 2007

Wins

Leo Burnett:

Allstate Insurance (United States), Astra Zeneca (Costa Rica), Bally's (United States), Coca-Cola (China), Coca-Cola (United Kingdom), Coca-cola Japan company (Japan), Coke/Red Lounge (China), Courts (Singapore), Doof (United Kingdom), Emirates Airlines (Dubai), Emperor Group (China), Galaxy Entertainment Group (China), General Motors (United States), GM/Buick & GMC brands (United States), Harrah's (United States), Heineken (China), HP (Singapore), Kellogg's (United Kingdom), Learning and Skills Council (United Kingdom), Macquarie Equity Markets (Australia), Mirae/AP (regional), Mount Franklin Water (Australia), Nandos (Kuwait), Numericable (France), Numico (United Kingdom), Orange (Romania), Pharmavite (United States), Promperu (Chile), Sama Dubai (Dubai), Seek (Australia), Stockland (Australia)

Publicis:

Airbus (United Kingdom), Aircel (India), ANIA (Italy), Bticino (Italy), Boston International (Italy), Bticino (Italy), Coca-cola (Australia), Diet Coke (Australia), Easyjet (Europe), FastWeb (Italy), Girard-Perregaux (Italy), Honda (China), Intermarché (France), JC Decaux (Belgium), Lion Nathan (Publicis Mojo), Manpower (France), Marionnaud (France), National Basketball Association (United States), Newell Rubbermaid (United States), Patrimoine Canada (Canada), Procter & Gamble/ Oral B (global), Renault (ext.7 pays), Spanish Traffic Directorate (Spain), Talbots (United States), Terminix (United States), Trading Post (Publicis Mojo), Ubisoft (Canada), Visionlab (Spain), Wellpoint (United States)

Saatchi & Saatchi:

AAMS Monopoli di Stato (sports betting & games) (Italy), Accademia della Scala (Italy), Amplifon (United Kingdom), Asia Pacific Breweries/ Tiger beer (Malaysia / Asia), Barclays Capital (United Kingdom / global), Bombardier FLEXJET (United States), Carrefour - GB+Express (Belgium), Cederroth (Sweden), Ciba Vision (United States / global), Contact Energie (New Zealand), Continental Airlines (United States / Conill), CVS Pharmacy (United States / Conill), Deutsche Telecom/ T-Mobile (Netherlands), Electrolux (Brazil), EMAP/First Magazine (United Kingdom), EMI (United States), Emirates Hotels & Resorts (Germany/ global), Future Generali (India), Jindal Steel (India), La Halle (France), MSIG Insurance (Singapore / Asia), Nestle/ Hennie mineral water (Switzerland), News Verlag (Austria), Novartis (India), NYS Dept of Economic Development – I Love NY (United States / NY), Poste Italiane (Italy), Qixer (Austria), SABMiller/ Miller High Life (United States / NY), SM Investments (Philippines), Sony (Australia), Sony Entertainment Television (India), Sony Ericsson (Australia, Canada, China, Denmark, Greece, India, Latvia / Baltic Countries, New Zealand, Russia, Sweden / nordic regions, Taiwan, Thailand), Standard Life (United Kingdom), Toshiba Air Conditioners (Italy), Toyota (Egypt), Uplace shopping mall (Belgium), Visit Britain (United Kingdom), Wellington Rugby Ltd's Hurricanes (New Zealand), Wendy's (Canada, United States)

**Starcom MediaVest Group:**

Asobancaria (Colombia), Avon Cosmetics (Venezuela), BT Group (United Kingdom), Corporation Radial (Peru), Cranium (United States), Diageo Alcohol (Venezuela), Future Group (India), Illva Di Saronno (Italy), Interpark, Mirae Asset (Seoul), Jemca Jemnice (Czech Republic), Johnson Controls (United States), Microsoft (Philippines), Morgan Stanley (Italy), NG (United States), PODS (United States), Rhene Pharmaceutical (China), Richemont (Seoul), Samsung (global), Smart Telco (Indonesia), Tele2 (Europe), Toshiba (Germany), Travelers (United States), United International Pictures (Argentina), UOB Bank Buana (Indonesia), Wal-Mart (United States), Wendy's (United States)

ZenithOptimedia (media consultancy and buying):

20th Century Fox (United States, Canada, Australia), Anheuser-Busch (China), BGL (United Kingdom), CIMB Group (Malaysia), Constellation Europe (United Kingdom), Guangdong Development Bank (China), H&M (France), HP – Digital – Search Engine Marketing (global), Inbev (France), Instituto de Credito Oficial (Spain), L'Oréal (Thailand, Ukraine), L'Oréal Active Cosmetics – Planning (China), Lagardère Active Media (France), MFI (United Kingdom), Ministerio de Trabajo y Asuntos Sociales (Spain), Mio Technology (Europe), Nestlé (Ukraine), NRJ Group/NRJ Mobile (France), P4, Netia & Play (Poland), Payback (Germany), Premier Inn (United Kingdom), Rhapsody America (United States), Sabanci (Turkey), Talbots (United States), Totalizator Sportowy – National Lottery (Poland), Verizon Wireless – Retail Planning (United States), Wyeth Healthcare (China), Yahoo ! – Yahoo ! Shopping (Europe), Zesko (Netherlands), Zurich Connect (Germany, Russia)

PHCG:

Acorda Therapeutics (United States), Amylin & Lilly Partnership (United States), Boeringer Ingelheim (United States), Danone (Spain), DepoMed (United States), Galderma (United States), Gilead Sciences (United States), Merck (Australia), Wyeth (France)

PRCC:

Alghanim (United Kingdom), Atol (France), BAA (United Kingdom), BP (United States), Dutch Union of Hospitals (Netherlands), Eiffage (France), EPAD (France), France Express (France), Gecina-Resico (France), General Mills (United States et United Kingdom), KPMG (United Kingdom), Leroy Merlin (France), Loblaw Companies (Canada), Manpower (France), Ministère de l'Education (Netherlands), Ministère du Travail (France), Orange (France), Royal and Sun Alliance (United Kingdom), SC Johnson (France), Suez (France), Sunny D Elations (United States), Thalys (France), Unedic (France), Zürich (United Kingdom)

Digitas:

Blackmores (PRC), General Motors iAOR (Prodigious), Joost (United Kingdom), Longchamp (France), Maxxium [Absolute] (PRC), Miller Brewing Company (United States), Samsung (United States), Sara Lee (United States), Venetian Casino & Hotel (PRC)



Kaplan Thaler Group (United States):

Champion Apparel (Hanesbrands Inc.), Sanofi Pasteur

Fallon:

Anheuser Busch (United Kingdom), Asda (United Kingdom), BBC Radio Identities (United Kingdom), Black's Leisure Group (United Kingdom), Cadbury Dairy Milk (United Kingdom), Citi Finances (Japan), Equinox (United States), Eurostar (United Kingdom), Fox Motion Pictures (Japan), L'Oréal (Japan), Lycra (United Kingdom), Orange B2B (United Kingdom), Old Speckled Hen (United Kingdom), TheLadders.com (United States)



Definitions

Organic growth in revenues: growth in revenues at constant structure and exchange rates, calculated as follows for first-half 2007:

<i>(EUR million)</i>	
2006 Revenue	4,386
Currency Impact	(180)
2006 Revenue at 2007 rates (a)	4,206
2007 Revenue before impact of acquisitions ⁽¹⁾ (b)	4,334
Revenue from acquisitions	337
2007 Revenue	4,671
Organic growth (b) / (a)	3.1 %

⁽¹⁾ Net of divestitures

Operating margin rate: operating margin as a percentage of revenues

Average net debt: 6-month average of average net debt of each month

Free cash flow: cash flow from operations after net capital expenditure excluding acquisitions

Net New Business: this figure does not result from financial reporting, but is based on an estimate of annualized advertising media spending on new business, net of losses, from new and existing clients



Liquidity picture at 31 December 2007

<i>(EUR million)</i>	<i>Total amount</i>	<i>Drawn</i>	<i>Available</i>
364-day revolving credit facilities	201	-	201
5-year syndicated credit facility	1,500	-	1,500
Total committed facilities	1,701	-	1,701
Uncommitted facilities	288	-	288
Total credit facilities	1,989	-	1,989
Cash and marketable securities			1,313
Total liquidity available			3,302

Publicis Groupe

Consolidated accounts

Year ended December 31, 2007

Consolidated income statement

<i>Millions of euros</i>	2007	2006	2005
Revenue	4 671	4 386	4 127
Personnel expenses	(2 829)	(2 630)	(2 454)
Other operating expenses	(954)	(936)	(908)
Operating margin before depreciation and amortization	888	820	765
Depreciation and amortization expense (excluding intangibles arising on acquisition)	(109)	(107)	(116)
Operating margin	779	713	649
Amortization of intangibles arising on acquisition	(30)	(22)	(23)
Impairment	(6)	(31)	(33)
Non-current income (expense)	3	29	59
Operating income	746	689	652
Cost of net financial debt	(73)	(36)	(78)
Other financial income (expense)	(5)	(14)	(14)
Income of consolidated companies before taxes	668	639	560
Income taxes	(201)	(192)	(157)
Net income of consolidated companies	467	447	403
Equity in net income of non-consolidated companies	9	22	11
Net income	476	469	414
Net income attributable to minority interests	24	26	28
Net income attributable to equity holders of the parent	452	443	386

Per share data (in euros)			
<i>Number of shares</i>	<i>207 599 301</i>	<i>209 611 690</i>	<i>210 415 990</i>
Net earnings per share	2.18	2.11	1.83
<i>Number of shares – diluted</i>	<i>239 365 113</i>	<i>240 064 428</i>	<i>233 816 994</i>
Net earnings per share – diluted	2.02	1.97	1.76

Consolidated balance sheet

<i>Millions of euros</i>	December 31, 2007	December 31, 2006 ⁽¹⁾	December 31, 2005 ⁽¹⁾
Assets			
Goodwill, net,	3 546	2 840	2 883
Intangible assets, net	826	693	763
Property and equipment, net	501	511	580
Deferred tax assets	148	186	230
Investments accounted for by the equity method	49	44	33
Other financial assets	112	118	118
Non-current assets	5 182	4 392	4 607
Inventory and costs billable to clients	391	430	436
Accounts receivable	4 926	4 550	4 289
Other receivables and other current assets	432	413	446
Cash and cash equivalents	1 313	1 920	1 980
Current assets	7 062	7 313	7 151
Total assets	12 244	11 705	11 758
Liabilities and shareholders' equity			
Capital stock	81	79	79
Additional paid-in capital and retained earnings	2 117	2 001	1 977
Shareholders' equity	2 198	2 080	2 056
Minority interests	27	27	20
Total equity	2 225	2 107	2 076
Long-term financial debt (more than 1 year)	1 293	1 911	1 913
Deferred tax liabilities	240	216	220
Long-term provisions	449	509	582
Non-current liabilities	1 982	2 636	2 715
Accounts payable	5 662	5 270	5 030
Short-term financial debt (less than 1 year)	819	203	224
Income taxes payable	99	149	263
Short-term provisions	107	116	120
Other creditors and other current liabilities	1 350	1 224	1 330
Current liabilities	8 037	6 962	6 967
Total liabilities and shareholders' equity	12 244	11 705	11 758

(1) After harmonization of the accounting classification of unbilled cost of media space.

Consolidated cash flow statement

<i>Millions of euros</i>	2007	2006 ⁽²⁾	2005 ⁽²⁾
I- Cash flows from operating activities			
Net income	476	469	414
Income taxes	201	192	157
Cost of net financial debt	73	36	78
Capital (gains) losses on disposal (before tax)	(3)	(27)	(58)
Depreciation, amortization and impairment on property and equipment and intangible assets	145	160	172
Non-cash expenses on stock options and similar items	22	16	20
Other non-cash income and expenses	9	11	11
Equity in net income of unconsolidated companies	(9)	(22)	(11)
Dividends received from equity accounted investments	11	19	9
Taxes paid	(197)	(229)	(167)
Interest paid	(87)	(85)	(93)
Interest received	51	74	44
Change in working capital requirements ⁽¹⁾	106	(21)	44
Net cash provided by operating activities	798	593	620
II- Cash flows from investing activities			
Purchases of property and equipment and intangible assets	(88)	(81)	(83)
Proceeds from sale of property and equipment and intangible assets	11	32	8
Purchases of investments and other financial assets, net	(6)	(3)	7
Acquisitions of subsidiaries ⁽³⁾	(1 006)	(58)	(71)
Disposals of subsidiaries	10	11	98
Net cash flows provided by (used in) investing activities	(1 079)	(99)	(41)
III- Cash flows from financing activities			
Capital increase	2		
Dividends paid to parent company shareholders	(92)	(66)	(55)
Dividends paid to minority shareholders of subsidiaries	(26)	(23)	(19)
Cash received on new borrowings	12	19	747
Reimbursement of borrowings	(24)	(52)	(460)
Net (purchases)/sales of treasury stock and equity warrants	(162)	(264)	7
Cash received on hedging transactions	52	36	-
Net cash flows provided by (used in) financing activities	(238)	(350)	220
IV- Impact of exchange rate fluctuations	(82)	(139)	72
Net change in consolidated cash flows (I + II + III + IV)	(601)	5	871
Cash and cash equivalents at January 1	1 920	1 980	1 186
Bank overdrafts at January 1	<u>(30)</u>	<u>(95)</u>	<u>(172)</u>
Net cash and cash equivalents at beginning of year	1 890	1 885	1 014
Cash and cash equivalents at December 31	1 313	1 920	1 980
Bank overdrafts at December 31	<u>(24)</u>	<u>(30)</u>	<u>(95)</u>
Net cash and cash equivalents at end of year	1 289	1 890	1 885
Net change in cash and cash equivalents	(601)	5	871

⁽¹⁾ Breakdown of change in working capital requirements

Change in inventory and costs billable to clients	32	(46)	40
Change in accounts receivable and other receivables	(689)	(526)	(528)
Change in accounts payable, other creditors and provisions	<u>763</u>	<u>551</u>	<u>532</u>
Change in working capital requirements	106	(21)	44

⁽²⁾ After reclassification of restructuring expenditure into "Change in working capital requirements" and harmonization of the accounting classification of unbilled cost of media space.

⁽³⁾ After deduction of €191 million of net cash acquired in Digita and €9 million for the other acquisitions.

Statement of changes in shareholders' equity

Number of shares	Millions of euros	Capital stock	Additional paid-in capital	Reserves and retained earnings	Gains and losses recognized through equity	Shareholders' equity	Minority interests	Total equity
182 088 218	December 31, 2004	78	2 537	(1 024)	30	1 621	31	1 652
	Gains and (losses) recognized through equity				88	88	5	93
	Net income for the year			386		386	28	414
	Total recognized income and (expenses) for the year			386	88	474	33	507
1 637 949	Increase in capital stock of Publicis Groupe SA	1	47	(48)				
	Dividends paid			(55)		(55)	(19)	(74)
	Share-based compensation			20		20		20
	Buyback of equity warrants (BSA)			(2)		(2)		(2)
	Additional interest on Oranes			(2)		(2)		(2)
	Partial early redemption of the 2018 Oceane (equity component)			(9)		(9)		(9)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						(25)	(25)
343 079	Purchases/sales of treasury stock			9		9		9
184 069 246	December 31, 2005	79	2 584	(725)	118	2 056	20	2 076
	Gains and (losses) recognized through equity				(103)	(103)	(4)	(107)
	Net income for the year			443		443	26	469
	Total recognized income and (expenses) for the year			443	(103)	340	22	362
1 600 219	Increase in capital stock of Publicis Groupe SA	-	47	(47)				
	Dividends paid			(66)		(66)	(23)	(89)
	Share-based compensation			16		16		16
	Buyback of equity warrants (BSA)			(201)		(201)		(201)
	Additional interest on Oranes			(1)		(1)		(1)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						8	8
(2 065 587)	Purchases/sales of treasury stock			(64)		(64)		(64)
183 603 878	December 31, 2006	79	2 631	(645)	15	2 080	27	2 107
	Gains and (losses) recognized through equity				(229)	(229)	(3)	(232)
	Net income for the year			452		452	24	476
	Total recognized income and (expenses) for the year			452	(229)	223	21	244
3 678 125	Increase in capital stock of Publicis Groupe SA	2	111	(48)		65		65
	Dividends paid			(92)		(92)	(26)	(118)
	Share-based compensation			22		22		22
	Fair value of the stock options included in the acquisition cost of Digitas and Business Interactif			65		65		65
	Additional interest on Oranes			(3)		(3)		(3)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						5	5
(3 681 592)	Purchases/sales of treasury stock			(162)		(162)		(162)
183 600 411	December 31, 2007	81	2 742	(411)	(214)	2 198	27	2 225

Gains and losses recognized directly through equity

Changes in the year

<i>Millions of euros</i>	2007	2006	2005
Revaluation of available-for-sale investments	(16)	11	(16)
Hedge on net investments	(1)	(8)	9
Actuarial gains and losses on defined benefit plans	8	2	(21)
Deferred taxes on stock options	(8)	2	-
Cumulative translation adjustment	(212)	(110)	116
Total gains and (losses) recognized directly through equity in the year	(229)	(103)	88

Balances at year end

<i>Millions of euros</i>	December 31, 2007	December 31, 2006	December 31, 2005
Revaluation of property	105	105	105
Revaluation of available-for-sale investments	19	35	24
Hedge on net investments	-	1	9
Actuarial gains and losses on defined benefit plans	(19)	(27)	(29)
Deferred taxes on stock options	(6)	2	-
Cumulative translation adjustment	(313)	(101)	9
Cumulative gains and losses recognized directly through equity at year end	(214)	15	118

Definitions

Earnings per share (EPS)

Earnings per share and diluted earnings per share		2007	2006	2005
Net income used for the calculation of earnings per share (m€)				
Net income attributable to equity holders of the parent	a	452	443	386
<i>Impact of dilutive instruments :</i>				
- Savings in financial expenses related to the conversion of debt instruments, net of tax ⁽¹⁾		32	31	25
Net income attributable to equity holders of the parent - diluted	b	484	474	411
Number of shares used for the calculation of earnings per share				
Average number of shares in circulation		183 125 947	183 576 207	182 818 378
Shares to be issued to redeem the Oranes		24 473 354	26 035 483	27 597 612
Average number of shares used for the calculation	c	207 599 301	209 611 690	210 415 990
<i>Impact of dilutive instruments: ⁽²⁾</i>				
- Effect of exercise of dilutive stock options		2 941 554	1 736 783	228 591
- Effect of the exercise of the equity warrants		167 511	59 208	-
- Shares resulting from the conversion of the convertible bonds ⁽¹⁾		28 656 747	28 656 747	23 172 413
Number of shares - diluted	d	239 365 113	240 064 428	233 816 994
Earnings per share (in euros)	a/c	2,18	2,11	1,83
Earnings per share – diluted (in euros)	b/d	2,02	1,97	1,76

(1) In 2005, only the 2008 Océanes are taken into account for the calculation of diluted earnings per share; in 2006 and 2007, both the 2008 and 2018 Océanes are taken into account in the calculation.

(2) Only the equity warrants and stock options with a dilutive effect, being those whose exercise price is greater than the average share price for the year, are taken into consideration.

Headline earnings per share (basic and diluted)		2007	2006	2005
Net income used for the calculation of headline ⁽¹⁾ earnings per share (m€)				
Net income attributable to equity holders of the parent		452	443	386
<i>Items excluded :</i>				
- Amortization of intangibles arising on acquisition, net of tax		18	13	14
- Impairment, net of tax		4	23	24
- Sale of the Saatchi & Saatchi building (Ile de la Jatte)		-	(27)	-
- Capital gains, net of tax, on the sale of JCDecaux Netherlands, VKM, Sopact and 33 % of Metrobus		-	-	(87)
- Capital loss on the early redemption of the Oceane 2018, net of tax		-	-	16
Adjusted net income attributable to equity holders of the parent	e	474	452	353
<i>Impact of dilutive instruments :</i>				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		32	31	25
Adjusted net income attributable to equity holders of the parent-diluted	f	506	483	378
Number of shares used for the calculation of earnings per share				
Average number of shares in circulation		183 125 947	183 576 207	182 818 378
Shares to be issued to redeem the Oranes		24 473 354	26 035 483	27 597 612
Average number of shares used for the calculation	c	207 599 301	209 611 690	210 415 990
<i>Impact of dilutive instruments :</i>				
- Effect of exercise of dilutive stock options		2 941 554	1 736 783	228 591
- Effect of the exercise of the equity warrants		167 511	59 208	-
- Shares resulting from the conversion of convertible bonds		28 656 747	28 656 747	23 172 413
Number of shares – diluted	d	239 365 113	240 064 428	233 816 994
Headline earnings per share ⁽¹⁾ (in euros)	e/c	2,28	2,16	1,68
Headline earnings per share - diluted ⁽¹⁾ (in euros)	f/d	2,11	2,01	1,62

(1) Earnings per share before amortization of intangibles arising on acquisition, impairment and the capital gain (loss) on the disposals of the Ile de la Jatte building, JCDecaux Netherlands and 33 % of Metrobus and the redemption of the Oceane 2018

Organic growth

(millions of euros)

2006 revenue	4 386
Currency impact	(180)
2006 revenue at 2007 rates (a)	4 206
2007 revenue before impact of acquisitions (1) (b)	4 334
Revenue from acquisitions (1)	337
2007 revenue (c)	4 671
Organic growth (b/a)	3,1%
Revenue growth at constant exchange rates (c/a)	11,1%

(1) net of disposals

Reconciliation between the change in net debt included in 14 February 2008 presentation and the change in consolidated net cash

(millions of euros)

	31 December <u>2007</u>	31 December <u>2006</u>	<u>Variation</u>
Calculation of net financial debt			
Cash and cash equivalents	1 313	1 920	(607)
Long-term financial debt	(1 293)	(1 911)	618
Short-term financial debt	(819)	(203)	(616)
Derivatives on financial debt *	(38)	(27)	(11)
Net debt	(837)	(221)	(616)

* Included in "Other receivables and other current assets" and in "Other creditors and other current liabilities"

Reconciliation between the change in net debt and the change in net cash

	<u>2007</u>
Change in net debt	(616)
Payments of the year less new Earn-outs/Buy-Outs and changes in valuation of existing Earn-outs/Buy-Outs	3
Cash received on new borrowings	12
Reimbursement of borrowings	(24)
Cash received on hedging transactions	52
Accrued interest and additional interests "at IFRS effective rate"	35
Translation differences on derivatives and financial debt	(63)
Change in net cash **	(601)

** IFRS Cash flow statement

Press releases 2007:

- 1 Proposed acquisition of Digitas Inc. _ 10.01.07
- 2 German Federal Cartel grants Publicis Groupe clearance _ 19.01.07
- 3 Successful Publicis Groupe tender offer for Digitas Inc. _ 25.01.07
- 4 iSe AG: mission accomplished _ 29.01.07
- 5 Tender Offer for Digitas Inc.: End of subsequent offering period _ 30.01.07
- 6 Publicis Groupe – Digitas Inc.: Completion of merger _ 31.01.07
- 7 Publicis Groupe: 2006 Business Performance _ 06.02.07
- 8 Annual Results 2006: Strong performances in all areas _ 28.02.07
- 9 Acquisition of Pharmagistics _ 07.03.07
- 10 Publicis Groupe Acquires Majority Stake in Yong Yang in China _ 02.04.07
- 11 Publicis Groupe becomes an official partner of CNOSF _ 03.04.07
- 12 Publicis Groupe agencies win new marketing assignments for P&G's Oral-B _ 03.04.07
- 13 Publicis Groupe Acquires The McGinn Group _ 11.04.07
- 14 Publicis Groupe and Richard Attias Launch PublicisLive _ 20.04.07
- 15 Publicis to Produce Citi's Brand Identity and Consumer Campaigns _ 30.04.07
- 16 Publicis Worldwide Launches New Global Digital Arm: Publicis Modem _ 03.05.07
- 17 1st Quarter 2007 Revenue _ 03.05.07
- 18 Clio Awards : Saatchi & Saatchi is « Agency Network of the Year» _ 21.05.07
- 19 SEC Filing Annual Report on Form 20-F _ 04.06.07
- 20 Publicis Groupe Annual General Meeting of Shareholders _ 04.06.07
- 21 Publicis Groupe to acquire Business Interactif _ 14.06.07
- 22 Launch of 3dswym Joint Venture _ 28.06.07
- 23 Publicis Groupe Wins Big at Cannes Lions 2007 _ 25.06.07
- 24 Publicis Groupe to acquire Muraglia, Calzolari & Associati _ 03.07.07
- 25 Publicis Groupe Acquires 49.32% of Business Interactif's Capital _ 09.07.07
- 26 Results for the First Half of 2007 _ 26.07.07
- 27 Publicis Groupe to acquire CCG _ 31.07.07
- 28 Publicis Groupe launches the SSF Group _ 01.08.07
- 29 Business Interactif – clearance by the French financial authority _ 02.08.07
- 30 NYSE delisting _ 05.09.07
- 31 Acquisition of Phonevalley _ 06.09.07
- 32 Acquisition of WCube _ 12.09.07
- 33 Acquisition of Capital Advertising _ 12.09.07
- 34 Delisting 25F _ 17.09.07
- 35 BI Success _ 18.09.07
- 36 Acquisition of SAS _ 24.09.07
- 37 Publicis Groupe strengthens its Japanese operations _ 10.10.07
- 38 Acquisition of Healthcare SPA & Multimedia Healthcare Communication _ 11.10.07
- 39 Beta launch of HoneyShed _ 25.10.07
- 40 Third quarter Revenue 2007 _ 29.10.07
- 41 Acquisition of Hanmer & Partners in India _ 31.10.07
- 42 Leo Burnett to shift to a new model _ 13.11.07
- 43 Squeeze out of Business Interactif shares _ 15.11.07
- 44 Supervisory Board: Renewal of Management Board _ 02.08.07

For more information: www.publicisgroupe.com