



PUBLICIS GROUPE

PRESS RELEASE

Paris, February 17, 2010

2009 Annual Results

1. Fourth quarter 2009

▪ Revenue	€1,268 million
▪ Organic growth (-4.6% excluding GM)	-5.4%

2. Full year 2009

▪ Revenue	€4,524 million
▪ Organic growth (-5.3% excluding GM)	-6.5%
▪ Operating margin	€680 million
▪ Percentage operating margin	15.0%
▪ Net income attributable to Publicis Groupe	€403 million
▪ Free cash flow ⁽¹⁾	€524 million
▪ Headline diluted EPS ⁽²⁾	€1.97
▪ Debt/equity ratio	0.14
▪ Dividend ⁽³⁾	0.60

(1) Before change in WCR

(2) Before impairment, amortization of intangibles arising on acquisition, capital gains (losses) on sales of land and buildings, and the tax credit associated with the deferred tax liability on 2014 Oceane

(3) Subject to the approval of the Annual general Meeting of shareholders on June 1, 2010



Maurice Lévy, Chairman and Chief Executive Officer of Publicis Groupe
comments:

“The year was something of a paradox for the Publicis Groupe.

While our marketplace experienced a double-digit downturn, we were able to stop the slide and cut it by half, thus actually gaining market share.

The economic environment worldwide was characterized by constant crisis of unprecedented proportions. In our industry, it manifested itself by a shrinking of the advertising market, which, month after month, caused us to reduce our outlook by as much as 12% to 14%. That left us few options but to manage on a short-term basis, making constant corrections that nevertheless kept us on course to pursue our long-term strategy.

The upheaval in our industry was generated not only by macroeconomic factors; it was also the product of changing dynamics in the communications business.

This included the rapid development of digital technologies, the explosion of social networks and other forms of communication, accentuating the shift in the media landscape and accelerating the pace of changes in consumer behavior.

What has all this meant for the Groupe?

A decline in organic growth, yet one limited in our case by an improved performance in New Business. Thus, while the market overall was down by 12% to 14%, Publicis managed to limit the decrease to 6.5%, thereby gaining market share. Tight control over our costs and headcount; services with added value; these are some of the reasons why we were able to achieve an operating margin which remains one of the highest on the market despite the crisis.

We can also report an exceptionally sound balance sheet, coupled with a significant reduction in debt, a high level of liquidity, and a debt/equity ratio of 0.14.

So it would be no exaggeration to say that Publicis has weathered the crisis well, containing its negative impacts on both margin and growth, while, at the same time, taking strategic initiatives to make the most of the recovery. Our performance in New Business and the market share gained in 2009 will bear fruit fairly rapidly.

I would like to thank our clients who were at once more demanding and yet even more confident in placing their trust in us. Our employees, in every sector and in every corner of the world, redoubled their efforts and proved their talent, creativity, innovation and dedication despite a freeze on pay and recruitment (selective, to ensure we remain highly competitive). Thank you, all of you; once again, you made all the difference.

After massive investments in digital in the recent past, made with an eye to the future, Publicis has now added to its strengths with the acquisition of Razorfish. Our aim is eventually to derive a total of 60% of our revenue from the two sectors of digital activities and emerging economies.



As already announced, we are seeing a steady and continuing increase in our numbers starting last summer, and the trend continued in January 2010. Our objective is to return to positive organic growth, outperforming the market once again, in 2010. We are continuing to invest in talent and technology and are aiming to maintain our margins prior to embarking in 2011 on a new phase of margin growth.”

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The Supervisory Board of Publicis Groupe at its meeting of February 16, 2010, chaired by Mrs. Elisabeth Badinter, approved the financial statements for the 2009 financial year presented by Mr. Maurice Lévy, Chairman and CEO.

KEY FIGURES

in € million, except for percentages and per-share data (in euros)	2009 (unaudited)	2008	2007
Income statement data			
Revenue	4,524	4,704	4,671
Operating margin before depreciation and amortization	772	889	888
As % of revenue	17.1%	18.9%	19.0%
Operating margin	680	785	779
As % of revenue	15.0%	16.7%	16.7%
Operating income	629	751	746
Net income attributable to Publicis Groupe	403	447	452
Earnings per share	1.99	2.21	2.18
Diluted earnings per share	1.90	2.12	2.02
Dividend per share	0.60	0.60	0.60
Balance sheet data			
	December 31, 2009	December 31, 2008	December 31, 2007
Total assets	12,730	11,860	12,244
Shareholders' equity	2,813	2,320	2,198

The dividend of €0.60 per share will be proposed to the Annual General Meeting of shareholders on June 1, 2010.

Subject to approval by the AGM, the dividend will be payable as of July 5, 2010.

ANALYSIS OF KEY FIGURES

■ 2009 activity

As expected, after the advertising market reached its low point in 2009 during the summer, the decline, which had been gathering pace since mid-2008, began to slow, and then stopped. The fourth quarter brought an improvement, confirming the first signs of recovery.

While the second half-year benefits from comparison against a weak second half during the previous period, and although the recovery is still only very gradual, the renewed activity of advertisers seems to be real.

■ 2009 revenue

Consolidated revenue for 2009 was **€4,524 million, compared with €4,704 million** in 2008, i.e. down 3.8 %. (Exchange rate impact was 28 million euros).

Organic growth was -6.5% but, without General Motors, would have been -5.3%.



Digital Services continued to grow rapidly, achieving 7.1% organic growth. If the negative impact of General Motors were factored out, organic growth would have reached 11.9%. Digital activities accounted for 22.4% of total revenue. Specialized Agencies and Marketing Services (SAMS), including all digital activities, accounted for 44% of 2009 consolidated revenue compared to 35% for advertising and 21% for media.

Revenue from emerging economies integrating high-growth countries represented 22.5% of the Groupe's total revenue in 2009 (excluding Razorfish).

– **Breakdown of 2009 revenue by region:**

2009 revenue breaks down by region as follows:

(€ million)	Revenue		Organic growth
	2009	2008	
Europe	1,579	1,805	- 9.9%
North America	2,094	2,008	- 4.2%
Asia-Pacific	499	519	- 7.7%
Latin America	218	238	- 0.6%
Africa and Middle East	134	134	- 4.0%
Total	4,524	4,704	- 6.5%

Without exception, all regions were adversely affected by the economic crisis already in evidence in the last quarter of 2008 but which gradually worsened until it peaked in the second quarter of 2009. Europe was very severely hit, particularly southern Europe where revenue fell by over 15%.

North America fell 4.2% but held up well due to the high proportion of digital services in the region (34.6% of the Groupe's revenue in North America).

Factoring out the impact of the GM bankruptcy, the Groupe would have posted organic growth of -1.2% for North America, with Digital Services alone achieving +15.3% organic growth.

Asia-Pacific, on the other hand, experienced a sharp downturn in activity, but showed a marked improvement in the last quarter.

Latin America fared well, due largely to Brazil.

Finally, Africa and the Middle East were penalized by the severe financial crisis in Dubai.

2009 revenue in US dollars would be \$6,287 million, down 8.9% on last year. In GBP, revenue would be £4,029 million, an increase of 7.9%.

– **Revenue in the 4th quarter of 2009**

Consolidated revenue in the 4th quarter of 2009 stood at €1,268 million, down 7.6% from €1,373 million for the corresponding period in 2008. The exchange rate impact was negative by 86 million euro.

Organic growth was -5.4% for the last quarter, a net improvement on the third quarter (-7.4%). Excluding GM, the reduction was 4.6%



– **Breakdown of 4th quarter revenue by region**

Revenue in Q4 2009 breaks down as follows:

(€ million)	Revenue		Organic growth
	4 th quarter 2009	4 th quarter 2008	
Europe	483	521	-7.5%
North America	545	585	-4.0%
Asia-Pacific	146	152	-2.8%
Latin America	51	65	-1.7%
Africa and Middle East	43	50	-12.1%
Total	1,268	1,373	-5.4%

– **Operating margin**

Operating margin before depreciation and amortization of €772 million in 2009 represented 17.1% of revenue, and was down 13.2% from €889 million in 2008.

Operating margin was €680 million, 15% of revenue in euros, down 13.4% on 2008.

Personnel expenses totaled €2,812 million, compared with €2,852 million in 2008, i.e. down 1.4% and equivalent to 62.2% of total consolidated revenue. Major efforts were made during this period of markedly slower activity and, after eliminating acquisition effects, personnel expenses in 2009 were down 4.9% on those of 2008 (stated at the 2009 exchange rates).

Other operating expenses totaled €940 million, a decrease of 2.4% by comparison with 2008, despite the higher occupancy-related costs (rent and charges), thanks to continued optimization efforts. When acquisition effects are factored out, total operating costs in 2009 fell 5.1% by comparison with 2008 (restated at 2009 exchange rates).

The percentage operating margin was 15.0% in 2009. This percentage margin is down on 2008 and reflects the adjustments and restructurings implemented in 2009, whether due to the downturn in revenue or to longer-term restructuring operations.

Restructuring costs amounted to €80 million for 2009. Ongoing efforts to control costs throughout the Groupe made it possible to absorb the costs of integrating various acquisitions and of accelerating the rollout of digital activities worldwide.

The Groupe secured its operating margin by optimizing various operating expenses and by controlling investments.

▪ **Net income**

After a net financial expense of €70 million, a tax charge of €146 million, share of profit of associates (accounted for by the equity method) of €4 million and minority interests of €14 million, **net income attributable to the Groupe stood at €403 million**, compared to €447 million in 2008.



- **Free Cash Flow (excluding change in Working Capital Requirements)**

The Groupe's free cash flow, excluding changes in working capital requirements (WCR), was €524 million for the period.

- **Net financial debt**

Net financial debt was reduced by €283 million (*a reduction of 42%*), from €676 million at December 31, 2008 to **€393** million at December 31, 2009.

The Groupe's average net debt at December 31, 2009 was also down sharply at €929 million, from €1,102 million at December 31, 2008.

Available liquidity at the end of the year stood at €3.7 billion.

- **Shareholders' equity**

Consolidated shareholders' equity including minority interests was **€2,838 million at December 31, 2009** compared with €2,350 million at December 31, 2008.

At December 31, 2009, the debt/equity ratio was **0.14** compared with **0.29** at December 31, 2008.

HIGHLIGHTS OF 2009

- **Awards/creativity**

On the creative side, the Groupe equaled its performances of recent years.

Publicis Groupe has occupied the Gunn Report's top spot for Creative Performance without interruption since 2004.

At the Cannes Lions 56th International Advertising Festival, Publicis Groupe won one Grand Prix and 110 Lions including 21 Gold, 25 Silver and 46 Bronze.

The Groupe was also highly successful at the Clio Awards, the prestigious international advertising competition, with 54 awards (13 Gold, 11 Silver and 30 Bronze).

Last but not least, Publicis Groupe took 84 awards at The One Show, including 3 Gold, 5 Silver and 8 Bronze awards.

Publicis Groupe entities were awarded top prizes in all major advertising sector festivals, particularly the Effie Awards, FIAP (Festival Iberoamericano de la Publicidad), Eurobest, New York Festival Awards, Valencia Festival of Media, Asian Marketing Effectiveness Awards, Andy Awards, D&AD, ANA Awards, El Ojo de Iberoamerica Festival, Telly Awards, Sabre Awards, European Excellence Awards, Manny Awards, Clio Healthcare Awards, Epica, Dubai Lynch, CMAs, OMMAs, Media Spikes Asia, Golden Drums, Asia Pacific Advertising Festival, etc.

Four agencies received "**Agency of the Decade**" awards: BBH (BestAds Agency of the Decade), Saatchi & Saatchi Australia (Campaign Brief), with Saatchi & Saatchi New Zealand ranked second best Agency of the Decade (Campaign Brief). Adweek also ranked Starcom MediaVest Group best media agency of the decade.

In addition, Publicis Groupe agencies carried off 9 "Agency of the Year" awards.



▪ **Employee stockholding**

Significantly, despite the very uncertain economic environment and the instability in the advertising market, 136 key executives at Publicis Groupe opted to subscribe to a proposed co-investment program. At the same time, the Groupe also decided to issue 50 free shares to all members of staff, beginning with a program in France in 2009 before implementing the program worldwide over the next two years. These decisions clearly illustrate the commitment of the key executives to the Groupe and that of the Groupe towards all its employees.

▪ **New Business**

2009 was a very good year for account wins with net new business totaling \$6 billion, thus confirming the attractiveness and competitiveness of Publicis Groupe's offering and placing the Groupe well ahead of all its competitors (as ranked by Nomura, Goldman Sachs and JP Morgan).

▪ **External growth**

In line with its strategy of focusing development on high-growth activities, particularly in digital communication services, while adding to its network of specialized agencies, Publicis Groupe pursued an active policy of external growth in 2009.

– ***Digital Services acquisitions:***

The acquisition from Microsoft of **Razorfish, the world's N°2 interactive agency** (the leader, Digitas, is already owned by Publicis), was closed on October 13, 2009, consolidating the Groupe's leadership in digital services for the future while bringing in new digital skills and adding to our portfolio of blue-chip clients.

Following the closing, the two groups also signed a strategic alliance agreement enabling Microsoft to broaden its offering and Publicis Groupe to provide its clients with access to very attractive offers. Under the terms of this agreement, VivaKi and Microsoft will provide the Groupe's clients with higher added value and greater efficiency in all aspects of digital services, whether in terms of content, performance or audience.

In early April, Publicis Groupe acquired **Nemos**, the leading interactive communications agency in Switzerland. The acquisition was motivated by the Groupe's ongoing strategic commitment to offering digital services.

On September 1, Publicis Groupe acquired **Unilever's CRM program *Pour Tout Vous Dire***. Publicis emerged from this acquisition with one of the four leading multi-brand CRM platforms in the consumer goods business in France. Initially designed to add value to 30 Unilever brands spanning beauty, hygiene, food products and services, the program currently covers more than 5 million households, including 2 million customers on an online basis.

Pour Tout Vous Dire offers a benchmark e-CRM platform for showcasing brands and fostering interaction with consumers. It will gradually be rolled out to all consumer retail brands and fast moving consumer goods and thus made available to other advertisers.



– **Other acquisitions**

In May, Publicis Groupe announced the acquisition of its long-term affiliate **Publicis MARC**, the Bulgarian integrated communications agency. The Sofia-based agency joined the Publicis Worldwide global network.

In early September, Publicis Groupe announced its acquisition of a majority stake in the **Women's Forum for the Economy and Society**. Founded in 2005, this is an independent global women's forum. In 2009, the Women's Forum numbered 1,200 participants from 90 countries. The shared goal is to expand the scope of the Forum meetings as of 2010 to eventually cover all world regions.

These initiatives bear witness to Publicis Groupe's ability to anticipate market developments in order to meet its clients' new needs, provide the solutions consumers expect, and thus assure the Groupe's growth.

▪ **Finance**

In the midst of the liquidity crisis, and as part of its endeavor to preserve the Groupe's financial strength and capacity, on June 24, 2009, Publicis Groupe S.A. launched a €719 million convertible bond issue that will mature in 2014. Moreover, in December 2009, the company issued an offer to exchange its 2012 Eurobonds with a view to the issuance of new 2015 bonds. The purpose of these two transactions was to extend the company's resources over a longer period.

2010

▪ **Recent events**

January 2010 saw the early redemption at the holders' option of outstanding 2018 Oceane convertible bonds. According to the 2018 Oceane prospectus, any holder was entitled to request early redemption of all or part of its Oceane bonds at the early redemption price of €45.19 per bond. At the early redemption date, i.e. January 18, 2010, a total of 617,985 Oceane bonds were repaid early for a total amount of €28 million.

The number of these Oceane bonds outstanding is 2,624,538, representing 14.9% of the number initially issued (17,624,521).

Furthermore, in view of the authorization granted by the Combined Annual General Meeting of the shareholders on June 9, 2009, Publicis Groupe SA entered into an agreement on January 8, 2010, with an authorized intermediary, with a view to purchasing 2.7 million Publicis Groupe shares. This authorization was granted for a period of eighteen months from June 9, 2009, i.e. until December 8, 2010.

– **New Business**

The early part of 2010 continues to be dynamic with more new accounts being won.

Since January 1, the Groupe is proud to number Chrysler, Aviva and Turner Broadcasting among its new clients.



OUTLOOK

Despite the still difficult global context and economic uncertainties, Publicis Groupe can confirm an improvement in its key figures since the summer of 2009, with a more rapid return to growth in the emerging economies. The recovery in the developed economies is proving slower and more gradual.

These trends should accelerate towards the middle of the year.

While the strategy implemented in recent years has enabled the Groupe to weather the crisis much better than the market as a whole, Publicis Groupe has decided for 2010 to equip itself with necessary additional means required to better prepare the future.

In this perspective, and during the quarters to come, the Groupe will continue its growth and transformation by integrating its digital activities as a core business, by investing in businesses and regions where growth and value are to be found. The Groupe also intends to continue investing in talent while optimizing costs, notably by the development of shared service platforms, the deployment of ERP worldwide and the reconfiguration of information systems.

The Groupe has set itself the medium-term goal of expanding its digital activities and its positions in high-growth countries with the aim of generating the bulk of its total revenue from these two segments, in order to return to, or even surpass, the levels of percentage operating margin it enjoyed before the financial crisis.

The Groupe's financial situation is very solid, with sufficient liquidity for its future development.

New business won in recent years, and particularly in 2009, demonstrates the dynamism and attractiveness of Publicis Groupe, as well as its commitment to its clients which permitted it to win increased market share. It is these qualities that will enable Publicis Groupe to achieve positive organic growth in 2010, and greater than that predicted for the market as a whole.



About Publicis Groupe

Publicis Groupe [Euronext Paris: FR0000130577] is the world's fourth largest communications group. In addition, it is ranked as the world's second largest media agency, and is a global leader in digital and healthcare communications. With activities spanning 104 countries on five continents, the Groupe employs approximately 45,000 professionals. Publicis Groupe offers local and international clients a complete range of advertising services through three global advertising networks, Leo Burnett, Publicis, Saatchi & Saatchi, and two multi-hub networks, Fallon and 49%-owned Bartle Bogle Hegarty. Media consultancy and buying is offered through two worldwide networks, Starcom MediaVest Group and ZenithOptimedia; and interactive and digital marketing led by Digitas and Razorfish. Publicis Groupe launched VivaKi to leverage the combined scale of the autonomous operations of Digitas, Razorfish, Starcom MediaVest Group, Denuo and ZenithOptimedia to develop new services, tools, and next generation digital platforms. Publicis Groupe's Specialized Agencies and Marketing Services offer 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

"This document contains forward-looking statements. The use of the words "aim(s)," "expect(s)," "feel(s)," "will," "may," "believe(s)," "anticipate(s)" and similar expressions in this press release are intended to identify those statements as forward looking. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than in connection with applicable securities laws, Publicis Groupe undertakes no obligation to publish revised forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events. Publicis Groupe urges you to review and consider the various disclosures it made concerning the factors that may affect its business carefully, including the disclosures made to the French financial authority (AMF)"

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Definitions

Percentage operating margin: operating margin as a percentage of revenue

Average net debt: 12-month average of average monthly net debt

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

Net new business: this figure is not taken from financial reporting but is based on an estimate derived from the estimated media-marketing budgets based on an estimate of annualized advertising media spending on new business, net of losses, from new and existing clients

For further information, please visit our website:

www.finance.publicisgroupe.com



Appendix

New Business 2009

USD 6 billion (net)

Key New Business Wins

DIGITAS

Total (France), TGI Friday's (United States), Whirlpool (Brazil), Carrefour (Brazil)

FALLON

The Auteurs (global), Kerry Foods LowLow (United Kingdom), Burton's Foods Jammie Dodgers (United Kingdom), Unilever (United Kingdom), Cadbury Maynards wine gums (United Kingdom), Innocent (United Kingdom), Oxfam International (United Kingdom), Comic Relief (United Kingdom), The BBC – Olympics 2012 design (United Kingdom), Orion books (United Kingdom), SeeSaw (United Kingdom), RSA Group 300th Anniversary (United Kingdom), SCA Hygiene – Velvet & Charmin (Europe), Chrysler (United States), Charter Communications (United States), Cruzan Rum (United States), Barry Callebaut (United States)

LEO BURNETT

Caltex oil (Australia), Carrefour (Colombia), MCYS *Government Social Awareness* (Singapore), MillerCoors (United States), Turkcell *telecom* (Turkey), Wellatone-P&G (Russia), Falabella *department store* (Colombia), TVO *television channel* (Canada), Alfa *telecommunications* (Lebanon), Tourism Board (Singapore), Movistar (Colombia), Telkomsel *mobile telecom* (Indonesia), Herbapol *food* (Poland), BMW (China), Ajisen Ramen (China), Alpina (Columbia), Zeebo *Toys* (Mexico), Shop Direct Littlewoods.com (United Kingdom), Fiat (Brazil), Heinz (Mexico), Sportsbet (Australia), Thailand Business Coalition on Aids (Thailand), Kellogg's (global)



MS&L GROUP

Volkswagen (Asia), Middle East Coal (Asia), World Gold Council (global), Biscuit LeClerc (United States), Carrefour (France), City of The Hague (Netherlands), Diageo (United Kingdom), FIMF *online banking services* (Germany), Lactalis *dairy products* (Italy), Ministry of Agriculture (Netherlands), Ministry of Economy, Industry and Employment (France), Roman Meal (United States), Sanofi-aventis (Germany), Multaq *Pharmaceuticals* (USA), Mead Johnson (USA), French Hospitals Foundation (France), Shell (Germany), Ministry of Interior (The Netherlands), Nestlé Gerber (United States)

PUBLICIS WORLDWIDE

Carrefour (International), Procter & Gamble *Crest* (International), Vichy (United Kingdom), Wrigley (China), Zurich Connect (EMEA), Century 21 (France), BNP Paribas-Fortis (Belgium), Pernod-Ricard/ Malibu (global), Swatch (Brazil), Nestlé (Brazil), Anheuser-Bush In Bev - Beck's (United States), Barratt Developments (United Kingdom), Royal Bank of Scotland (United Kingdom), BMW (South East Asia), The Children's Workforce Development Council (United Kingdom), T.G.I Friday's (United States), HP Personal Systems Group – Above the line and digital (Europe/Middle East/Africa), Yoplait (United Kingdom), Armani Fragrances (global), Ebay (France), Marriott (Hong Kong), Prime Gaming (United Kingdom), Easyjet (United Kingdom), Cirque du Soleil (Europe), Walmart (United States), Chevrolet/Chevy (United States), Nescafé Dolce Gusto (global), Compaq (global), Maserati (France), Le Monde (France)

PUBLICIS HEALTHCARE COMMUNICATIONS GROUP (PHCG)

Sanofi-aventis (Aplenzin-United States), Biogen-Idec *neurology* (United States), Durex (United States)

SAATCHI & SAATCHI

House of Travel (New Zealand), Invalidity Insurance (Switzerland), LMG International *auto insurance* (Thailand), Panasonic (Indonesia), RTA/Dubai Metro Launch (United Arab Emirates), Suning *household electrical appliances* (China), Tsingtao *beer* (China), Midea *household electrical appliances* (China), Cadbury Dairy Milk (Australia/New Zealand), MillerCoors-Miller Genuine Draft, Keystone, NGD 64 *beer* (United States), HP PSG (Switzerland/EMEA), San Miguel (United Kingdom), Siemens (China), Amway-Nutrilite (China), Maxima (India), Kerry Foods (United Kingdom), Wei Chuan (Taiwan), Huiyan Juices (China), Oak Pacific Interactive-www.renrens.cn (China), Asia games & China Football Club (China), Lion Nathan- Hahn Super Dry (Australia), Sara Lee/Douwe Egberts - Senseo (Belgium/Europe), Häagen-Dazs (France), EurosportBet (France), Vivesco (Germany), Postel (Italy), The European Tour (global), Olympus (United Kingdom), Asda (United Kingdom), Mead Johnson (United States), Merck Sharp & Dohme (Singapore/Asia), Toyota (Finland, Spain, Sweden, UK)



STARCOM MEDIAVEST GROUP

Capital One (United Kingdom), Cerveceria Nacional (Panama), Heinz (Mexico), Honda (Spain), Kraft Foods (United Arab Emirates), Metro Group (Poland), PTC *telecommunications* (Poland), PZU *financial services* (Poland), Schering Plough *Claritin* (Hungary), CNAMTS *health insurance* (France), Supermercados Plaza's (Venezuela), Bupa International *health insurance* (United Kingdom), British Gas (United Kingdom), Comcast (United States), An Post *postal service* (Ireland), National Foods / Dairy Farmers (Australia), Wrigley *food* (United States), TGI Friday's (United States), Adevarul Holding *media* (Romania), Abbott Healthcare (India), Baguepi *food* (France), MEDEF (France), Telefonica (Latin America), Autoglass (United Kingdom), Bristol-Myers Squibb (United States), World Gold Council (United Arab Emirates), Eko Mobile (India), Kellogg's (Korea), Malaysia Airlines (Malaysia), Walt Disney Entertainment (India)

THE KAPLAN THALER GROUP

Wendy's (United States, Canada), Napa Auto Parts (United States), Omnaris (United States), Cascade (global)

ZENITHOPTIMEDIA

Al-Bandar Group *multibrand shop* (Saudi Arabia), Nestlé (Netherlands), Si.mobil Vodafone (Slovenia), Jenny Craig (United States), Ubank (Australia), T38/40 *weight-loss product* (Portugal), MTV (United Kingdom), Panasonic (Indonesia), Turismo de Valencia (Spain), Haberturk *newspaper* (Turkey), British Airways (United Kingdom), Kang Yuan *pharmaceutical products* (China), Parques Reunidos *amusement parks* (Spain), Sanofi-aventis (Ukraine), Madrid 2016 (Spain), ICO *public institute for loans and financing* (Spain), Tourism of Cataluña (Spain), 118118 (United Kingdom), JP Morgan (United States), TCL *electronic components* (China), Videocon Group *telecommunications* (India), Ministry of Community Development, Youth and Sports (Singapore), Travel Channel (Germany), Charles Vögele *garment industry* (Germany), JKP *music production* (Germany), Ministry of Agriculture and Rural Development (Poland), LIDL *supermarkets* (Spain), Saxo Bank (Switzerland), Gucci Group (United States), Perfetti Van Melle *confectioner* (China), Red Bull (China), Mars (China), Roads and Transport Authority (United Arab Emirates), Red.Es *Public institution, entity for the ministry of industry, tourism, and commerce* (Spain), Campofrio (International), Mars Wrigley (UK, Spain), Dairy Queen *food* (United States), Mortgage Choice (Australia), Marriott (Asia-Pacific), Wearnes Automotive (Singapore), Gamina *digital* (Taiwan), l'Oréal (Thailand), Turismo del Pais Vasco (Spain), Pringle of Scotland *Clothing* (International), Georgia Pacific (Spain), WingTai *Fashion* (Singapore), Unitech Wireless (India), Decathlon (Belgium), Lactalis (EMEA), Ministry of Information, Communication and the Arts (Singapore), Costbank (Germany), Arma (Egypt), Orlen (Poland), Molson Coors (United Kingdom), L'Oréal China (China), Swarovski (APAC)



2009 Press Releases

01/08/09	Mathias Emmerich is appointed Senior Vice President of Publicis Groupe
01/14/09	Philippe Lentschener leaves Publicis Groupe
02/04/09	Isabelle Simon joins Publicis Groupe as Senior Vice President
02/11/09	Annual results 2008
02/12/09	Publicis announces that it has repurchased a portion of its OCEANEs maturing on January, 18, 2018, and is offering to purchase the remaining OCEANEs for a price of EUR42.5724 per bond
02/20/09	Results of the standing purchase offer of OCEANEs maturing on January 18, 2018
03/11/09	Publicis Groupe involves its employees in Group growth
03/24/09	136 Publicis key executives invest strongly in the Group
04/15/09	Publicis Groupe pursues its global digital expansion, acquires Nemos, Swiss leader in multimedia and flash programming
04/16/09	Publicis Groupe won HP personal systems group pan-European advertising and digital communications
04/30/09	Eric Giully leaves Publicis Consultants Worldwide
05/11/09	Appointments at Publicis Groupe
05/19/09	Publicis Groupe acquires the Publicis MARC Group, strengthens holistic offer in the Balkan region
05/20/09	Publicis Groupe grants 50 free shares to each employee in France
06/04/09	Publicis Groupe – General Motors
06/09/09	Publicis Groupe annual general shareholders' meeting, dividend set at 0.60 euros per share
06/16/09	Publicis Groupe announces the offering of convertible bonds
06/16/09	Publicis Groupe issue of convertible bonds (OCEANEs) in the amount of 625 million euros – Final terms for the OCEANE 2014
06/17/09	Publicis Groupe issue of convertible bonds (OCEANEs) in the amount of 625 million euros – Granting of the AMF visa
06/19/09	Publicis Groupe issue of convertible bonds (OCEANEs) – Exercise of the over-allotment (greenshoe) option for the issue of approximately 625 million euros increased to approximately 719 million euros
06/25/09	Microsoft Corporation and Publicis Groupe announce broad strategic agreement



06/30/09	Publicis Groupe, second most awarded group in Cannes, with a total of 101 Lions
07/09/09	Publicis Groupe to receive the 2009 Global Equity Organization award for the most innovative and creative plan design for its employee stock plan
13/07/09	Publication date for half-year results
22/07/09	GM
23/07/09	Half-year 2009 results
09/08/09	Publicis Groupe to Acquire Razorfish from Microsoft Corporation
01/09/09	Publicis Groupe Announces Acquisition Agreement of Unilever C.R.M. Program "Pour Tout Vous Dire"
03/09/09	Women's Forum for Economy and Society Joins Publicis Groupe
22/09/09	Publicis Groupe Phonevalley Collaborates With Microsoft Mobile Advertising on Custom Mobile
14/10/09	Acquisition of Razorfish Closed
16/11/09	Publicis Groupe Combines MS&L Worldwide, Publicis Consultants And Publicis Events To Create A Powerful Public Relations and EventsNetwork, MS&L Group
01/12/09	Supervisory Board
16/12/09	Renault Pursues its Relationship with Publicis Groupe
18/12/09	Successful Completion of Publicis Groupe Exchange Offer

For further information: www.publicisgroupe.com



Publicis Groupe

2009 Consolidated Financial Statements

(unaudited)

Consolidated income statement

(in millions of euros)

	2009	2008	2007
Revenue	4,524	4,704	4,671
Personnel expenses	(2,812)	(2,852)	(2,829)
Other operating expenses	(940)	(963)	(954)
Operating margin before depreciation and amortization	772	889	888
Depreciation and amortization expense (excluding intangibles arising on acquisitions)	(92)	(104)	(109)
Operating margin	680	785	779
Amortization of intangibles arising on acquisitions	(30)	(29)	(30)
Impairment	(28)	(13)	(6)
Non-current income (expense)	7	8	3
Operating income	629	751	746
Interest expense	(73)	(110)	(124)
Interest income	<u>12</u>	<u>29</u>	<u>51</u>
Cost of net financial debt	(61)	(81)	(73)
Other financial income (expense)	(9)	2	(5)
Net income of consolidated companies before taxes	559	672	668
Income taxes	(146)	(196)	(201)
Net income of consolidated companies	413	476	467
Share in net income of associates	4	2	9
Net income	417	478	476
Net income attributable to minority interests	14	31	24
Net income attributable to equity holders of the parent	403	447	452

Per share data (in euros)			
<i>Number of shares</i>	202,257,125	202,536,963	207,599,301
Net earnings per share	1.99	2.21	2.18
<i>Number of shares – diluted</i>	220,867,344	220,728,941	239,365,113
Net earnings per share – diluted	1.90	2.12	2.02

(unaudited)



Consolidated statement of Comprehensive income

<i>(in millions of euros)</i>	2009	2008	2007
Net income for the period (a)	417	478	476
Other comprehensive income			
- Reevaluation of securities available for sale	12	(15)	(16)
- Actuarial gains and losses on defined benefit plans	(4)	(45)	11
- Cumulative translation adjustment	(59)	(5)	(216)
- Deferred taxes on other comprehensive income	1	16	(3)
Other comprehensive income for the period(b)	(50)	(49)	(224)
Total comprehensive income for the period (a) + (b)	367	429	252
Attributable to minority interests	17	28	21
Attributable to equity holders of the parent	350	401	231



(unaudited)

Consolidated balance sheet

(in millions of euros)

	December 31, 2009	December 31, 2008	December 31, 2007
Assets			
Goodwill, net	3,928	3,693	3,546
Intangible assets, net	835	794	826
Property and equipment, net	458	480	501
Deferred tax assets	73	91	148
Investments in associates	49	44	49
Other financial assets	94	101	112
Non-current assets	5,437	5,203	5,182
Inventory and costs billable to clients	290	319	391
Accounts receivable	4,875	4,843	4,926
Other receivables and other current assets	548	628	432
Cash and cash equivalents	1,580	867	1,313
Current assets	7,293	6,657	7,062
Total assets	12,730	11,860	12,244
Liabilities and shareholders' equity			
Share capital	79	78	81
Additional paid-in capital and retained earnings	2,734	2,242	2,117
Shareholders' equity	2,813	2,320	2,198
Minority interests	25	30	27
Total equity	2,838	2,350	2,225
Long-term financial debt (more than 1 year)	1,796	1,323	1,293
Deferred tax liabilities	214	232	240
Long-term provisions	449	459	449
Non-current liabilities	2,459	2,014	1,982
Accounts payable	5,835	5,802	5,662
Short-term financial debt (less than 1 year)	214	218	819
Income taxes payable	63	68	99
Short-term provisions	100	110	107
Other creditors and other current liabilities	1,221	1,298	1,350
Current liabilities	7,433	7,496	8,037
Total liabilities and shareholders' equity	12,730	11,860	12,244



(unaudited)

Consolidated cash flow statement

(in millions of euros)

	2009	2008	2007
Cash flows from operating activities			
Net income	417	478	476
Income tax	146	196	201
Cost of net financial debt	61	81	73
Capital (gains) losses on disposals (before tax)	(10)	(2)	(3)
Depreciation, amortization and impairment on property and equipment and intangible assets	150	146	145
Non-cash expenses on stock options and similar items	24	9	22
Other non-cash income and expenses	11	8	9
Share in net income of associates	(4)	(2)	(9)
Dividends received from associates	9	10	11
Taxes paid	(157)	(169)	(197)
Interest paid	(75)	(89)	(87)
Interest received	16	37	51
Change in working capital requirements ⁽¹⁾	59	12	106
Net cash provided by (used in) operating activities (I)	647	715	798
Cash flows from investing activities			
Purchases of property and equipment and intangible assets	(74)	(92)	(88)
Proceeds from sale of property and equipment and intangible assets	10	28	11
Purchases of investments and other financial assets, net	10	(1)	(6)
Acquisitions of subsidiaries	(298)	(172)	(1,006)
Disposals of subsidiaries	1	-	10
Net cash flows provided by (used in) investing activities (II)	(351)	(237)	(1,079)
Cash flows from financing activities			
Capital increase	-	1	2
Dividends paid to parent company shareholders	(107)	(106)	(92)
Dividends paid to minority shareholders of subsidiaries	(26)	(24)	(26)
Cash received on new borrowings	744	482	12
Reimbursement of borrowings	(108)	(1,128)	(24)
Net (purchases)/sales of treasury shares and equity warrants	5	(174)	(162)
Cash received on hedging transactions	-	-	52
Net cash flows provided by (used in) financing activities (III)	508	(949)	(238)
Impact of exchange rate fluctuations (IV)	(94)	19	(82)
Net change in consolidated cash flows (I + II + III + IV)	710	(452)	(601)
Cash and cash equivalents at January 1	867	1,313	1,920
Bank overdrafts at January 1	(30)	(24)	(30)
Net cash and cash equivalents at beginning of period	837	1,289	1,890
Cash and cash equivalents at December 31 (Note 18)	1,580	867	1,313
Bank overdrafts at December 31 (Note 22)	(33)	(30)	(24)
Net cash and cash equivalents at end of year	1,547	837	1,289
Net change in cash and cash equivalents	710	(452)	(601)
⁽¹⁾ Breakdown of change in working capital requirements			
Change in inventory and costs billable to clients	29	64	32
Change in accounts receivable and other receivables	160	(110)	(689)
Change in accounts payable, other creditors and provisions	(130)	58	763
Change in working capital requirements	59	12	106



Statement of changes in shareholders' equity

(unaudited)

Number of outstanding shares	(in millions of euros)	Share Capital	Addi- tional paid- in capital	Reserves and retained earnings	Cumulative translation adjustment	Reva- luation reserve	Total attrib. Group	Mino- rity Interest	Total shareholders equity
183,603,878	December 31, 2006	79	2,631	(670)	(100)	140	2,080	27	2,107
	Net income			452			452	24	476
	Other comprehensive income								
	Valuation of available-for-sale investments at fair value					(16)	(16)		(16)
	Hedge on net investments				(1)		(1)		(1)
	Actuarial gains and losses on defined benefit plans			8			8		8
	Cumulative translation adjustment				(212)		(212)	(3)	(215)
	Total other comprehensive income	-	-	(8)	(213)	(16)	(221)	(3)	(224)
	Total recognized income and (expenses) for the period	-	-	460	(213)	(16)	231	21	252
3,678,125	Increase in share capital of Publicis Groupe SA	2	111	(48)			65		65
	Dividends paid			(92)			(92)	(26)	(118)
	Share-based compensation (1)			14			14		14
	Fair value of the stock options included in the acquisition cost of Digitas			65			65		65
	Additional interest on ORANE			(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 shares			(162)			(162)		(162)
183,600,411	December 31, 2007	81	2,742	(436)	(313)	124	2,198	27	2,225
	Net income			447			447	31	478
	Other comprehensive income								
	Valuation of available-for-sale investments at fair value					(15)	(15)		(15)
	Actuarial gains and losses on defined benefit plans			(29)			(29)		(29)
	Cumulative translation adjustment				(2)		(2)	(3)	(5)
	Total other comprehensive income	-	-	(29)	(2)	(15)	(46)	(3)	(49)
	Total recognized income and (expenses) for the period	-	-	418	(2)	(15)	401	28	429
1,633,629	Increase (decrease) in share capital of Publicis Groupe SA and cancellation of treasury shares	(3)	(189)	192			-		-
	Dividends paid			(106)			(106)	(25)	(131)
	Share-based compensation (1)			8			8		8
	Additional interest on ORANE			(7)			(7)		(7)
(6,379,739)	Purchases/sales of treasury shares			(174)			(174)		(174)
178,854,301	December 31, 2008	78	2,553	(105)	(315)	109	2,320	30	2,350
	Net income			403			403	14	417
	Other comprehensive income								
	Valuation of available-for-sale investments at fair value					12	12		12
	Actuarial gains and losses on defined benefit plans			(3)			(3)		(3)
	Cumulative translation adjustment				(62)		(62)	3	(59)
	Total other comprehensive income	-	-	(3)	(62)	12	(53)	3	(50)
	Total recognized income and (expenses) for the period	-	-	400	(62)	12	350	17	367
1,562,129	Increase in share capital of Publicis Groupe SA	1	47	(48)			-		-
	Equity component, OCEANE 2014			49			49		49
	Dividends paid			(107)			(107)	(26)	(133)
	Share-based compensation (1)			26			26		26
	Additional interest on ORANE			(6)			(6)		(6)
	Effect of changes in scope of consolidation and of agreements to purchase minority interests						-	4	4
6,752,338	Purchases/sales of treasury shares			181			181		181
187,168,768	December 31, 2009	79	2,600	390	(377)	121	2,813	25	2,838

(1) Share-based compensation disclosed net of deferred tax



(unaudited)

Appendix 1. Organic Growth calculation

	(millions of euros)	2009
2008 revenue		4,704
Currency impact		28
2008 revenue at 2009 exchange rate (a)		4,732
2009 revenue before impact of acquisitions ⁽¹⁾ (b)		4,426
Revenue from acquisitions ⁽¹⁾		98
2009 revenue		4,524
Organic growth (b) / (a)		- 6,5%

(1) net of disposals

Appendix 2a. Earnings per share

		2009	2008	2007
<i>(In thousands of euros except for share data)</i>				
Earnings calculation used for EPS				
Net income attributable to the Group	a	403	447	452
<i>Impact of dilutive instruments:</i>				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		16	20	32
Net income attributable to the Group - diluted	b	419	467	484
Number of shares used for the calculation of EPS				
Average number of shares in the company's capital stock		196,020,983	196,277,148	200,072,094
Deduct: treasury stock (average for the year)		(15,633,664)	(16,651,410)	(16,946,147)
Shares to be issued to redeem the ORANEs		21,869,806	22,911,225	24,473,354
Average number of shares used for the calculation	c	202,257,125	202,536,963	207,599,301
<i>Impact of dilutive instruments: ⁽²⁾</i>				
- Restricted stock and dilutive stock options		1,770,247	137,404	2,941,554
- Warrants		-	-	167,511
- Shares from the conversion of bonds		16,839,972	18,054,574	28,656,747
Number of shares – diluted	d	220,867,344	220,728,941	239,365,113

(in euros)

Net earnings per share	a/c	1.99	2.21	2.18
Net earnings per share – diluted	b/d	1.90	2.12	2.02

(1) In 2007 and 2008, both the OCEANE 2008s and 2018s are factored into the calculation; however, the OCEANE 2008s only appear in the calculation of diluted net income for the period January 1 to July 17, 2008 as they were redeemed on maturity at the latter date.

(2) Only the restricted stock, stock options and warrants with a dilutive effect (i.e., whose exercise price is lower than the average share price for the year) enter into the calculation.

(3)

Redemption of the OCEANE 2008 in July 2008 automatically led to the elimination of 23,172,413 potentially dilutive shares. Conversely, the issue in June 2009 of a new OCEANE maturing in 2014 involved the creation of 25,761,647 potentially dilutive shares.



(unaudited)

Appendix 2b. Headline earnings per share

(In thousands of euros except for share data)

		2009	2008	2007
Net income used for the calculation of headline ⁽¹⁾ earnings per share				
Net income attributable to the Group		403	447	452
<i>Items excluded:</i>				
- Amortization of intangibles from acquisitions, net of tax		18	18	18
- Impairment, net of tax		27	11	4
- Net capital gains (losses) on disposal of land, buildings and long-term real estate leases		(6)	(5)	-
- Deferred tax asset from the OCEANE 2014S ²		(23)	-	-
Adjusted net income attributable to the Group	e	419	471	474
<i>Impact of dilutive instruments:</i>				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		16	20	32
Adjusted net income attributable to the Group – diluted	f	435	491	506
Number of shares used for the calculation of EPS				
Average number of shares in the company's capital stock		196,020,983	196,277,148	200,072,094
Deduct: treasury stock (average for the year)		(15,633,664)	(16,651,410)	(16,946,147)
Shares to be issued to redeem the ORANES		21,869,806	22,911,225	24,473,354
Average number of shares used for the calculation	c	202,257,125	202,536,963	207,599,301
<i>Impact of dilutive instruments:</i>				
- Restricted stock and dilutive stock options		1,770,247	137,404	2,941,554
- Warrants		-	-	167,511
- Shares resulting from the conversion of bonds		16,839,972	18,054,574	28,656,747
Number of shares – diluted	d	220,867,344	220,728,941	239,365,113

(in euros)

Headline earnings per share ⁽¹⁾	e/c	2.07	2.33	2.28
Earnings per share – diluted	f/d	1.97	2.22	2.11

(1) EPS before amortization of intangibles arising from acquisitions, impairment, capital gains (losses) on disposal of land and buildings, and deferred tax asset on the OCEANE 2014S.

(2) Effect of the deferred tax asset recognized in an amount equal to the deferred tax liability recognized on the equity portion of the OCEANE 2014S.

In January 2010, the company purchased 617,985 OCEANE 2018 bonds in the partial exercise of a put, thus eliminating an equivalent number of potentially dilutive shares.