



PUBLICIS GROUPE

PRESS RELEASE

Paris, July 29, 2010

First Half 2010 Results

Second quarter 2010 (EUR million)

▪ Revenue	1,376 (+21.3%)
▪ Organic growth	+7.1%

First half 2010 (EUR million)

▪ Revenue	2,538 (+14.9%)
▪ Organic growth	+5.3%
▪ Operating margin	369 (+28.6%)
▪ Operating margin rate	14.5%
▪ Net income (Group share)	213 (+27.5%)
▪ Free Cash Flow ⁽¹⁾	277 (+42%)
▪ Headline diluted EPS ⁽²⁾	1.00 euro (+12%)
▪ Debt/equity ratio	0.20

⁽¹⁾ Before changes in WCR

⁽²⁾ After elimination of impairment, amortization of intangibles arising on acquisitions and the tax credit arising on the deferred tax liability on the Oceane 2014 convertible bond.



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

“With organic growth of 7.1% for the second quarter of 2010 and 5.3% for the half-year, an operating margin of 14.5% and net income up by 27.5%, Publicis Groupe has once again given proof of its energy and ability to create value, even in the aftermath of the worst global economic crisis in many years.

This growth is the result of a strategy that has been effectively executed over a number of years. We were quick to take the digital route, gaining a decisive lead over our competitors and providing clients with the best and most innovative solutions for the new landscape being shaped by the explosion of digital technology.

We also opted for expansion in emerging markets. The economic crisis may have slowed the pace of their growth, but ZenithOptimedia’s latest estimates for 2011 and 2012 bode well for strong growth.

The challenges our clients face demand from us greater inventiveness, creativity and innovation, and relentless operational efforts to ensure that they win whatever the circumstances. I would like to thank them for their confidence, and to pay tribute to the hard work of all our teams who have performed wonders within the constraints of strict cost controls, enabling Publicis Groupe to emerge stronger than ever from the crisis.

Tight cost containment since end 2008 and strong growth in revenue have boosted operating margin to an impressive 14.5%, despite the fact that Razorfish is still in the integration phase with a margin that, while improving, is still well below average for the Groupe.

Without lapsing into the euphoria that these half-year results for our Groupe might warrant, I remain firmly convinced that Publicis Groupe will succeed in outperforming the market in terms of both growth and margin.”

* * *



At its meeting on July 28, 2010, chaired by Ms. Elisabeth Badinter, the Supervisory Board of Publicis Groupe examined the first half results for 2010 presented by Mr. Maurice Lévy, Chairman and Chief Executive Officer of Publicis Groupe.

Key figures

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

	1st half 2010	1st half 2009	2010/2009
Income statement data			
Revenue	2,538	2,209	14.9%
Operating margin before depreciation and amortization	422	333	26.7%
<i>As % of revenue</i>	<i>16.6%</i>	<i>15.1%</i>	
Operating margin	369	287	28.6%
<i>As % of revenue</i>	<i>14.5%</i>	<i>13.0%</i>	
Operating income	353	257	37.4%
Net income attributable to Publicis Groupe	213	167	27.5%
Earnings per share ⁽¹⁾	1.04	0.83	25.3%
Diluted earnings per share ⁽²⁾	0.95	0.82	15.8%
Balance sheet data			
	June 30, 2010	June 30, 2009	
Total assets	14,458	11,408	
Shareholders' equity	3,090	2,418	

⁽¹⁾ The average number of shares used to calculate earnings per share was 204.5 million for 1st half 2010 and 200.8 million for 1st half 2009.

⁽²⁾ The average number of shares used to calculate diluted earnings per share was 237.1 million for 1st Half 2010 and 206.3 million for 1st Half 2009. This includes stock options, free shares, equity warrants and convertible bonds with a dilutive effect on EPS. For the first six months of 2010, the instruments that diluted EPS were the Oceane convertible bonds, equity warrants, free shares and certain tranches of stock options with a strike price below the average price over the period.

Analysis of key figures

I. First half 2010 activity

The global economy rallied over the first half of 2010. After forecasting a 0.9% increase in 2010 global advertising expenditure in its December 2009 forecast, ZenithOptimedia upgraded its forecast in April this year to 2.2% growth and upped its latest estimate yet again, on July 19, to 3.5%. This steady improvement in growth forecasts is most encouraging.

As the advertising market recovered, Publicis Groupe posted an increase of **14.9%** in reported revenue for the first half and organic growth of **+5.3%**.

Second quarter revenue was up by **21.3%** and organic growth rose to **7.1%**.



- **Revenue in first half 2010**

Consolidated revenue for the first half of 2010 was EUR **2,538** million compared to EUR 2,209 million for the first half of 2009, an increase of **14.9%** (exchange rate impact was positive at EUR 55 million).

Organic growth was **5.3%**.

First half growth reflects the strong recovery in advertising expenditure after the record slump triggered by the 2009 economic crisis. The larger networks, in particular Leo Burnett and Publicis Worldwide along with VivaKi, made the most of the upturn, and digital activities maintained their strong growth trend.

The breakdown of consolidated revenue for the first half of 2010 is as follows: 33% from advertising, 20% from media and 47% from specialized agencies and marketing services (including digital activities).

- **Breakdown of first half 2010 revenue by region**

<i>(EUR million)</i>	<i>Revenue</i>		<i>Organic Growth</i>
	1st half 2010	1st half 2009	
Europe	805	738	+3.1%
North America	1,258	1,061	+6.6%
Asia-Pacific	286	238	+6.0%
Latin America	126	109	+10.8%
Africa and Middle East	63	63	-3.3%
Total	2,538	2,209	+5.3%

Almost all the regions, Europe included, saw a return to growth, with the exception of Africa and the Middle East, which is still suffering from Dubai's financial crisis.

North America continues to enjoy good growth. Organic growth for the USA was 7.2%, fuelled by strong growth from all the agencies and significant contributions from the healthcare and digital activities, the latter accounting for 42.5% of the region's revenue.

The Asia Pacific region is growing again, thanks largely to India and Korea.

Every country in Latin America except Chile reported growth.

Expressed in US dollars, first half revenue was USD 3,362 million, an increase of 14.3%.



- **Revenue in 2nd quarter 2010**

Consolidated second quarter 2010 revenue was EUR **1,376** million, an increase of **21.3%** on the figure of EUR 1,134 million for the corresponding period in 2009 (the exchange rate impact was positive at EUR 73 million).

Organic growth was **+7.1%** in the second quarter, a significant improvement on first quarter organic growth of +3.1%.

The second quarter undoubtedly benefited from a low basis of comparison, but the marked upswing in advertising business seen in the first quarter was also maintained.

Growth was also fuelled by new business wins in 2009 and by an increase in advertising spending by major clients.

- Breakdown of 2nd quarter 2010 revenue by region

<i>(EUR million)</i>	<i>Revenue</i>		<i>Organic Growth</i>
	2nd quarter 2010	2nd quarter 2009	
Europe	437	381	+7.3%
North America	679	535	+8.1%
Asia-Pacific	154	123	+5.3%
Latin America	71	58	+11.5%
Africa and Middle East	35	37	-10.4%
Total	1,376	1,134	+7.1%

Europe performed well in the second quarter. Only Africa and the Middle East posted negative figures.

Operating margin and operating income

Operating margin before depreciation and amortization was EUR **422** million in first half 2010, up **26.7%** from EUR 333 million for the first half of 2009.

Operating margin was EUR **369** million compared with EUR 287 million for the same period in 2009, an increase of **28.6%**.

Operating margin rate for the first half of the year was **14.5%**, up from **13%** for the same period in 2009. This reflects the significant upturn in activity as compared with first half 2009, and continued tight control over costs. The effects of measures taken in 2009, particularly with regard to containing personnel costs, are beginning to be felt.

Operating income for first half 2010 was EUR **353** million compared to EUR 257 million for the corresponding period in 2009, an increase of **37.4%**.



Net income

Net income attributable to the Group was EUR **213** million, an increase of **27.5%** on the net income of EUR 167 million reported for the first half of 2009.

Net income includes a net financial expense of EUR 42 million and a tax charge of EUR 89 million for the half-year.

Free Cash Flow

The Groupe's free cash flow, excluding changes in WCR, was up sharply (**+42%** on the corresponding period of 2009) at EUR **277** million. The increase is directly linked to the increase in operating margin before depreciation and amortization.

Net financial debt at June 30, 2010

Net financial debt was EUR **618** million at June 30, 2010 compared to **899** EUR million at June 30, 2009. This figure includes the impact of the partial buyback of Publicis Groupe shares held by SEP Badinter-Dentsu at a cost of EUR 217.5 EUR million. Net financial debt at December 30, 2009 was EUR **313** million, with the raise observed at June 30, 2010 reflecting the usual seasonal effect.

The Groupe's average net debt for the first half of 2010 was EUR **673** million, down sharply on the figures of EUR 1,002 million for first half 2009 and EUR **929** million for the full year 2009.

The Groupe's available liquidity position at June 30, 2010 was EUR **3.6** billion.

Shareholders' equity at June 30, 2010

Consolidated shareholders' including minority interests was EUR 3,111 million at June 30, 2010, compared with EUR 2,838 million at December 31, 2009. This includes the impact of allocation of 2009 income (dividends of EUR 107 million distributed).

The debt/equity ratio thus rose from 0.14 at December 31, 2009 to **0.20 at June 30, 2010**.

II. NETWORKS

The upturn in advertising markets over the course of the first half of the year is benefiting all the Groupe's networks. The growing contribution from digital activities, up to **28.1%** of first half revenue compared with **20.7%** (at 2010 exchange rate) for the first half of 2009, once again confirms the Groupe's strategic decision to help its clients keep pace with a changing consumer landscape and the new digital audience. Digital activities are now making their way into every one of the Groupe's networks, bringing the benefits of expertise and new ideas in virtually every area of digital operations, be it search, display, or the social and mobile networks made possible by the creation of the VivaKi Nerve Center (and at the same time avoiding duplication of investments).



III. COST CONTROL

The Groupe continues to exercise tight control over its costs. Cost optimization programs are the focus of unrelenting attention and are ongoing. The deployment of shared service centers, initiated some years ago, continues, as does the process of regionalization. The “Americas” platform, designed to serve the entire continent, is scheduled to go fully operational at the end of this year. The rollout (first local and subsequently global) of ERP, made possible by the integration of most agencies into shared service centers and the adoption of shared processes, continues. The Group expects to achieve a significant reduction in its operating costs from this investment, through global harmonization of processes and systems as from 2012.

Thanks to a solid balance sheet and improved cost control, the Groupe is well placed to meet market needs and sharpen its competitive edge.

IV. NEW BUSINESS: USD 2.1 BILLION IN NET WINS

Publicis Groupe took in USD **2.1** billion in net new business in the first half of 2010, clear testimony to the attractiveness of its products and services (see Appendix for list).

V. ACQUISITIONS

Publicis Groupe has embarked on a process of securing long-term growth by ramping up its engagement in digital activities and emerging economies, both of which are growth drivers for the communications sector today and in the future.

A significant number of targets have been identified, with special interest focusing on the opportunities offered by China.

On March 30, Publicis Groupe announced it had acquired a minority stake in Taterka Comunicações (Taterka), an advertising agency based in São Paulo, Brazil.

On April 6, 2010, the Groupe acquired Canadian agency In-Sync. Founded in 1989, the Toronto-based agency operates in the health and wellness space, specializing in market research consultancy and offering innovative marketing solutions to its biopharma clients.

At the end of April, Publicis Groupe bought out the minority interests in W&K and holds now 100% of the capital of this Chinese agency, now rebranded Leo Burnett Beijing Communications Co., Ltd.

On May 19, 2010, Publicis Groupe acquired Resolute Communications Ltd. Founded in 2002, Resolute Communications provides healthcare communications programs spanning strategic consulting, medical education, and media and public relations. Resolute is headquartered in London with an office in New York. Resolute will be merged with Publicis Life Brands in London to form a new entity renamed Publicis Life Brands Resolute, that will further entrench Publicis Healthcare Communications Group (PHCG) as a leader in the United Kingdom.



VI. FINANCE

January 2010 saw the early redemption of some of the 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 EUR 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 EUR 28 million.

The number of Oceane bonds subsequently 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. To date, 2,482,440 shares have been purchased under this program.

On May 10, 2010 Publicis Groupe purchased from Dentsu Inc. a block of 7,500,000 of its own shares, held by SEP Dentsu-Badinter, to be cancelled. The total price paid for the block was EUR 217.5 million, equivalent to EUR 29 per share. The shares were immediately cancelled.

VII. RECENT EVENTS

Acquisitions

On July 12, 2010, Publicis Groupe announced its acquisition of G4, a Beijing-based advertising agency. Launched in 2009, G4 offers integrated communications solutions, including advertising, design and strategic consulting, to Nestlé in China. G4 has rebranded as Publicis G4 and will join forces with the Publicis Beijing Nestlé team. Concentrating all the skills and resources dedicated to Nestlé within Publicis G4 will provide an enhanced service to this key customer throughout Greater China and the Asia region.

New Business

New business maintained its dynamic pace at the beginning of second half 2010 after total gains of USD 1 billion for the second quarter.

VIII. Outlook

For the second time in succession, ZenithOptimedia has upgraded its forecasts of growth in global advertising expenditure for 2010, most recently to 3.5% growth. These significantly higher forecasts confirm the upturn in the market, after a year of record decline in global advertising expenditure in 2009.

Publicis Groupe's growth rates for the first two quarters of 2010 are a mark of excellent performance and testimony to its judicious strategic choices, with digital activities continuing to expand across all the Groupe's networks and creating the right conditions for innovation and value



creation. Emerging economies are returning to growth rates more commensurate with their level of development and opening up new prospects for the Groupe.

These two cornerstones offer assurances of growth both now and in the future.

Investments in talent and in digital activities are still very much ongoing, made possible by strict cost control and a sound financial situation.

With many emerging economies, China in particular, returning to high growth, a recovering US economy (although flat since May), and certain European countries (including France and the UK) holding up well, Publicis Groupe confirms its target of outperforming the market on growth for full year 2010.

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"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)"



About Publicis Groupe

Publicis Groupe [Euronext Paris: FR0000130577] is the world's third largest communications group. In addition, it is ranked as the world's second largest media counsel and buying group, and is the first global network in digital and healthcare communications. With activities spanning 104 countries on five continents, the Groupe employs approximately 46,000 professionals. Publicis Groupe offers local and international clients a complete range of advertising services through three global advertising networks, Leo Burnett, Publicis, Saatchi & Saatchi, two multi-hub networks, Fallon and 49%-owned Bartle Bogle Hegarty, as well as New York-based Kaplan Thaler Group. Media consultancy and buying is offered through the two first ranked worldwide networks, Starcom MediaVest Group and ZenithOptimedia; and interactive and digital marketing led by the two first ranked Digitas and Razorfish networks. Publicis Groupe launched VivaKi to leverage the combined scale of the autonomous operations of Digitas, Denuo, Razorfish, Starcom MediaVest Group and ZenithOptimedia to develop new services, tools, and next generation digital platforms. Publicis Groupe's specialized agencies and marketing services offer healthcare communications with Publicis Healthcare Communications Group (PHCG, the first network in healthcare communications), sustainability communications and multicultural communications. With MS&LGroup, one of the world's top three PR and Events networks, expertise ranges from corporate and financial communications to public relations and public affairs, branding, social media marketing and events, sports marketing and events.

Web site: www.publicisgroupe.com

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Appendices

New Business - 1st Half 2010

USD 2.1 billion (net)

KEY WINS

DIGITAS

Electronic Arts (Brazil), Topper (Brazil), CA (USA), Goodyear (USA), Aflac (USA), Sears (USA), Whitewave (USA), Olay (Hong Kong/ Taiwan), Airtel (India), Nestle (India), Renault ZE (France)

FALLON

Cadbury Flake (UK), French Connection (global), Nokia (global), The Cosmopolitan of Las Vegas. (USA), Cadillac (USA)

LEO BURNETT

Chrysler (UK, Germany, Turkey), Samsung (Malaysia, Czech Republic, Thailand, Kazakhstan), COI/BIS (UK), Research in Motion- Blackberry (UK), DUFY- duty free (Mexico), Sigma Alimentos (Mexico), Koleston (Colombia), Nestlé (Guatemala), Sanofi-Aventis (Guatemala), Canon (Thailand), Amway (China), Siemens (China), Merrill Lynch (Korea), British Council (Sri Lanka), BMW (Malaysia), Pilipinas Shell (Philippines), Arla Food (Russia), Nycomed (Latvia), The ITI Group (Poland), Altıparmak (Turkey), El-Bi Electrics (Turkey), Turkcell (Turkey), Ülker (Turkey), Delipapier Sofidel (France), Campero (Guatemala, Salvador), V-Inspired (UK), Cemex (Costa Rica), World Gold Council (Turkey), Dubai International Film Festival, Tele2 (Kazakhstan), Fiat (Mexico), Cipher Lab (Taiwan)

MS&L GROUP

What's on (India), World Gold Council (China), Central agency for national insurance (France), National Defense Ministry (France), Klépierre Ségécé (France), Pernod Ricard (France), RapidShare (Germany), Apoteket (Sweden)

PUBLICIS WORLDWIDE

Dolce Gusto (France, USA), Chrysler (Canada), City of Toronto (Canada), Metro (Canada), Siemens Energy (Germany, Asia), Telefonica / Movistar (Spain), Sky News / Online project (UK), Cafè do



Brasil (Italy), Orogel (Italy), J.K. Helene Curtis (India), Reserve Bank of India / VIP Bags (India), SCMP Classified Post (Hong Kong), Le Monde (France), Ricola (France), Descamps (France), Carte d'Or (France), Cyrillus (France), GT Land Plaza (China), La Halle (France), Aéroports de la Cote d'Azur (France), Nestlé / Dairy Culinary (Mexico), Bupa (UK), Concha y Toro / VCT (Brazil), Hamburger / Financial (Germany), Bud Light (Canada), Beefeater Gin (UK), Randstad (UK), Belle Avenue (Thailand), Black Canyon (Thailand), Wellcome / Social business (Germany), Emirates Airlines (Netherlands), Stivoro / Anti-smoking campaign (Netherlands), Musée du Louvre (France), Losc / Lille Football Club (France), Hammerson (France), Shanghai World Expo's / Information & communication pavilion account, Virgin Mobile (Australia), City of Dreams / Digital account (Hong Kong), Indigo Books / *Largest Canadian book retailer*, (Canada), Hasbro (Canada), Canadian Olympic Foundation (Canada), Fiat / Punto Evo / International launch in Spain, Portugal, Netherlands, Belgium, Ireland, Poland (France), BNP Paribas / Investment Partners (Netherlands), Nestlé Maggi (Malaysia)

SAATCHI & SAATCHI

Arla Foods - Lurpak (Global except for UK), BNP Paribas (Poland), Red.es *digital TV* (Spain), Chrysler & Dodge SUV (China), Vinda (China), Carlsberg: Dali, Wusu, XiXia (China), Petrobras (Brazil), Sanitarium (New Zealand), Toyota (Italy)

STARCOM MEDIAVEST GROUP

Honda (Germany, Italy, Norway, Poland, Sweden, UK), CBS Film (USA), Turner (USA), Napa Auto Parts (USA), Nintendo (Netherlands), Dutch Government (Netherlands), Van Haren (Netherlands), Silesia Voivodship (Poland), Ministry of Environment (Poland), Skyways (Sweden), FEW *Online Retail* (Sweden), Prudential Direct Insurance (Taiwan), Coca-Cola (France), Mitre 10 (Australia), Mars Wrigley (China), in.gr (Greece), General Mills (China), Supermac's (Ireland), AIB (Ireland), IKKS (Netherlands), Provident (Poland), Aflac (USA), Avon (USA), Kraft/Cadbury (global), American Egg Board (USA)

THE KAPLAN THALER GROUP

Aflac (USA)

ZENITHOPTIMEDIA

Aviva (global), Reckitt Benckiser (global), Beijing Tourism Board, China Merchant Bank, Maoduoli (China), Electrolux (Vietnam), Georgia Pacific (Romania), Vivartia (Romania), BN Telecom (Turkey), Dyo (Turkey), Pegasus Airlines (Turkey), SAB Miller (Ecuador), Axtel (Mexico), Lindt (United Arab Emirates), Catalanian Government (Spain), Ministry of Environment (Spain), Perfume Shop (UK), Remington Consumer Products (USA), Beijing Lan Hai Cold Mineral Water (China), Warner Bros (Singapore), Universal Pictures (Mexico), Hubei Mobile (China), Reckitt Benckiser (China), AS Watson (APAC)



Glossary

Operating margin rate: operating margin/revenue.

Average half-year net debt: half-year average of average monthly net debt.

Free cash flow: cash flow from operations minus capital expenditures for tangible and intangible fixed assets, excluding acquisitions.

Net new business: this figure is derived not from financial reporting but from estimated media-marketing budgets based on annual business (net of losses) from new and existing clients.

For further information, please visit our website: www.finance.publicisgroupe.com



2010 Press Releases

08/01/10	Share Repurchase Program
11/01/10	Partnership between the Women's Forum and Terrafemina
18/01/10	OCEANES 2018 – Early Redemption
05/02/10	Lov Group and Publicis Groupe in Exclusive Negotiations
17/02/10	2009 Annual Results
16/03/10	Management Board Bonuses
30/03/10	Publicis Groupe Acquires a Minority Stake of Brazilian Agency Taterka Comunicações
06/04/10	Publicis Groupe Acquires In-Sync Healthcare Agency
22/04/10	Publicis Groupe: First Quarter 2010 Revenue - Back to Growth
26/04/10	Re-Elections at the Publicis Groupe Supervisory Board
29/04/10	Publicis Groupe Acquires Remaining Capital of Leo Burnett / W&K Beijing Advertising Co. Ltd
10/05/10	Publicis Groupe Announces its Acquisition from Dentsu Inc. of 7,500,000 of its own Shares in Order to Cancel Them
19/05/10	Publicis Groupe acquires Resolute Communications, in Healthcare Communications
01/06/10	Publicis Groupe Annual General Shareholders' Meeting - Dividend set at 0.60 Euros per Share
01/06/10	Supervisory Board and Management Board of Publicis Groupe
28/06/10	Danièle Bessis Joins Publicis Groupe as CEO of Re:Sources Worldwide
12/07/10	Publicis Groupe Acquires G4 Advertising co. Ltd. in China

For further information: www.publicisgroupe.com



Publicis Groupe

Consolidated financial statements – June 30, 2010 (unaudited)

Consolidated income statement

<i>(in millions of euros)</i>	<i>June 30, 2010</i>	<i>June 30, 2009</i>	<i>2009</i>
Revenue	2,538	2,209	4,524
Personnel expenses	(1,613)	(1,423)	(2,812)
Other operating expenses	(503)	(453)	(940)
Operating margin before depreciation and amortization	422	333	772
Depreciation and amortization expense (excluding intangibles arising on acquisition)	(53)	(46)	(92)
Operating margin	369	287	680
Amortization of intangibles arising on acquisition	(17)	(15)	(30)
Impairment	-	(20)	(28)
Non-current income (expense)	1	5	7
Operating income	353	257	629
Interest expense	(40)	(34)	(73)
Interest income	6	9	12
Cost of net financial debt	(34)	(25)	(61)
Other financial income (expenses)	(8)	(2)	(9)
Income of consolidated companies before taxes	311	230	559
Income taxes	(89)	(59)	(146)
Net income of consolidated companies	222	171	413
Share in net income of associates	-	1	4
Net income	222	172	417
Of which:			
- Net income attributable to non-controlling interests (Minority interests)	9	5	14
- Net income attributable to equity holders of the parent company	213	167	403

Per share data (in euros) - Net income attributable to equity holders of the parent company

<i>Number of shares</i>	<i>204,545,563</i>	<i>200,760,562</i>	<i>202,257,125</i>
Net earnings per share	1.04	0.83	1.99
<i>Number of shares - diluted</i>	<i>237,073,116</i>	<i>206,261,458</i>	<i>220,867,344</i>
Net earnings per share – diluted	0.95	0.82	1.90



Consolidated statement of comprehensive income

(in millions of euros)

	<i>June 30, 2010</i>	<i>June 30, 2009</i>	<i>2009</i>
Net income for the year (a)	222	172	417
Other comprehensive income			
- <i>Valuation of available-for-sale investments at fair value</i>	(1)	4	12
- <i>Actuarial gains and losses on defined benefit plans</i>	(24)	(16)	(4)
- <i>Translation of foreign operations</i>	431	(12)	(59)
- <i>Deferred taxes on other comprehensive income</i>	7	5	1
Other comprehensive income for the period (b)	413	(19)	(50)
Total comprehensive income for the period (a) + (b)	635	153	367
Of which:			
- Comprehensive income attributable to non-controlling interests (Minority interests)	18	7	17
- Comprehensive income attributable to Equity holders of the parent company	617	146	350



Consolidated balance sheet

(in millions of euros)

June 30, 2010

December 31, 2009

Assets		
Goodwill, net	4,416	3,928
Intangible assets, net	937	835
Property and equipment, net	480	458
Deferred tax assets	96	73
Investments in associates	42	49
Other financial assets	113	94
Non-current assets	6,084	5,437
Inventory and costs billable to clients	406	290
Accounts receivable	5,941	4,875
Other receivables and other current assets	609	548
Cash and cash equivalents	1,418	1,580
Current assets	8,374	7,293
Total Assets	14,458	12,730
Liabilities and shareholders' equity		
Share capital	76	79
Additional paid-in capital and retained earnings	3,014	2,734
Equity attributable to holders of the parent company	3,090	2,813
Non-controlling Interests (Minority interests)	21	25
Total Equity	3,111	2,838
Long-term financial debt (more than 1 year)	1,812	1,796
Deferred tax liabilities	235	214
Long-term provisions	499	449
Non-current liabilities	2,546	2,459
Accounts payable	6,858	5,835
Short-term financial debt (less than 1 year)	227	214
Income taxes payable	75	63
Short-term provisions	105	100
Other creditors and other current liabilities	1,536	1,221
Current liabilities	8,801	7,433
Total Liabilities and Equity	14,458	12,730



Consolidated cash flow statement

(in millions of euro)

	June 30, 2010	June 30, 2009	2009
Cash flows from operations			
Net income	222	172	417
Adjustment for non-cash income and expenses:			
Income taxes	89	59	146
Cost of net financial debt	34	25	61
Capital (gains) losses on disposal (before tax)	(1)	(4)	(10)
Depreciation, amortization and impairment on property and equipment and intangible assets	70	81	150
Non-cash expenses on stock options and similar items	15	12	24
Other non-cash income and expenses	3	5	11
Equity in net income of associates	-	(1)	(4)
Dividends received from equity accounted investments	11	6	9
Taxes paid	(103)	(86)	(157)
Interest paid	(36)	(51)	(75)
Interest received	7	10	16
Change in working capital requirements ⁽¹⁾	(266)	(495)	59
Net cash flows provided by (used in) operating activities (I)	45	(267)	647
Cash flows from investment operations			
Purchases of property and equipment and intangible assets	(35)	(33)	(74)
Proceeds from sale of property and equipment and intangible assets	1	-	10
Proceeds from sale of investments and other financial assets, net	(5)	3	10
Acquisition of subsidiaries	(48)	(70)	(298)
Divestment of subsidiaries	1	-	1
Net cash flows provided by (used in) investment operations (II)	(86)	(100)	(351)
Cash flows from financing operations			
Capital Increase	-	-	-
Dividends paid to parent company shareholders	-	-	(107)
Dividends paid to minority shareholders of subsidiaries	(14)	(15)	(26)
Cash received on new borrowings	13	734	744
Reimbursement of borrowings	(59)	(115)	(108)
Net (purchases)/sales of treasury shares and equity warrants	(249)	1	5
Cash received on hedging transactions	-	-	-
Net cash flows provided by (used in) financing operations (III)	(309)	605	508
Impact of exchange rate fluctuations (IV)	173	34	(94)
Net change in consolidated cash flows (I + II + III + IV)	(177)	272	710
Cash and cash equivalents as of January 1,	1,580	867	867
Bank overdrafts as of January 1,	(33)	(30)	(30)
Net cash and cash equivalents at beginning of period	1,547	837	837
Cash and cash equivalents at end of period	1,418	1,162	1,580
Bank overdrafts at end of period	(48)	(53)	(33)
Net cash and cash equivalents at end of period	1,370	1,109	1,547
Net change in cash and cash equivalents	(177)	272	710
<i>(1) Breakdown of change in working capital requirements</i>			
Change in inventory and costs billable to clients	(73)	31	29
Change in accounts receivable and other receivables	(458)	729	160
Change in accounts payable, other creditors and provisions	265	(1,255)	(130)
Variation in working capital requirements	(266)	(495)	59



Statement of changes in consolidated shareholders' equity

Number of outstanding shares	(in millions of euros)	Capital stock	Additional paid-in capital	Reserves and retained earnings	Transla- tion reserve	Fair- value reserve	Equity attributa- ble to holders of the parent company	Non- Controllin- g Interest (Minority interests)	Total Equity
178,854,301	January 1, 2009	78	2,553	(105)	(315)	109	2,320	30	2,350
	Net income for the period			167			167	5	172
	Other comprehensive income								
	Valuation of available-for-sale investments at fair value					4	4		4
	Actuarial gains and losses on defined benefit plans			(11)			(11)		(11)
	Translation of foreign operations				(14)		(14)	2	(12)
	Total other comprehensive income	-	-	(11)	(14)	4	(21)	2	(19)
	Total comprehensive income for the period	-	-	156	(14)	4	146	7	153
	Equity component of OCEANE 2014			49			49		49
	Dividends			(107)			(107)	(15)	(122)
	Share-based compensation			12			12		12
	Additional interest on Oranes			(3)			(3)		(3)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						-	3	3
72,910	Purchases/sales of treasury shares			1			1		1
178,927,211	June 30, 2009	78	2,553	3	(329)	113	2,418	25	2,443

Number of outstanding shares	(in millions of euros)	Capital stock	Additional paid-in capital	Reserves and retained earnings	Transla- tion reserve	Fair- value reserve	Equity attributa- ble to holders of the parent company	Non- Controllin- g Interests (Minority interests)	Total Equity
187,168,768	January 1, 2010	79	2,600	390	(377)	121	2,813	25	2,838
	Net income			213			213	9	222
	Other comprehensive income								
	Valuation of available-for-sale investments at fair value					(1)	(1)		(1)
	Actuarial gains and losses on defined benefit plans			(17)			(17)		(17)
	Translation of foreign operations				422		422	9	431
	Total other comprehensive income	-	-	(17)	422	(1)	404	9	413
	Total comprehensive income for the period	-	-	196	422	(1)	617	18	635
	Dividends paid			(107)			(107)	(14)	(121)
	Share-based compensation			19			19		19
	Additional interest on Oranes			(3)			(3)		(3)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						-	(8)	(8)
(7,500,000)	Cancellation of Publics Groupe SA shares	(3)	(215)				(218)		(218)
(807,764)	Purchases/sales of treasury shares			(31)			(31)		(31)
178,861,004	June 30, 2010	76	2,385	464	45	120	3,090	21	3,111



Earnings per share calculation details

Earnings per share and diluted earnings per share

(In millions of euro except for shares)

		June 30, 2010	June 30, 2009
Net income used for the calculation of earnings per share			
Net income attributable to equity holders of the parent	a	213	167
<i>Impact of dilutive instruments:</i>			
- Savings in financial expenses related to the conversion of debt instruments, net of tax ⁽¹⁾		13	2
Net income attributable to equity holders of the parent – diluted	b	226	169
Number of shares used for the calculation of earnings per share			
Average number of shares composing the company's share capital		195,469,852	196,020,983
Treasury shares to be deducted (average for the year)		(11,231,966)	(17,130,227)
Shares to be issued to redeem the Oranes		20,307,677	21,869,806
Average number of shares used for the calculation	c	204,545,563	200,760,562
<i>Impact of dilutive instruments: ⁽²⁾</i>			
- Free shares and dilutive stock options		3,904,161	1,045,823
- Equity warrants (BSA)		172,692	-
- Shares resulting from the conversion of convertible bonds ⁽¹⁾		28,450,700	4,455,073
Number of shares - diluted	d	237,073,116	206,261,458
<i>(en euro)</i>			
Net earnings per share	a/c	1.04	0.83
Net earnings per share – diluted	b/d	0.95	0.82

(1) In 2010 and 2009, both Oceane 2018 and Oceane 2014 were taken into account for the calculations (the Oceane 2014, issued in June 2009, was only included for one month for the first semester 2009).

(2) Only stock-options and equity warrants with a dilutive effect (whose exercise price is lower than the average share price for the period) are taken into consideration.



Headline earnings per share and diluted earnings per share

(In millions of euro except for shares)

		June 30, 2010	June 30, 2009
Net income used for the calculation of headline earnings per share ⁽¹⁾			
Net income attributable to equity holders of the parent		213	167
<i>Items excluded:</i>			
- Amortization of intangibles arising on acquisition, net of tax		10	9
- Impairment, net of tax		-	16
- Deferred tax asset linked to Oceane 2014 ⁽²⁾		-	(11)
Headline income attributable to equity holders of the parent	e	223	181
<i>Impact of dilutive instruments:</i>			
- Savings in financial expenses related to the conversion of debt instruments, net of tax		13	2
Adjusted net income attributable to equity holders of the parent - diluted	f	236	183
Number of shares used for the calculation of earnings per share			
Average number of shares composing the company's share capital		195,469,852	196,020,983
Treasury shares to be deducted (average for the year)		(11,231,966)	(17,130,227)
Shares to be issued to redeem the Oranes		20,307,677	21,869,806
Average number of shares used for the calculation	c	204,545,563	200,760,562
<i>Impact of dilutive instruments:</i>			
- Free shares and dilutive stock options		3,904,161	1,045,823
- Equity warrants (BSA)		172,692	-
- Shares resulting from the conversion of convertible bonds		28,450,700	4,455,073
Number of shares - diluted	d	237,073,116	206,261,458
<i>(in euro)</i>			
Headline earnings per share ⁽¹⁾	e/c	1.09	0.90
Headline earnings per share - diluted ⁽¹⁾	f/d	1.00	0.89

(1) Earnings per share before Amortization of intangibles from acquisitions, impairment and deferred tax assets linked to equity component of Oceane 2014.

(2) Effect of deferred tax asset recognized against deferred tax liabilities linked to equity component of Oceane 2014 recorded as equity.