

2008 1st Half Results

July 24, 2008

VIVA
LA
DIFFERENCE!



PUBLICIS GROUPE

This presentation 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).

1st Half 2008
Good performances

2nd Quarter 2008

Key Figures

Revenue
(EUR million)

1,165

Organic Growth

+5.5%

Excl. Healthcare

+6.8%

**Growth at constant
exchange rate***

7.1%

* 2007 at 2008 exchange rate

1st Half 2008

Key Figures

Revenue
(EUR million)

2,226

Organic Growth

+5.4%

Excl. Healthcare

+7.1%

**Growth at constant
exchange rate***

+7.6%

Operating Margin Rate

+15%

* 2007 at 2008 exchange rate

1st Half 2008

Highlights

- All business units (with the exception of Healthcare) have shown solid performance
 - Publicis Worldwide, Saatchi & Saatchi, Leo Burnett
 - Exceptional performance of Digitas Starcom MediaVest and ZenithOptimedia
- To be highlighted:
 - North America: +5.5%
 - Europe: +3.5%

1st Half 2008

Creativity

- Cannes International Advertising Festival 2008:
 - Grand Prix in Film (Cadbury-Gorilla)
 - 101 Lions
 - Publicis Groupe ranked n°2
- Clio Awards 2008:
 - Grand Prix Innovative Media
 - 5 Golds in TV/Cinema and digital
 - Publicis Groupe ranked n°2 with 51 Clios
- The One Show 2008:
 - Publicis Groupe ranked n°2 with 81 awards

1st Half 2008

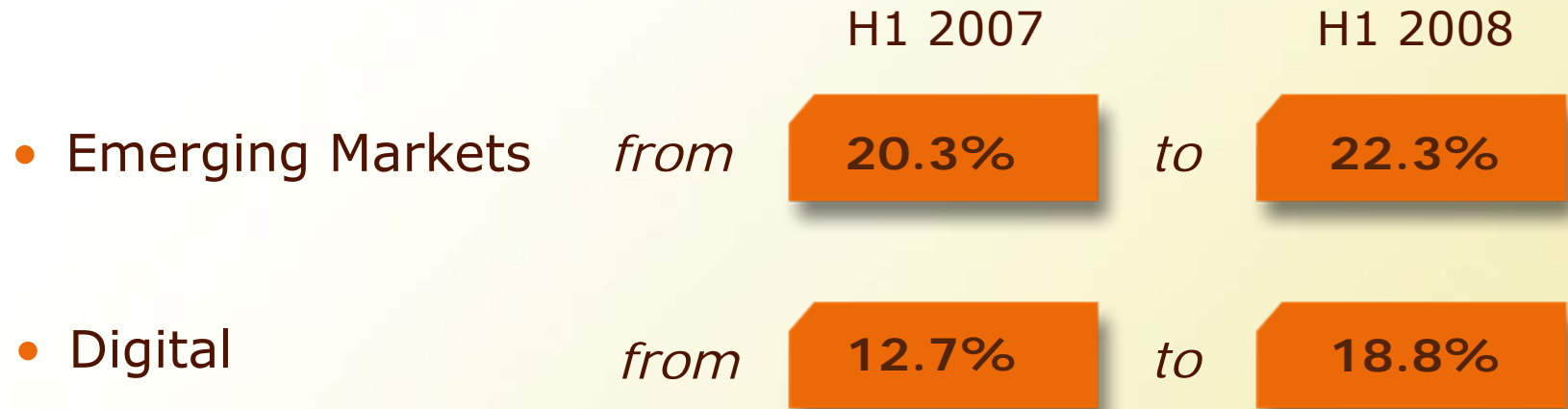
New Business

USD 3 billion

- Lehman Brothers ranking:
 1. Publicis Groupe
 2. WPP
 3. Omnicom
 4. Interpublic
 5. Havas
 6. Aegis

1st Half 2008

Strategy Works



(Digitas organic growth = 29%)

On track for 50% of total revenue
in emerging markets and digital in 2010

1st Half 2008 Financial Results

1st Half 2008

Revenue and Organic Growth Calculation

(EUR million)

H1 2007 Revenue	2,248	
Currency Impact	(179)	
H1 2007 Revenue at 2008 exchange Rate (a)	2,069	
H1 2008 Revenue before impact of acquisitions ⁽¹⁾ (b)	2,181	
Revenue from acquisitions ⁽¹⁾	45	
H1 2008 Revenue (c)	2,226	
Organic Growth (b/a)	+5.4%	➔ +7.1%
Growth at constant rate* (c/a)	+7.6%	excl. Healthcare

(1) Net of disposals // * 2007 at 2008 exchange rate

1st Half 2008

Revenue

(EUR million)

	Q1 2007	→	Q1 2008	Organic Growth
	1,059		1,061	+ 5.4%
<i>excluding Healthcare</i>				+ 7.5%
	Q2 2007	→	Q2 2008	
	1,189		1,165	+ 5.5%
<i>excluding Healthcare</i>				+ 6.8%
	H1 2007	→	H1 2008	
	2,248		2,226	+ 5.4%
<i>excluding Healthcare</i>	2,081		2,097	+ 7.1%

2nd Quarter Revenue by Geography

(EUR million)

	Q2 2008	Q2 2007	Q2 Organic Growth	Q1 Organic Growth
• Europe	470	457	+3.8%	+3.2%
• North America	476	516	+5.8%	+5.3%
• Asia Pacific	127	127	+6.2%	+11.9%
• Latin America	59	57	+7.5%	+6.3%
• Middle East / Africa	33	32	+18.8%	+14.3%
	<u>1,165</u>	<u>1,189</u>	<u>+5.5%</u>	<u>+5.4%</u>

1st Half 2008 Revenue by Geography

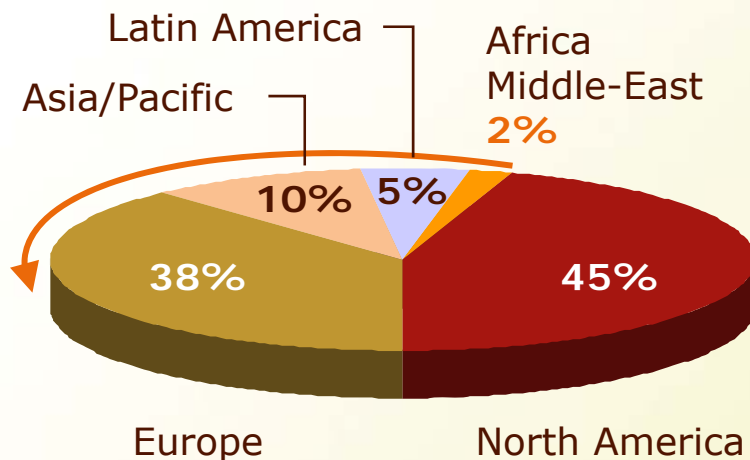
(EUR million)

	H1 2008	H1 2007	Organic Growth
• Europe	873	846	+3.5%
• North America	942	1,008	+5.5%
• Asia Pacific	243	235	+8.8%
• Latin America	111	104	+6.9%
• Middle East / Africa	57	55	+16.9%
	<u>2,226</u>	<u>2,248</u>	<u>+5.4%</u>

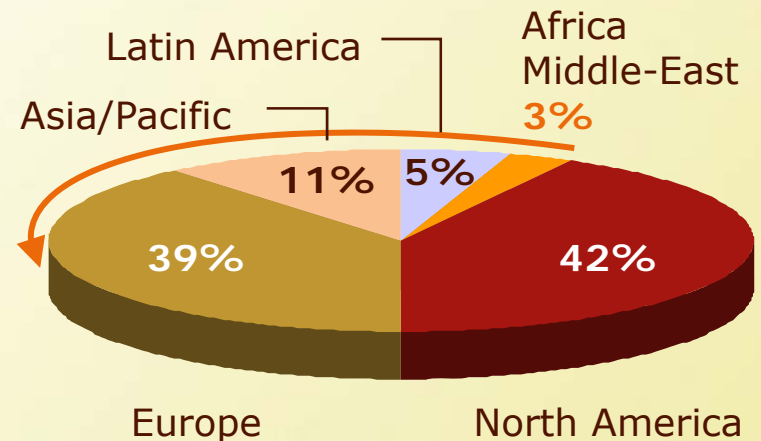
Revenue: Growth Drivers

- New Progress in emerging markets in **H1 2008** with organic growth acceleration

H1 2007



H1 2008

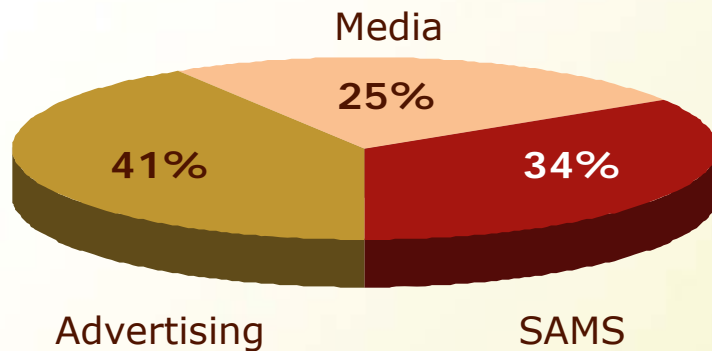


- Emerging Markets: 22.3% of total revenue
- Compared to 20.3% in H1 2007
- H1 08 Emerging Markets Organic Growth rate: 11.2%

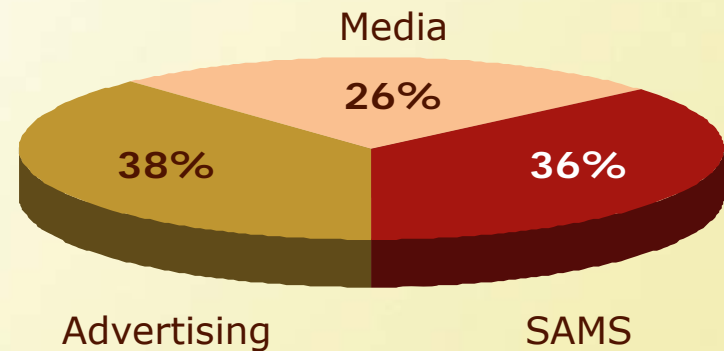
Revenue: Growth Drivers

- Well-balanced activity portfolio with digital fueling all activities

H1 2007



H1 2008



Digital: 18.8% of total revenue
Compared to 12.7% in H1 2007

Income Statement

(EUR million)

H1 2008

H1 2007

Revenue	2,226	2,248
Operating margin	334	337
Amortization of intangibles arising on acquisition	(14)	(15)
Impairment	(4)	0
Non-current income (expense)	4	9
Operating income	320	331
Net financial costs	(42)	(38)
Income taxes	(84)	(88)
Associates	5	6
Minority interests	(7)	(13)
Group net income	192	198

Operating Margin _____ at constant exchange rates

	H1 2008	H1 2008 at H1 2007 exchange rates	H1 2007	Variation H1 08 vs H1 07*
Revenue	2,226	2,419	2,248	+7,6%
Operating Margin	334	369	337	+9,5%
	15.0%	15.2%	15.0%	

+20bp

* H1 2008 at H1 2007 exchange rate

Revenue and operating margin in USD and GBP

	USD	Growth vs H1 07	GBP	Growth vs H1 07
• Revenue	3,406 M\$	+ 14,0%	1,725 M £	+ 13,7%
• Operating margin	511 M\$	+ 14,1%	259 M £	+ 13,8%

All entities translated into US dollar or GBP using the following exchange rates:

H1 2007 : 1 USD = EUR 0.752 1 GBP = 1.482

H1 2008 : 1 USD = EUR 0.654 1GBP = 1.291

1st Half 2008 Revenue by Region in US Dollar

(USD million)

	H1 2008	H1 2007	Variation
• Europe	1,335	1,124	+18.8%
• North America	1,441	1,340	+7.5%
• Asia Pacific	373	312	+19.6%
• Latin America	170	138	+23.2%
• Middle East / Africa	87	73	+19.2%
	3,406	2,987	+14.0%

All entities translated into US dollar using the following exchange rates:

H1 2007 : 1 USD = EUR 0.752

H1 2008 : 1 USD = EUR 0.654

Net Financial Costs

(EUR million)

	H1 2008	H1 2007	Variation
Eurobond 2012	(21)	(23)	2
OCEANE 2008	(21)	(20)	(1)
OCEANE 2018	(3)	(3)	
Orane	(1)	(1)	
Finance lease	(4)	(5)	1
Other interest income, net ⁽¹⁾	10	17	(7)
Cost of net financial debt	(40)	(35)	(5)
Other financial expense	(2)	(3)	1
Net financial costs	(42)	(38)	(4)

(1) Change in "other interest income":

Impact of change in cash	(2)
Impact of change in interest and FX rates	(5)
Total	(7)

• USD interest rate – H1 average	2.58%	5.32%	-52%
• USD/Euro FX rate – H1 average	0.65	0.75	-13%
• Euro interest rate – H1 average	4.03%	3.69%	9%

Tax Rate



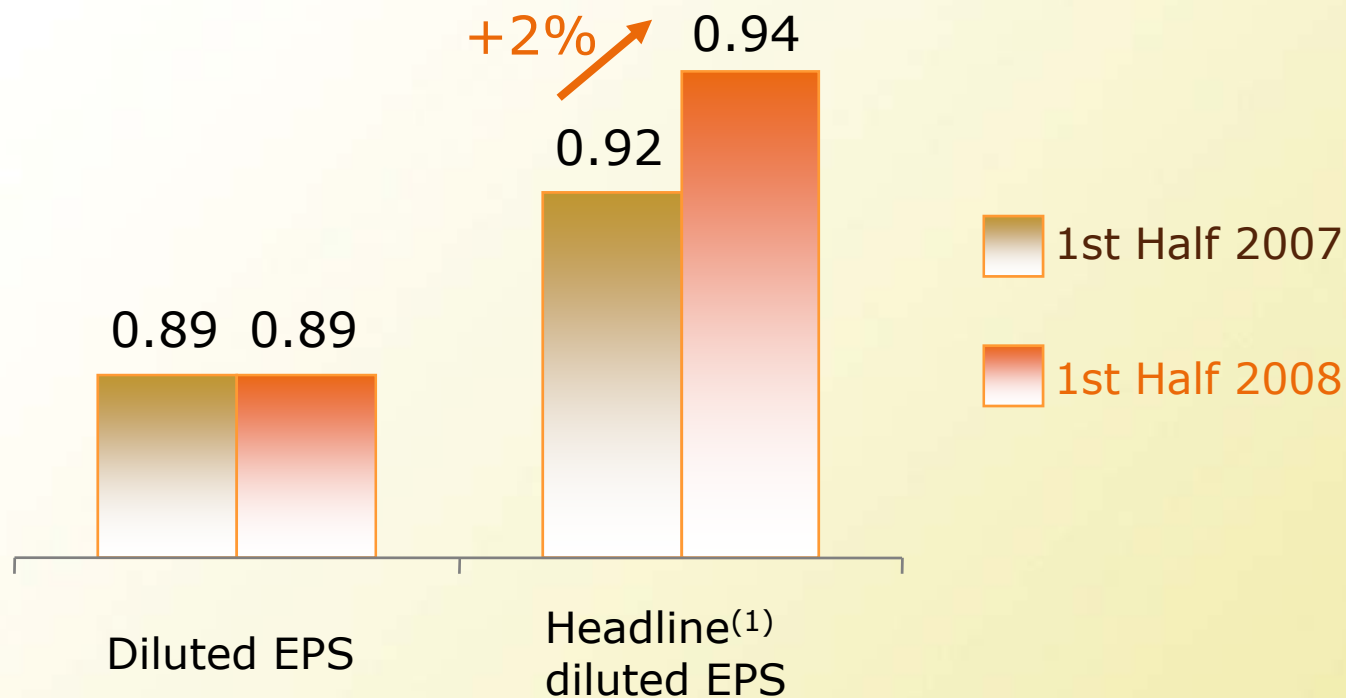
Sustainable improvement in effective tax rate

* Excluding tax on exceptional items

1st Half 2008

Earnings per Share

(EUR)



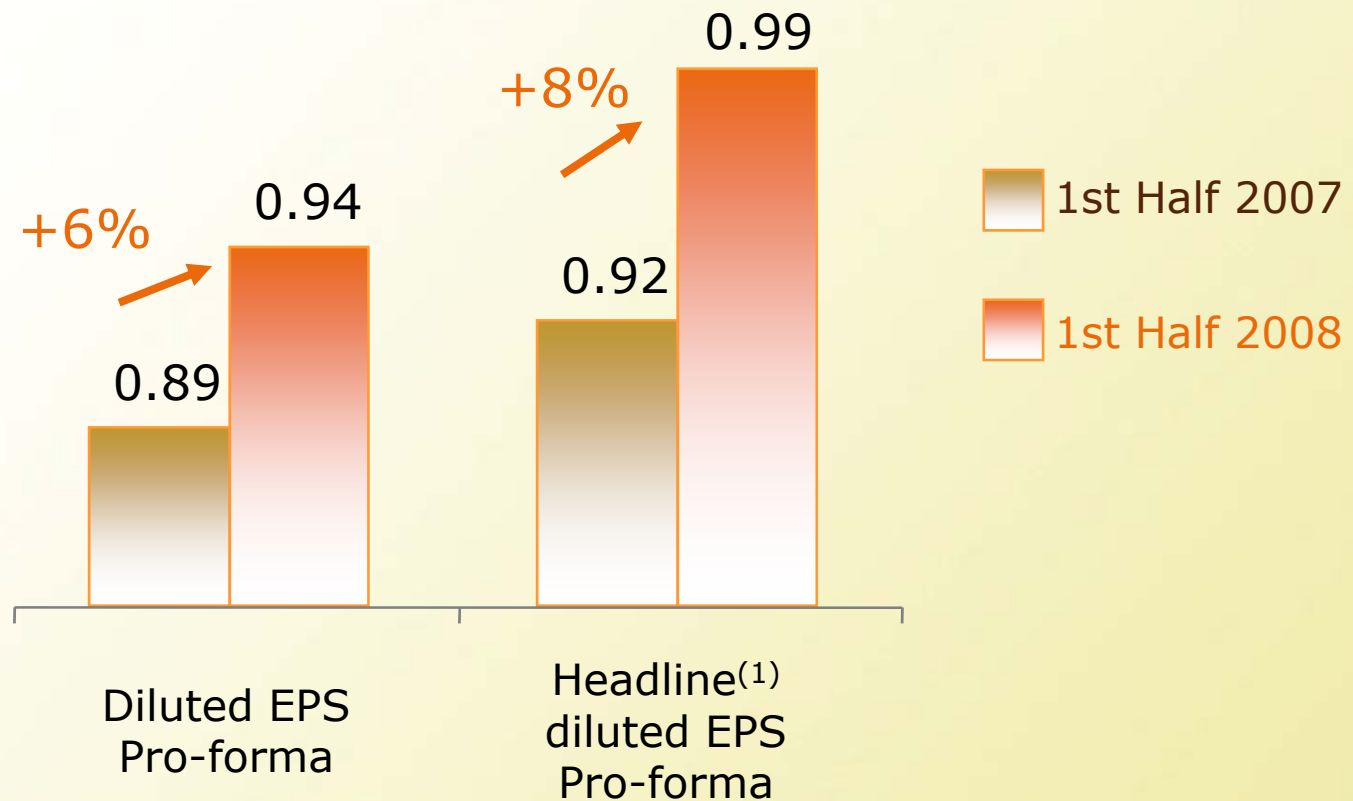
8 m share buy-back compensates slight erosion of EPS mainly due to exchange rate evolution in H1 08 vs H1 07

(1) after elimination of impairment charge and amortization on intangible arising on acquisition

Earnings per Share Pro Forma

(EUR)

- Assuming OCEANE 2008 reimbursement on Jan. 01, 2008

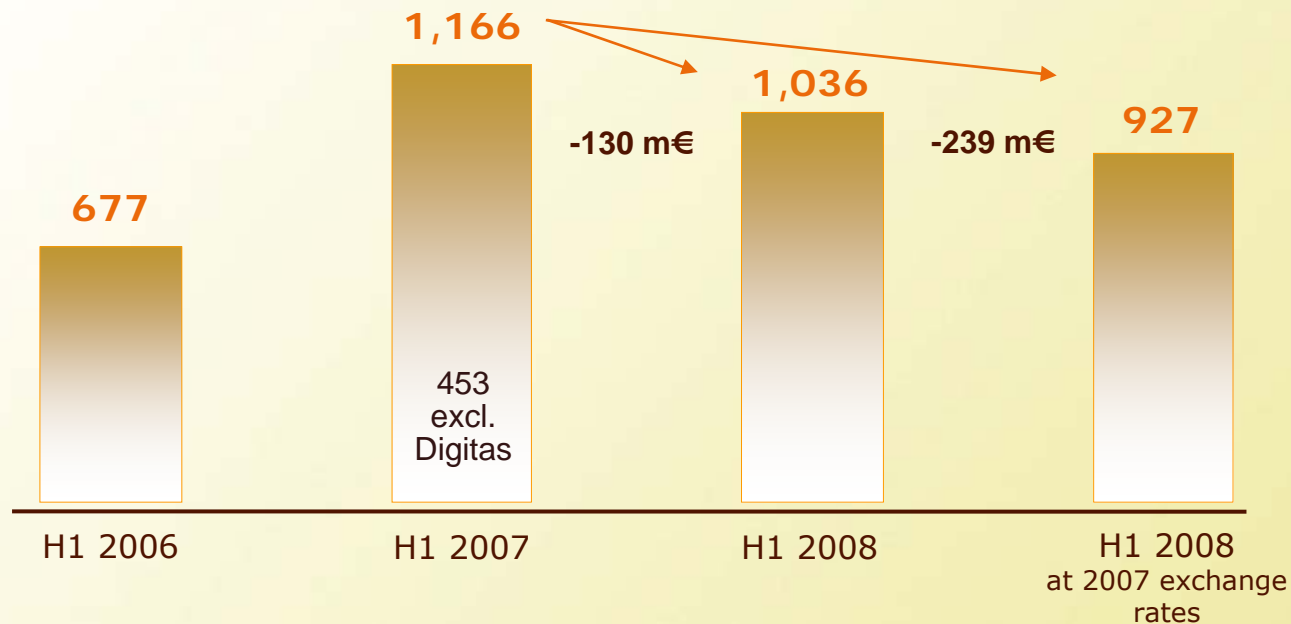


(1) after elimination of impairment charge and amortization on intangible arising on acquisition

Average Net Debt

(EUR million)

- A 239 m€ reduction of the average Net Debt (at same exchange rate) after 197 m€ of share buy-back during H1 2008
- Improvement mostly driven by a further squeeze in average Trade Working Capital Requirement of -275 m€



Financial Ratios

	Last 12 months ending June 30, 2008	2007 Full Year	Optimum Ratio
Average Net Debt / EBITDA*	1.3	1.4	< 1.50
Net Debt / Shareholders' Equity	0.57 **	0.38	< 0.50
Interest Cover (EBITDA* / Cost of Net Financial Debt)	11	12	> 7

* EBITDA : Earnings (operating margin) before depreciation and amortization

** 0.43 before share buy back

Free Cash Flow

(EUR million)

	H1 2008	H1 2007
Cash Flow from Operations	67	132
Investments (Capex)**	(20)	(26)
Free Cash Flow	47	106
Deduction of Change in WCR	219	183

Free Cash Flow excluding change in WCR	266	-8%	289
excl. exchange rate impact*	301	+4%	289

* 2008 at 2007 exchange rate

** acquisition of tangible and intangible fixed assets net excluding the purchases of investments and other financial assets net

Use of Free Cash Flow in 1st Half 2008

(EUR million)

	H1 2008	H1 2007
Free Cash Flow	47	106
Acquisitions*	(11)	(778)
Earn-outs Impact	(27)	(33)
Buy-outs Impact	(12)	(5)
Dividends paid to minorities	(15)	(12)
Capital Increase (stock options)	-	2
Share Buy-back	(197)	(29)
Non-cash Impact on Net Debt	(66)	5
Change in Net Debt	(281)	(744)

* including the purchases of investments and other financial assets

Subsequent Financial Event

Subsequent Financial Event

Oceane 2008

- OCEANE 2008 reimbursement on 17 July 2008: 677 m€ (including accrued interests for 5 m€)
- OCEANE 2008 refinancing: use of Club Deal for limited period of time and cash:
 - Club Deal: 2 months draw down 150 m€
 - Club Deal: 3 months draw down 300 m€
 - Use of cash 227 m€

No impact on Groupe net debt

Liquidity at June 30, 2008 after the reimbursement of OCEANE 2008

(EUR million)

	Total Amount	Drawn	Available
Committed Facilities			
364-day revolving credit facilities	201	0	201
5-year syndicated credit facility	1,500	(450)	1,050
Total Committed Facilities	1,701	(450)	1,251
Uncommitted Facilities			
	282	0	282
Total	1,983	0	1,533
Cash and Marketable Securities	1,015	(227)	788
	2,998	(677)	2,321

**Total available: EUR 2.3 billion
after OCEANE 2008 reimbursement**

Further Progress: The Publicis Groupe Edge

The Publicis Groupe Edge: _____

Future Growth

- In the near future growth will be generated from:
 - Digital, Interactive, Mobile
 - Emerging markets
 - Integrated solutions

The Publicis Groupe Edge: VivaKi

- A decisive step for the digital transformation of the Groupe in order to:
 - Best serve our clients
 - Take advantage of massive investments shift to digital
 - Gain skills and scale in the digital world
- Powerful brands (Starcom, ZenithOptimedia, Digitas, Denuo)
 - Faster digital transformation of media
 - Global footprint for Digitas through Starcom MediaVest, ZenithOptimedia backbones
 - New capabilities
 - Readily adaptable to tech-aided transactional models
- Vivaki Nerve Center
 - Ad serving and analytics
 - Performance media tools (search, direct, CRM)
 - Mobile integration
 - Ventures and partnership

The Publicis Groupe Edge: VivaKi

- A new organization :
 - Shift to digital: no silo between analog and digital media
 - Scale: 14 000 employees / 1.3 bn € in revenues
 - Conflict: each brand continues to operate autonomously
- Strong management with Jack Klues and David Kenny as managing partners
- First achievements of the Vivaki Nerve Center:
 - « Audience on demand » ad network with Google, Microsoft, Yahoo! and AOL
 - Mobile communication with Yahoo!

The Publicis Groupe Edge: _____

Developments

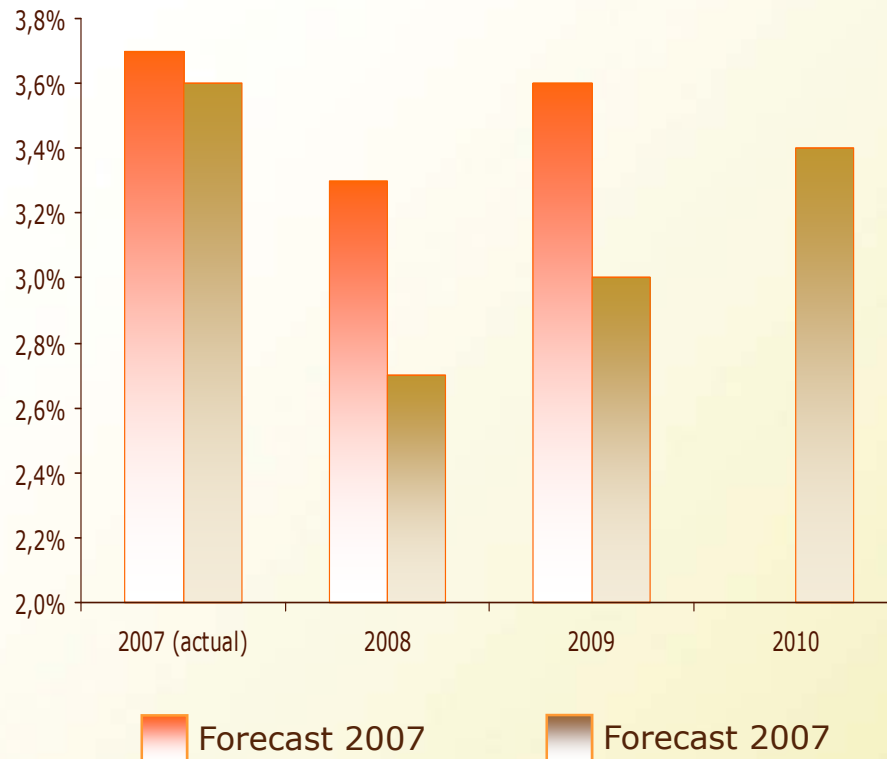
- Digitas Expansion (India, Singapore, China)
- Saatchi & Saatchi JV with Energy Source (China)
- Acquisitions
 - Kekst & Co.
 - Portfolio (Korea - digital)

Outlook

Outlook: _____

Global economic situation

Forecasts - World GDP Growth

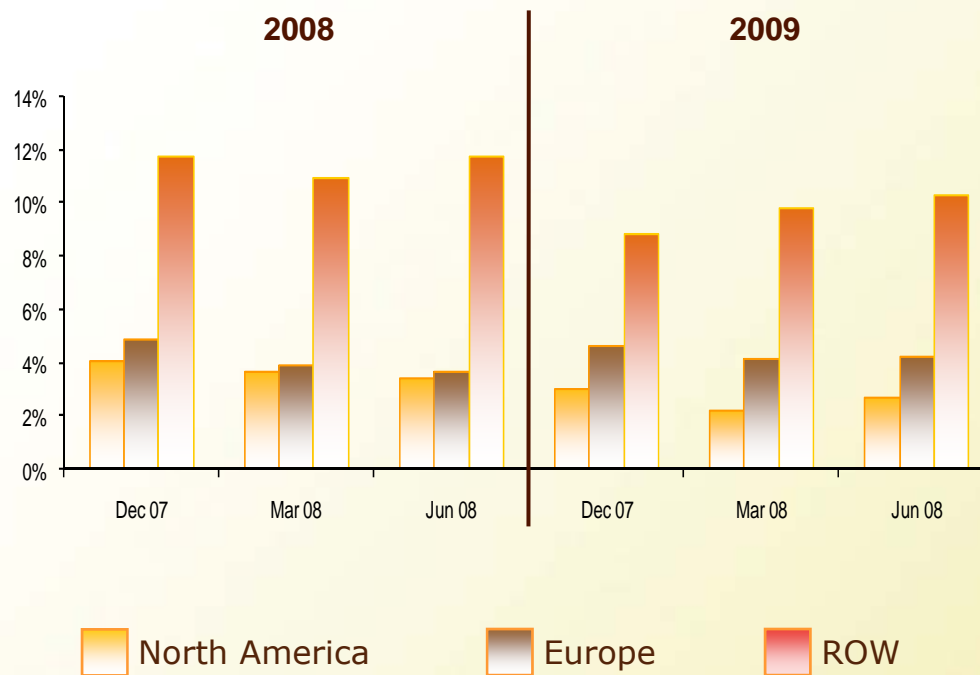


- Tensions on commodities prices:
 - Oil: 130-150 \$
 - Evolution 2006-2008 :
 - Wheat : + 166 %
 - Iron : + 81 %
- Inflation is back:
 - USA : + 4,2 %
 - Eurozone : + 3,7 %
- Difficulties in some sectors:
 - Finance
 - Automotive
 - Pharma

Source: World Bank

Outlook: Ad market keeps growing but at differentiated rates

Ad Spend:
Evolution of forecasts for 2008 and 2009



- Global adspend will still grow steadily in 2008 (+ 6.6 %) but will slightly slow down in 2009 (+ 5.9 %)

- Growth rates are more and more differentiated :

– geographically, emerging markets are still very dynamic, whereas Western Europe and the USA will go in opposite directions in 2009

– in terms of media, Internet will be the only media with a growing share of adspend, thanks to 20 % annual growth rates

At current prices

Source : Zenith Optimedia, June 2008

Trends in 1st Half

- Excellent growth in media & digital
- Solid organic growth with all agencies
- Excellent New Business: 3 billion USD

No impact of economic downturn

2nd Half 2008

- New Business still strong:
 - July:
 - Homebase
 - Holcim
 - Disney
 - Nissan Europe (digital)
- Olympic Games

2nd Half 2008

- Reasonably confident
- Strength in digital and emerging markets should offset slowdown in some sectors (automotive, finance) or some mature markets
- Sustainability of margin (good control of costs, investments limited to growth areas)

Q&A