PUBLICIS GROUPE

PRESS RELEASE

Paris, July 24, 2008

2008 First Half Results

Good performance in terms of growth, margins and New Business

REVENUE / GROWTH

2nd Quarter 2008	EUR
Q2 Revenue	**1,165 million**
Excl. exchange rate impact [(1)]	*1,272 million*
Q2 Organic growth	**+ 5.5%**
Q2 Growth excl. exchange rate impact [(2)]	**+ 7.1%**

1st Half 2008	
H1 Revenue	**2,226 million**
Excl. exchange rate impact [(1)]	*2,419 million*
H1 Organic growth	**+ 5.4%**
Excl. Healthcare	*+ 7.1%*
H1 Growth excl. exchange rate impact [(2)]	**+ 7.6%**

OPERATING MARGIN

1st Half (H1)	**334 million**
Excl. exchange rate impact [(1)]	*369 million*
Operating margin rate	**15.0%**

WORLD NO. 1 IN NEW BUSINESS
WITH NET WINS TOTALING USD 3 BILLION

Group net income	**192 million**
Headline diluted EPS (after OCEANE redemption)	**0.99 EUR**

[(1)] 2008 at 2007 exchange rates - [(2)] 2007 at 2008 exchange rates

Maurice Lévy, Chairman & CEO of Publicis Groupe:

"The first half of 2008 has lived up to its promise in terms of organic growth, new business and margins.

An organic growth of 5.4% was very good, though we are still adversely affected by the Healthcare sector (growth would have been + 7.1% without Healthcare).

We are gaining market share in digital communications, media and advertising, as shown by our impressive level of net new business (USD 3 billion) and our No. 1 ranking globally.

We should point out the increasing share of digital, where profitability is improving, but is still below the group's average.

The group's transformation is ongoing. In fact, strategic initiatives such as the launch of VivaKi, our accelerated expansion in digital communications and emerging markets, our creative excellence yet again widely acclaimed in Cannes, and our winner's mindset are the best remedies for the prevailing doom and gloom.

Very early on we embarked on an adaptation of our group's structures, organization, and services to be attuned to new market conditions. Thanks to this strategy, not only are we able to provide constantly improving service to our clients, but we can better resist downturns in the economic cycle.

In a somewhat depressed world economy, and against a backdrop of financial unease, we have every reason to believe that we can better resist by virtue of our strong positions in high-growth markets and sectors.

We are cautiously and reasonably confident in our expectations for the second half of 2008."

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Good performance of the businesses

The first half of 2008 was characterized by a continued deterioration of the general economic environment. The negative impact of the financial crisis, the continuing weakness of the US dollar, and pressure on oil prices, commodities and food products have led to ever-gloomier forecasts firstly in the US and then in Europe.

Despite this very uncertain economic environment, Publicis Groupe performed well in the first half of 2008.

Simplified Income Statement

(€ million)	***H1 2008***	***H1 2007***
Revenue	**2,226**	**2,248**
Operating margin	**334**	**337**
Operating margin rate	**15.0%**	**15.0%**
Amortization of intangibles arising on acquisitions	(14)	(15)
Impairment	(4)	
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**
Earnings per Share[1]	**€0.94**	**€0.95**

(1) Earnings Per Share calculations based on 208,854,265 shares in circulation in H1 2007 and 204,487, 173 in H1 2008. After redemption of the OCEANE 2008 bonds, headline diluted EPS stood at €0.99 (simulation based on redemption of the OCEANE bonds at Jan. 1, 2008), compared with headline diluted EPS of €0.92 at June 30, 2007.

H1 2008 Revenue

At June 30, 2008, Publicis Groupe's consolidated revenue was €2,226 million compared with €2,248 million at June 30, 2007, i.e. a slight decrease mainly due to the weakening of the dollar since the start of the year. Excluding the impact of exchange rates (i.e. 2008 at the 2007 exchange rates), first half revenue would have been €2,419 million, i.e. up 7.6%.

Organic growth for the first half-year (after Q1 growth of 5.4%) remained high at + **5.4%**.

This growth was achieved thanks to the strong performance and results of all our networks (Publicis, Saatchi & Saatchi, Leo Burnett) and the remarkable success of Digitas and Publicis Groupe Media.

All geographic zones reported satisfactory growth, including the US which achieved 5.5% growth for the period. The situation in Europe was more contrasted, but France turned in excellent performance largely on the strengths of Publicis Conseil and ZenithOptimedia. Certain businesses in the Healthcare sector remain weak. If these activities were factored out, the group's organic growth for H1 2008 would have been **+ 7.1%**.

Our digital offering stepped up a gear with the acquisition and worldwide roll-out of Digitas which not only caused this activity to rocket but confirmed the group's position as world leader in this field.

The digital businesses and the emerging markets continue to drive growth and the H1 2008 results have confirmed the efficiency of the strategic decisions taken to reach our goals for 2010, i.e. 25% of our revenue in digital communications and 25% in the emerging markets.

In H1 2008, the digital businesses accounted for 18.8% of the group's revenue compared with 12.7% in H1 2007.
The emerging markets grew 11.2% to generate 22.3% of our H1 2008 revenue compared with 20.3% in H1 2007.

Breakdown of H1 2008 revenue by geography:

(€ million)	***Revenue***		***Organic growth***
	H1 2008	**H1 2007**	
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%
Total	**2,226**	**2,248**	**+ 5.4%**

Q2 2008 Revenue

The second quarter saw continued high growth after the good performance in the first quarter.
With consolidated revenue of €1,165 million, organic growth in the second quarter stood at + 5.5% and + 6.8% excluding the Healthcare sector.

Breakdown of Q2 2008 revenue by geography:

(€ million)	*Revenue*		*Organic growth*
	Q2 2008	**Q2 2007**	
Europe	470	457	+ 3.8%
North America	476	516	+ 5.8%
Asia Pacific	127	127	+ 6.2%
Latin America	59	57	+ 7.5%
Middle East & Africa	33	32	+ 18.8%
Total	**1,165**	**1,189**	**+ 5.5%**

North America and Europe improved their organic growth once again in the second quarter, thereby confirming the relevance of the strategic options taken by the group to generate growth in mature economies at the low end of their cycle.

□ Operating margin & Operating income

The Operating margin was €334 million in the first half of 2008, compared with €337 million in the first half of 2007. If the impact of exchange rates were excluded (i.e. 2008 at the 2007 exchange rates), it would have been €369 million, up by + 9.5%.

The Operating margin rate was 15% over the period, above the group's expectations, as in the first half of 2007. This percentage margin factors in the dilution effects of recent acquisitions, integration costs and the rapidly-increasing proportion of the digital business where the average margin is lower despite the fact that it is constantly improving. As such, this stability is a reflection of the continuing progress being made by all entities in cost control.

Excluding exchange rate impact, the percentage operating margin would have been 15.2%.

Operating income stood at €320 million for the first half-year 2008 compared with €331 million for the corresponding period in 2007.

□ Net income

Group net income was **€192 million**, down 3% on H1 2007 due in particular to the impact of exchange rates.

□ Free Cash Flow

The group's Free cash flow (excluding changes in working capital requirements) was down on H1 2007 due to the adverse effect of exchange rates, falling from €289 million in H1 2007 to €266 million in H1 2008.
If the impact of exchange rates were excluded, free cash flow would have been up 4%.

☐ Shareholders' equity

The group's share of consolidated shareholders' equity was €1,923 million at June 30, 2008, versus €2,198 million at December 31, 2007. This decrease is mainly due to the variation in exchange rates (€196 million), buy-backs of 8 million shares (€197 million) over the period, and the dividend in respect of 2007 (€106 million) which were only partially offset by Net income in the first half-year 2008.

☐ Net financial debt

Net financial debt was €1,118 million at June 30, 2008, up €281 million from year-end 2007 due to share buy-backs (€197 million) and the customary decline in liquidity in the first half-year. The group's average net debt improved by €130 million to €1,036 million in H1 2008.
If the average debt in H1 2008 were converted at 2007 exchange rates, the average debt and debt reduction would have been €927 million and €239 million respectively.
The debt / equity ratio rose from 0.38 at year-end 2007 to 0.57 at June 30, 2008.

☐ Exchange rate impact

For the purposes of comparison with other firms in the sector who publish their accounts in other currencies, Publicis Groupe proposes the following data:

	USD	GBP
Revenue	**3,406 M$ + 14.0%**	**1,725 M GBP + 13.7%**
Operating Margin Growth	**511 M$ + 14.1%**	**259 M GBP + 13.8%**

Highlights of H1 2008

☐ Strategic Initiatives

➢ **Creation and launch of VivaKi: a major strategic initiative**

In January, Publicis Groupe announced its cooperation with Google, a turning point marking the group's faith in open-source systems fostering the expansion of numerous forms of collaboration.
In June, the creation of VivaKi was announced on the occasion of the group's Digital Day. The group thus took a big step forward in its transformation by substantially modifying its organization and business approach in order to provide even better service to its clients while leveraging the sector's high growth.
VivaKi unites the power of Digitas, Starcom MediaVest, Denuo and ZenithOptimedia which, while remaining independent, will roll out new services, tools and partnerships.

By pooling Publicis Groupe's analog and digital media assets, the group has positioned itself in a very original manner, thus gaining a decisive edge over its competitors.

By creating VivaKi, with more than 14,000 people and over €1.3 billion (USD 2 billion) in revenue, Publicis Groupe has become the market leader under a single management with the means to move fast and consistently in a market where size is essential.

This creation, which is a crucial part of the group's strategy, enables us to:

- better meet advertisers' needs by providing solutions that integrate all communications requirements in an efficient, rapid and up-to-date manner. Publicis Groupe's clients will thus be able embrace the future ahead of their competitors;

- bring together all our study, research, tools and skill-sets (and talent is scarce in this field) with the VivaKi Nerve Center, thereby providing all our entities with access to cutting edge digital solutions;

- leverage VivaKi's size and scale to foster cooperation with the big electronic platforms. In the wake of the Google agreement, several other cooperation agreements have been concluded with digital leaders and these breakthrough agreements will benefit our clients without the need to invest massively in short-lived technology:
    - Audience on Demand: building upon Yahoo! Microsoft and Platform A (AOL)
    - Mobile Communication: with Yahoo! and our subsidiary PhoneValley

- attract and retain the most talented people (in a market short on supply) through the creation of VivaKi's Talent and Innovation unit. The first steps in innovative thinking have been drawn up in areas such as recruitment, networking, mobility, training and diversity.

➢ **Saatchi & Saatchi: JV with Energy Source (China)**

In addition to the acquisitions announced and completed in the first quarter, we set up Saatchi & Saatchi Energy Source Integrated Interactive Solutions, a joint venture between Saatchi & Saatchi and the Chinese leader in interactive solutions, Energy Source.

➢ **Digitas expansion** (India, Singapore, China)

During the same period, in order to broaden Digitas' worldwide footprint, the Solutions agency in India and Singapore joined forces with Digitas to become Solutions I Digitas.

☐ Creativity

Once again, the outstanding creative talent of Publicis Groupe has not gone unnoticed.
The group received numerous awards in the various festivals and competitions, such as the highly coveted Grand Prix in Films at the Cannes International Advertising Festival, which crowned a grand total of 101 Lions (including 16 Gold Lions).
At the Clio Awards, the group took the Grand Prix for Innovative Media and 51 Clios in all, five of which were gold awards, on top of an exceptional 81 awards at the One Show.

At all these events, the group was consistently ranked second which, given the relatively small size of the group, gives us a clear top overall ranking.

☐ New Business: No. 1 worldwide with USD 3 billion

Our creative performance, the strong positions of the different networks, the repositioning of the group and its leadership in the world of digital / interactive advertising have confirmed the attractiveness of the group's offering. Publicis Groupe topped the (Lehman Brothers) world rankings in New Business in the first half of 2008 thanks to a number of very spectacular wins and a total of some USD 3 billion. This trend has continued into July.

☐ Appointments

Further to the creation of VivaKi, several appointments were made:
- David Kenny and Jack Klues, both members of the Management Board, have become Managing Partners of VivaKi,
- Renetta McCann has become Head of Talent and Innovation,
- Laura Desmond has been named CEO of SMG Worldwide,
- Laura Lang has become CEO of Digitas Worldwide
- Curt Hecht has been promoted to President of the VivaKi Nerve Center

☐ Events subsequent to June 30, 2008

➢ Redemption of the 2008 OCEANE bonds

On July 17, 2008, the group redeemed its 2008 OCEANE bonds at a total cost of €677 million, including €5 million in interest accrued.
In avoiding the potential dilution effect of 23,172,413 shares, this redemption in cash will substantially enhance diluted Earnings Per Share in the second half of 2008 and therefore over the full year as well.

Based on redemption at January 1, 2008, diluted Earnings Per Share at June 30, 2008 would have been €0.94, up 6% (compared with the published EPS which remained unchanged).

To fund this redemption, the group drew down €450 million of its €1,500 million multi-currency syndicated facility, using available cash to fund the remaining €227 million.

➢ Recent acquisitions

- **Kekst and Company Incorporated**

In early July, the group announced the acquisition of Kekst and Company Incorporated, a top-flight US agency that has received worldwide acclaim in public relations and strategic and financial communications.

- **Portfolio (Korea – digital communications**)

On July 23, Publicis Groupe announced the acquisition of Portfolio, a Korean full-service digital marketing agency that has been a pioneer in integrated digital services.
Portfolio, a leading agency in the rapidly expanding Korean market, is joining Publicis Modem, the digital branch of the Publicis worldwide network, to become Publicis Modem Korea.

Outlook

All these initiatives, whether in the form of asset portfolio reorganization, acquisitions or agreements, reflect the group's intention to step up its development in high-growth markets such as digital, media, emerging markets and holistic communications.

As such, figures for the first half of 2008 confirm that the group's strategic options work well: superb growth in media and digital communications, good growth of the advertising networks and excellent New Business.

July has been unfolding well, particularly in light of new accounts won (Homebase, Holcim, Disney and numerous accounts in the digital business including Nissan in Europe).

The global economy is marked by the financial crisis and the rising prices of oil, food and commodities. Marketing investments are expected to decrease in certain areas such as the automotive and financial sectors.

The second half of 2008 will be heavily influenced by advertising budgets revolving around the Olympic Games.

Forecasts drawn up by ZenithOptimedia in particular suggest that the growth markets and sectors will offset expected slowdowns. At this point in time, Publicis Groupe is on track and should generate good growth in the second half of 2008.

The early signs regarding 2009 confirm the traditional and anticipated slowing of growth in post-Olympics years. The early trends are encouraging for Publicis Groupe.

In the first half of 2008, margins were higher than expected despite the impact of exchange rates and the increased contribution to revenue of digital communications.
The second half-year looks quite similar, the objective being to consolidate our operating margin at their high level in 2008 and 2009.

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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 counsel and buying group, and is a global leader in digital and healthcare communications. With activities spanning 104 countries on five continents, the Groupe employs approximately 44,000 professionals.

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

Web Site: www.publicisgroupe.com

Appendix

New Business
1st Half 2008

3 Billion USD (net)

Leo Burnett :

AAPT (Australia), Aviva Insurance (Taiwan), AXN – Sony (Italy), Carrefour Telecom (Taiwan), China Mobile (Greater China), Coke (United-States), Comitato Moda (Italy), Confitecol (Latin America), Eidos – software game (United-Kingdom), Ferreti Group (Italy), GMR Sports Pvt Ltd (India), Heineken (Hong-Kong), Home Retail Group (United-Kingdom), Hongguo (China), ING Direct (Italy), ING Insurance (Malaysie), Intesa (Italy), Jumeirah (Dubai), Kuwait Telecom Company (Kuwait), Master Foods (Dubai), Mayfair (Maroc), McDonald's (United-Kingdom), McDonald's (UK), Night Fever (France), Norumbi Shopping (Brazil), Oracle (Italy), P&G Clearblue (Italy), Q House Real Estate (Thailand), SAB Miller (United-Kingdom), SAMS Club (Brazil), Samsung – B2C (Global), Sberbank (Russie), Sino Diamond Outlander (Taiwan), Tommy's Children's Charity (United-Kingdom), Veinsa – Mitsubishi (Latin America), Waitrose (France)

Publicis :

Citibank (Brazil), Garnier Fructis (Canada), HP (Europe et Moyen-Orient), LG Electronics (Italy), Lion Nathan (Australia), Manpower (France), Slendertone (United-Kingdom), PMU (France), Virgin (Australia), Yoplait (France)

Saatchi & Saatchi :

Alpitour travel agency (Italy), Amplifon (Italy), ArcelorMittal (United-Kingdom), Asia Five Nations (Hong Kong), Atlantis (United-Kingdom), Australia - Dept of the Prime Minister & Cabinet (Australia), AXA (United-Kingdom), Comedy Central TV Chanel (Italy), Fresh Retail Ventures/Jamie Oliver (United-Kingdom), GDF Suez (France/Global), Guinness (United-Kingdom), Kerzner Group (United-Kingdom & United Arab Emirates), Merck Serono – Kuvan (Suisse), Miller Chill (United-States), Mondadori (Italy), *Oesterreichisches Verkehrsbuero (Austria), ParalympicsGB (United-Kingdom), Pinko - Skelanimals (Italy), Sanyo Electronics (New Zealand), Senior's Money (Canada), MengNiu (China), Videocon (Inde), Volvo (Germany), Wal-Mart (United-States), WellPoint (United-States)*

Starcom MediaVest Group :

Avon Cosmetics (Colombia), Bank of America (United-States), Bauer (United-Kingdom), Cadbury (France), Coca-Cola (Asia Pacific), Emirates (United-Kingdom), Emirates (France), Heineken (République Tchèque), E-on (Italy), Inbev (Roumania), Samsung (Enero'08) (Argentine), Samsung (South Africa & Taiwan), Samsung (United Arab Emirates), Snieszka (Roumania), Strauss (Roumania), Wisconsin Milk (United-States)

ZenithOptimedia :

2XL (United Arab Emirates), Aerogal (Ecuador), Al Majid Motors (United Arab Emirates), Ali & Sons (United Arab Emirates), AMVIX (Greece), Aspial-Lee Hwa (Singapore), Aston Martin (United-Kingdom), Banyan Tree Hotels & Resorts Pte Ltd (Singapore), Barclay's (Spain), Berker Mama (Turkey), Bratz (Spain), Campofrio (Spain), Chicco (Spain), Collective Brands, Inc. (United-States), Control (Spain), DASK (Turkey), Darden Restaurants (United-States), Doğuş Tea (Turkey), Dopod (Greater China), Dominos Pizza (Turkey), Dubai Investments (United Arab Emirates), European Lease Fund (Pologne), Evyap (Turkey), FHB (Hungary), Galata Town (Turkey), Godfrey's (Australia), Goldas (Turkey), Guangzhou Mobile (China), Hertz (International), Honda (United Arab Emirates), Hyundai (China), James Boags (Australia), Jazeera Children's Channel (United Arab Emirates), Kervan (Turkey), Kiler (Turkey), Kilim (Turkey), Lamoiyan, Inc. (Philippines), Lievitalia (Italy), L'Oréal - Media Buying (France), Masvision (Spain), Mega Brands (United-Kingdom), Ministère de l'Agriculture (Pologne), Multiopticas (Spain), O2 Digital (United-Kingdom), Opfermann (Germany), Panasonic (United Arab Emirates), Panasonic (New Zealand), Pertamina Pas (Indonésie)PGA (Greece), Poltronesofa (Italy), Schering Plough (United-Kingdom), Swarowski Special Store (China), Tadiran Carrier (Israel), Typhoo (United-Kingdom), Viajes Iberia (Spain), Warner Music Group (United-Kingdom), WWF (United-Kingdom), Wyeth (China), Zhuhai Mobile (China)

Publicis Healthcare Communications Group (PHCG) :

GTx / Acadopene -- Medicus (United-States), Solvay/Zolip (United-States), Sanofi-Aventis/Multag – Saatchi & Saatchi Consumer Health and Wellness (United-States), UCB/brivaracetam - Medicus (United-States), Auxilium/Testim - Medicus (United-States)

Publicis Public Relations and Corporate Communications Group (PRCC) :

AXA (The Netherlands), Bouygues (France), Bureau Veritas (France), EBSCO (United-States), EU-China (Europe / China), GDF Suez (France), Groupama (France), Jardiland (France), Meedat (France), Ministère de l'Economie et du Travail (France), Moer Dijk Region (The Netherlands), Morgan (France), Saison Culturelle (France), Theolia (France)

Digitas :

Delta (Global), *Marks & Spencer (United-Kingdom), Samsung (Global), Total (France)*

Fallon :

Kerry Foods (United-Kingdom), Rock Corps (United-Kingdom)

Kaplan Thaler Group (United States) :

Aflac (United-States), Lunesta (United-States)

PUBLICIS GROUPE

Consolidated income statement

Millions of euros	**June 30, 2008**	**June 30, 2007**	**2007**
Revenue	**2 226**	**2 248**	**4 671**
Personnel expenses	(1 389)	(1 402)	(2 829)
Other operating expenses	(453)	(454)	(954)
Operating margin before depreciation and amortization	**384**	**392**	**888**
Depreciation and amortization expense (excluding intangibles arising on acquisition)	(50)	(55)	(109)
Operating margin	**334**	**337**	**779**
Amortization of intangibles arising on acquisition	(14)	(15)	(30)
Impairment	(4)	-	(6)
Non-current income (expense)	4	9	3
Operating income	**320**	**331**	**746**
Cost of net financial debt	(40)	(35)	(73)
Other financial income (expense)	(2)	(3)	(5)
Income of consolidated companies before taxes	**278**	**293**	**668**
Income taxes	(84)	(88)	(201)
Net income of consolidated companies	**194**	**205**	**467**
Equity in net income of non-consolidated companies	5	6	9
Net income	**199**	**211**	**476**
Net income attributable to minority interests	7	13	24
Net income attributable to equity holders of the parent	192	198	452

Per share data *(in euros)*			
Number of shares	*204,487,173*	*208,854,265*	*207 599 301*
Net earnings per share	0.94	0.95	2.18
Number of shares – diluted	*233,788,676*	*241,572,582*	*239 365 113*
Net earnings per share - diluted	0.89	0.89	2.02

Consolidated balance sheet

Millions of euros	**June 30, 2008**	**December 31, 2007**
Assets		
Goodwill, net	3 378	3 546
Intangible assets, net	772	826
Property and equipment, net	470	501
Deferred tax assets	95	148
Investments accounted for by the equity method	46	49
Other financial assets	109	112
Non-current assets	**4 870**	**5 182**
Inventory and costs billable to clients	388	391
Accounts receivable	4 859	4 926
Other receivables and other current assets	602	432
Cash and cash equivalents	1 015	1 313
Current assets	**6 864**	**7 062**
Total assets	**11 734**	**12 244**

Liabilities and shareholders' equity		
Capital stock	78	81
Additional paid-in capital and retained earnings	1 845	2 117
Shareholders' equity	**1 923**	**2 198**
Minority interests	23	27
Total equity	**1 946**	**2 225**
Long-term financial debt (more than 1 year)	1 245	1 293
Deferred tax liabilities	220	240
Long-term provisions	342	449
Non-current liabilities	**1 807**	**1 982**
Accounts payable	5 552	5 662
Short-term financial debt (less than 1 year)	833	819
Income taxes payable	104	99
Short-term provisions	97	107
Other creditors and other current liabilities	1 395	1 350
Current liabilities	**7 981**	**8 037**
Total liabilities and shareholders' equity	**11 734**	**12 244**

Consolidated cash flow statement

Millions of euros	June 30, 2008	June 30, 2007	2007
I- Cash flows from operating activities			
Net income	199	211	476
Income taxes	84	88	201
Cost of net financial debt	40	35	73
Capital (gains) losses on disposal (before tax)	(4)	(9)	(3)
Depreciation, amortization and impairment on property and equipment and intangible assets	68	70	145
Non-cash expenses on stock-options and similar items	9	14	22
Other non-cash income and expenses	3	4	9
Equity in net income of unconsolidated companies	(5)	(6)	(9)
Dividends received from equity accounted investments	5	3	11
Taxes paid	(102)	(84)	(197)
Interest paid	(34)	(39)	(87)
Interest received	23	28	51
Change in working capital requirements [(1)]	(219)	(183)	106
Net cash provided by operating activities	**67**	**132**	**798**
II- Cash flows from investing activities			
Purchases of property and equipment and intangible assets	(43)	(35)	(88)
Proceeds from sale of property and equipment and intangible assets	23	9	11
Proceeds from sale of investments and other financial assets, net	(2)	6	(6)
Acquisitions of subsidiaries	(48)	(842)	(1 006)
Disposals of subsidiaries	-	20	10
Net cash flows provided by (used in) investing activities	**(70)**	**(842)**	**(1 079)**
III- Cash flows from financing activities			
Increase (decrease) in capital stock of Publicis Groupe SA	-	2	2
Dividends paid to parent company shareholders	-	-	(92)
Dividends paid to minority shareholders of subsidiaries	(15)	(12)	(26)
Cash received on new borrowings	9	-	12
Reimbursement of borrowings	(9)	(15)	(24)
Net (purchases)/sales of treasury stock and equity warrants	(197)	(29)	(162)
Cash received on hedging transactions	-	-	52
Net cash flows provided by (used in) financing activities	**(212)**	**(54)**	**(238)**
IV- Impact of exchange rate fluctuations	**(80)**	**(1)**	**(82)**
Net change in consolidated cash flows (I + II + III + IV)	**(295)**	**(765)**	**(601)**
Cash and cash equivalents at January 1	1 313	1 920	1 920
Bank overdrafts at January 1	(24)	(30)	(30)
Net cash and cash equivalents at beginning of period	1 289	1 890	1 890
Cash and cash equivalents at end of period	1 015	1 166	1 313
Bank overdrafts at end of period	(21)	(41)	(24)
Net cash and cash equivalents at end of period	994	1 125	1 289
Net change in cash and cash equivalents	**(295)**	**(765)**	**(601)**

[(1)] ***Breakdown of change in working capital requirements***

Change in inventory and costs billable to clients	(18)	(96)	32
Change in accounts receivable and other receivables	(274)	(60)	(689)
Change in accounts payable, other creditors and provisions	73	(27)	763
Change in working capital requirements	**(219)**	**(183)**	**106**

Statement of changes in shareholders' equity

Number of shares in circulation	*Millions of euros*	Capital stock	Additional paid-in capital	Reserves and retained earnings	Gains and losses recognized through equity	Share-holders' equity	Minority interests	Total equity
183 603 878	**December 31, 2006**	**79**	**2 631**	**(645)**	**15**	**2 080**	**27**	**2 107**
	Gains and (losses) recognized through equity				(23)	(23)	-	(23)
	Net income for the period			198		198	13	211
	Total recognized income and (expenses) for the period			**198**	**(23)**	**175**	**13**	**188**
212 970	Increase in capital stock of Publicis Groupe SA	1	1			2		2
	Dividends			(92)		(92)	(12)	(104)
	Share-based compensation			14		14		14
	Fair value of the stock options included in the acquisition cost of Digitas			64		64		64
	Additional interest on Oranes			(1)		(1)		(1)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						1	1
299 677	Purchases/sales of treasury stock			(29)		(29)		(29)
184 116 525	**June 30, 2007**	**80**	**2 632**	**(491)**	**(8)**	**2 213**	**29**	**2 242**

Number of shares in circulation	*Millions of euros*	Capital stock	Additional paid-in capital	Reserves and retained earnings	Gains and losses recognized through equity	Share-holders' equity	Minority interests	Total equity
183 600 411	**December 31, 2007**	**81**	**2 742**	**(411)**	**(214)**	**2 198**	**27**	**2 225**
	Gains and (losses) recognized through equity				(167)	(167)		(167)
	Net income for the period			192		192	7	199
	Total recognized income and (expenses) for the period			**192**	**(167)**	**25**	**7**	**32**
21 000	Increase (decrease) in capital stock of Publicis Groupe SA and cancellation of treasury stock	(3)	(189)	192		-		-
	Dividends			(106)		(106)	(15)	(121)
	Share-based compensation			6		6		6
	Additional interest on Oranes			(3)		(3)		(3)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						4	4
(7 667 019)	Purchases/sales of treasury stock			(197)		(197)		(197)
175 954 392	**June 30, 2008**	**78**	**2 553**	**(327)**	**(381)**	**1 923**	**23**	**1 946**

Breakdown of gains and losses recognized directly through equity

Millions of euros	**June 30, 2008**	**June 30, 2007**
Revaluation of available-for-sale investments	2	(3)
Hedge on net investments	-	-
Actuarial gains and losses on defined benefit plans	27	12
Cumulative translation adjustment	(196)	(32)
Total gains and (losses) recognized directly through equity in the period	**(167)**	**(23)**

Detailed calculation of earnings per share

Earnings per share and diluted earnings per share

		Proforma [1] June 30, 2008	**June 30, 2008**	**June 30, 2007**
Net income used for the calculation of earnings per share *(millions of euros)*				
Net income attributable to equity holders of the parent	a	195 [2]	192	198
Impact of dilutive instruments:				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		2	16	16
Net income attributable to equity holders of the parent - diluted	b	197	208	214
Number of shares used for the calculation of earnings per share				
Average number of outstanding shares (after deduction of treasury stock)		181 055 238	181 055 238	183 860 201
Shares to be issued to redeem the Oranes		23 431 935	23 431 935	24 994 064
Average number of shares used for the calculation	c	204 487 173	204 487 173	208 854 265
Impact of dilutive instruments [3]:				
- Effect of exercise of dilutive stock-options		644 756	644 756	3 478 916
- Effect of exercise of equity warrants		-	-	582 654
- Shares resulting from the conversion of the convertible bonds		5 484 334	28 656 747	28 656 747
Number of shares – diluted	d	210 616 263	233 788 676	241 572 582

(in euros)

Earnings per share	a/c	**0,95**	**0.94**	**0.95**
Earnings per share – diluted	b/d	**0,94**	**0.89**	**0.89**

(1) *Simulation of reimbursement of Oceane 2008 on January 1, 2008.*

(2) *Net income adjusted for the difference between net interest expense on Club deal and cash and net interest expense on Oceane 2008.*

(3) *Only the equity warrants, stock-options and convertible bonds with a dilutive effect are taken into consideration. At June 30, 2008, convertible bonds and some of the stock option plans whose exercise price is lower than the average share price for the period have a dilutive effect.*

It should be noted that 8 million shares of treasury stock were cancelled on February 28, 2008. This cancellation was followed by the purchase of an equivalent number of shares (8 million) between March and June 2008.

Headline earnings per share (basic and diluted)

		Proforma [1] 30 juin 2008	**June 30, 2008**	**June 30, 2007**
Net income used for the calculation of Headline earnings per share [3] *(millions of euros)*				
Net income attributable to equity holders of the parent		195 [2]	192	198
Items excluded:				
- Amortization of intangibles arising on acquisition, net of tax		9	9	9
- Impairment, net of tax		3	3	-
Adjusted net income attributable to equity holders of the parent	e	207	204	207
Impact of dilutive instruments:				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		2	16	16
Adjusted net income attributable to equity holders of the parent – diluted	f	209	220	223
Number of shares used for the calculation of earnings per share				
Average number of outstanding shares (after deduction of treasury stock)		181 055 238	181 055 238	183 860 201
Shares to be issued to redeem the Oranes		23 431 935	23 431 935	24 994 064
Average number of shares used for the calculation	c	204 487 173	204 487 173	208 854 265
Impact of dilutive instruments:				
- Effect of exercise of dilutive stock-options		644 756	644 756	3 478 916
- Effect of exercise of equity warrants		-	-	582 654
- Shares resulting from the conversion of the convertible bonds		5 484 334	28 656 747	28 656 747
Number of shares – diluted	d	210 616 263	233 788 676	241 572 582
(in euros)				
Headline earnings per share [3]	e/c	**1,01**	**1.00**	**0.99**
Headline earnings per share [3] - diluted	f/d	**0,99**	**0.94**	**0.92**

(1) *Simulation of reimbursement of Oceane 2008 on January 1, 2008.*

(2) *Net income adjusted for the difference between net interest expense on Club deal and cash and net interest expense on Oceane 2008.*

(3) *Earnings per share before amortization of intangible arising on acquisition and impairment.*