

INVESTOR RELATIONS

KEY FIGURES

Jean-Michel Etienne, Executive Vice President - CFO, Publicis Groupe

2011 could be described as a year of great hope - after the economic upturn of 2010 - followed by disappointment: the sovereign debt crisis. By summer's end, forecasts for world economic growth were being revised downwards, amid a downgrade of US debt, crisis in Greece and a broader crisis in the Euro zone's public debt. But despite this troubled economic context in the second half, Publicis Groupe achieved very good results in 2011. It was an exceptional year for new business - \$7.9 billion, net of losses -- bearing witness to the dynamism of our teams and the competitive edge of our service offering.

Our consolidated revenue in 2011 rose to 5,816 million euros, up from 5,418 million euros in 2010: an increase of 7.3%. Organic growth for the year was 5.7%, an excellent performance, given the 8.3% growth we saw in 2010, which was due to a strong upturn in the market after the sharp fall-back of 2009. Our digital performance continued its strong growth, amounting to 30.6% of total revenue in 2011, and fast-growing economies generated 24.3% of total revenue. In 2011 these two high-growth segments accounted for 52.4% of revenue.

The Groupe's operational margin before amortization rose to 1,034 million euros in 2011, up from 967 million euros in 2010: an increase of 6.9%. Operational margin amounted to 931 million euros, up 8.8% year on year. The 16% operating margin rate for 2011, a 20 basis-point improvement on our targets, was achieved without sacrificing investment in talent and technology - elements that guarantee our continued growth in the future.



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Meanwhile, restructuring costs totaled 39 million euros, a drop of 10 million euros from 2010. Net income was 600 million euros, a new record for us, and fully diluted EPS, at 2.64 euros, was up 12.3%. On December 31, 2011 our net financial debt totaled 110 million euros - despite 599 million euros of cash outflow on acquisitions - and the Groupe's reserve of available liquidities was over 4 billion euros. The proposed dividend was stable, at 0.70 euros per share: a pay-out ratio of 23.6%.

The Groupe proceeded to reimburse the 2012 Eurobond, for the sum of 506 million euros, at the beginning of 2012. Additionally, on February 17, 2012 Publicis Groupe bought back 18 million of its own shares held by Dentsu, thus ending the shareholder agreements between Mme. Badinter and Dentsu, as well as that between Publicis Groupe and Dentsu, and terminating the 'Strategic Alliance Agreement' between the two groups. 10.8 million of these shares were canceled with the 7.2 million remaining shares kept in treasury shares.

The stock-market performance of Publicis Groupe shares was in line with comparables and far superior to the CAC 40 index: its lowest point was in the 2011 calendar year a drop of less than 9% (8.86%), although the CAC 40 lost 16.95% and the Dow Jones Europe Stoxx Media index fell 16.48%. The quality of Publicis Groupe's strategic position in the digital sector, and its continued expansion in fast-growing countries, should enable it to continue this favorable stock-market trajectory.

