



PUBLICIS GROUPE

Report of the Supervisory Board

2007 began with the Digitas acquisition, the first result of the strategic discussions held in 2006. In late January the Groupe announced that the tender offer had been successful. In keeping with Publicis tradition, the integration of Digitas was a success and we are very pleased with this acquisition, which will have an impact far beyond the numbers. This successful step has encouraged our Groupe to pursue growth by enriching our digital services to make them part of Publicis' unique holistic offering.

2007 was also a year in which the Groupe expanded in large emerging economies through acquisitions in China and India, thereby strengthening Publicis' presence in the world's most active markets.

2008 will be remembered as the year when the unimaginable happened, calling into question everything that had been considered certain.

After a number of signs of what was to come, the crisis revealed itself during the second quarter, although the explosion in the prices of oil, raw materials and foodstuff during the summer kept many observers from seeing the scope of an unprecedented crisis. The effects of the meltdown in the global financial system on the real economy accelerated during the last quarter, and caused a crisis in collective consciousness regarding the scope and depth of the crisis to come. While the financial, real estate and automotive sectors were the first to be hit, the domino effect will influence all sectors of the economy, and few industries will be spared.

Despite this instability and a climate of recession, Publicis Groupe will carry over into 2008 excellent financial results, as well as the enthusiasm and talent of the teams, which attest to the accuracy of the strategic choices the Groupe has made for the future. The key to these choices was the Groupe's foresight in anticipating the growth of emerging economies and the rapid development of digital communications to better assist our clients with an attractive offering.

In this difficult economic environment the Management Board showed unfailing determination and worked hard to transform the Groupe's organizations and structures, ensuring improved performances while remaining extremely attentive to attracting and promoting the Groupe's talents.

During this unprecedented crisis, I would particularly like to thank all the employees and managers of Publicis Groupe who, led by the Management Board Chairman, redoubled their efforts in order to achieve these excellent results.

More than ever, we have the utmost confidence that our management teams, with the leadership of the Management Board and the P12, will meet the new challenges that the Groupe must face in an increasingly difficult world, particularly with global economies in recession.

We met six times in 2008, with an attendance rate of 88%, with meetings that lasted an average of four hours each.

We would remind you that the Shareholders' Meeting on June 4, 2007 amended the Company's bylaws to allow us to determine each year the transactions subject to Article 12 of the Bylaws and therefore subject to the Supervisory Board's prior consent. In 2008 we decided that the purchase or sale of any real property, the purchase or sale of companies for an amount greater than 5% of the company's equity as well as any borrowing, bond issue and share issue exceeding this same percentage of equity will be subject to the Supervisory Board's prior consent. These provisions were renewed in February of this year for fiscal 2009.

The three specialized committees (the Nominating Committee, the Compensation Committee and the Audit Committee) assist us in performing our duties, with the goal of improving our corporate governance.

Thus, in early 2008 the Nominating Committee issued its recommendations on the composition of the Supervisory Board, a part of whose terms of office would expire at the Shareholders' Meeting on June 3, 2008; the Supervisory Board adopted these recommendations. The Shareholders' Meeting reelected Michel Halpérin and Tateo Mataki, and appointed Claudine Bienaimé and Tatsuyoshi Takashima as new members.

The Supervisory Board heard the recommendations of the Compensation Committee on Management Board compensation. The principles and rules established by the Supervisory Board for determining the compensation and benefits granted to the officers are described in the Management Board report for fiscal year 2008.

In early 2008, the Compensation Committee reviewed the Management Board's employment agreements for compliance with Law No. 2007-1223 of August 21, 2007 (the TEPA Act), and made its recommendations to the Supervisory Board, which made the necessary amendments to those agreements. These amendments were approved as "regulated agreements" by the Shareholders' Meeting on June 3, 2008 and are described in the Management Board report for fiscal year 2008.

The Supervisory Board heard the Audit Committee, which issued its opinion on the financial statements and more generally on the internal control procedures.

On February 10, 2009, the Supervisory Board conducted an evaluation of its own work, after which it reviewed the summary of that evaluation, drawing lessons from it.

In accordance with Article L 225-68 of the French Commercial Code, the parent-company and consolidated financial statements for fiscal year 2008 and the Management Board report were submitted to us. We had no comments on these documents and we received all information that we deemed useful.

In our capacity as representative of the shareholders, we accept the Management Board's proposal to maintain the unit dividend at €0.60 euro per €0.40-par-value share, and not to increase it.

We have given the Management Board our consent to their proposed requests for authorization from the Shareholders' Meeting.

At its meeting on March 10, 2009, the Supervisory Board coopted Tadashi Ishii onto the Board to replace Tateo Mataki, for the remainder of Mr. Mataki's term, i.e., until the Annual Shareholders' Meeting held to approve the financial statements for fiscal year 2013. We ask you to ratify this appointment.

We request that you approve the resolutions proposed to the Combined Annual and Special Meeting.

The Supervisory Board