

# Publicis Groupe S.A.

Meeting of ORANE holders

10 October 2013



# SAFE HARBOR STATEMENT

## Forward-Looking Statements

This communication contains forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning Publicis, Omnicom, Publicis Omnicom Group, the proposed transactions and other matters. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of the management of Publicis and Omnicom as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as “aim,” “anticipate,” “believe,” “plan,” “could,” “would,” “should,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “will,” “possible,” “potential,” “predict,” “project” or similar words, phrases or expressions. These forward-looking statements are subject to various risks and uncertainties, many of which are outside the parties’ control. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include failure to obtain applicable regulatory or shareholder approvals in a timely manner or otherwise; failure to satisfy other closing conditions to the proposed transactions; risks that the new businesses will not be integrated successfully or that the combined companies will not realize estimated cost savings, value of certain tax assets, synergies and growth or that such benefits may take longer to realize than expected; failure to realize anticipated benefits of the combined operations; risks relating to unanticipated costs of integration; losses on media purchases and production costs incurred on behalf of clients; reductions in client spending, a slowdown in client payments and changes in client communication requirements; failure to manage potential conflicts of interest between or among clients; unanticipated changes relating to competitive factors in the advertising and marketing industries; ability to hire and retain key personnel; ability to successfully integrate the companies’ businesses; the potential impact of announcement or consummation of the proposed transactions on relationships with third parties, including clients, employees and competitors; ability to attract new clients and retain existing clients in the manner anticipated; reliance on and integration of information technology systems; changes in legislation or governmental regulations affecting the companies; international, national or local economic, social or political conditions that could adversely affect the companies or their clients; conditions in the credit markets; risks associated with assumptions the parties make in connection with the parties’ critical accounting estimates and legal proceedings; and the parties’ international operations, which are subject to the risks of currency fluctuations and foreign exchange controls. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the parties’ businesses, including those described in Omnicom’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed from time to time with the Securities and Exchange Commission (the “SEC”) and those described in Publicis’s annual reports, registration documents and other documents filed from time to time with the French financial market regulator (*Autorité des Marchés Financiers* or “AMF”). Except as required under applicable law, the parties do not assume any obligation to update these forward-looking statements.

## NO OFFER OR SOLICITATION

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and applicable European regulations. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

# SAFE HARBOR STATEMENT

## **IMPORTANT ADDITIONAL INFORMATION WILL BE MADE AVAILABLE IN AN AFM APPROVED PROSPECTUS**

Publicis Omnicom Group will make publicly available a prospectus, approved by the Dutch financial markets regulator (Stichting Autoriteit Financiële Markten or “AFM”), with respect to the issuance of new shares as a result of the proposed transactions and their admission to trading on a regulated market in the European Union (including any supplement thereto, the “Admission Prospectus”). The Admission Prospectus will be passported by the AFM to the AMF with a view to the admission of Publicis Omnicom Group shares to listing on Euronext Paris. **INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE ADMISSION PROSPECTUS, AND OTHER RELEVANT DOCUMENTS, IN THEIR ENTIRETY CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT PUBLICIS, OMNICOM, PUBLICIS OMNICOM GROUP, THE PROPOSED TRANSACTIONS AND RELATED MATTERS.** Investors and shareholders will be able to obtain free copies of the Admission Prospectus from Publicis Omnicom Group on Publicis’s website at [www.publicisgroupe.com](http://www.publicisgroupe.com) or by contacting Investor Relations, 133 avenue des Champs Elysées, 75008 Paris, France, +33 (0) 1 44 43 65 00.

## **IMPORTANT ADDITIONAL INFORMATION FOR PUBLICIS SHAREHOLDERS**

Publicis will prepare a report to be made available in connection with the Publicis meeting of shareholders called to approve the proposed transactions (the “Report”). **INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE REPORT, AND OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE AMF, IN THEIR ENTIRETY CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT PUBLICIS, OMNICOM, PUBLICIS OMNICOM GROUP, THE PROPOSED TRANSACTIONS AND RELATED MATTERS.** Investors and shareholders will be able to obtain free copies of the Report from Publicis on its website at [www.publicisgroupe.com](http://www.publicisgroupe.com) or by contacting Investor Relations, 133 avenue des Champs Elysées, 75008 Paris, France, +33 (0) 1 44 43 65 00.

## **IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC**

Publicis Omnicom Group will file with the SEC a registration statement on Form S-4, which will include the proxy statement of Omnicom that also constitutes a prospectus of Publicis Omnicom Group (the “proxy statement/prospectus”). **INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS, AND OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SEC, IN THEIR ENTIRETY CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT PUBLICIS GROUPE, OMNICOM, PUBLICIS OMNICOM GROUP, THE PROPOSED TRANSACTIONS AND RELATED MATTERS.** Investors and shareholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed with the SEC by the parties through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and shareholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed with the SEC by the parties by contacting Corporate Secretary, Omnicom Group Inc., 437 Madison Avenue, New York, NY 10022, (212) 415-3600 (for documents filed with the SEC by Omnicom) or Investor Relations, 133 avenue des Champs Elysées, 75008 Paris, France, +33 (0) 1 44 43 65 00 (for documents filed with the SEC by Publicis or Publicis Omnicom Group).

## **NO EEA PROSPECTUS UNTIL ADMISSION PROSPECTUS**

No prospectus is required under the European Economic Area Prospectus Directive 2003/71/EC, as amended and as transposed in Dutch and French law, and no such prospectus or document will be made available until the Admission Prospectus is made available.

## **PARTICIPANTS IN THE SOLICITATION**

Publicis, Omnicom and Publicis Omnicom Group and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Omnicom in respect of the proposed transactions contemplated by the proxy statement/prospectus. Information regarding the persons who are, under the rules of the SEC, participants in the solicitation of the shareholders of Omnicom in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement/prospectus when it is filed with the SEC. Information regarding Omnicom’s directors and executive officers is contained in Omnicom’s Annual Report on Form 10-K for the year ended December 31, 2012 and its Proxy Statement on Schedule 14A, dated April 11, 2013, which are filed with the SEC.

# AGENDA



# PUBLICIS GROUPE S.A. Meeting of ORANE holders

- Reminder of the general principles of the Merger between Publicis Group S.A. and Omnicom Group Inc.
- Consequences of the Merger for ORANE holders
- Adjustment to ORANE redemption parity
- Proposed modifications to ORANE issuance agreement
- Questions & Answers
- Voting of resolutions

# Publicis Omnicom Group

## Principles of the Merger



# A Merger of Equals

Name of combined entity

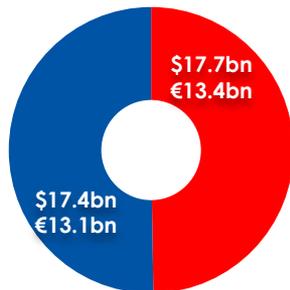
**Publicis Omnicom Group**

Trading

- Traded on Euronext Paris and NYSE under the ticker symbol OMC
- Objective to remain in the CAC 40 and S&P 500 indexes

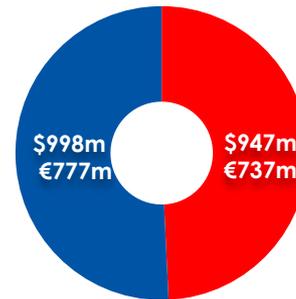
Equity values and earnings

**Market Capitalizations<sup>1</sup>**



■ Omnicom  
■ Publicis

**2012 Net Income<sup>2</sup>**



(1) Market capitalization based on share prices as at 26 July 2013 and fully diluted share count (treasury method); Publicis share price converted to USD at spot USD/EUR exchange rate of 1.327  
(2) Net income attributed to shareholders; Omnicom and Publicis Net Income are presented side-by-side for illustrative purposes only and have not been adjusted for accounting differences; Publicis Net Income converted to USD at 2012 average USD/EUR exchange rate of 1.285

# Governance – A true merger of equals

## Senior management

- Maurice Lévy & John Wren: Co-CEOs for 30 months
- After 30 months:
  - Chairman of the Board, Maurice Lévy
  - CEO, John Wren

## Board

- Single Board structure with equal representation
- Bruce Crawford, initial Chairperson of the Board for first year, and Elisabeth Badinter, Vice-Chairperson, alternating for a period of 30 months following closing
- Four committees: Nominating and Corporate Governance, Audit, Compensation and Finance
- Enhanced 2/3 majority Board approval required for significant strategic actions
- Commitment to gender and cultural diversity

Balanced governance consistent with the spirit of equality in the transaction

# Transaction structure

## Transaction structure

- Merger of equals
- 50/50 equity<sup>1</sup>
- Expected to be tax free for Omnicom and Publicis shareholders

## Shareholder consideration

- Omnicom shareholders: for each Omnicom share, 0.813 shares of the new company and a special dividend of \$2 per share<sup>2</sup>
- Publicis shareholders: for each Publicis share, 1 share of the new company and a special dividend of €1 per share

## Incorporation

- The Netherlands

## Listing

- Common shares to be listed on Euronext Paris and on NYSE
- Objective to remain in the CAC 40 and S&P 500 indexes
- Ticker Symbol OMC

(1) Approximately 50/50 contribution after special dividends

(2) Subject to adjustments provided for in the BCA. In addition, Omnicom shareholders will receive the \$0.40 share dividend declared on 18 July 2013, as well as one additional regular quarterly dividend of \$0.40 per share if declared and the record date occurs prior to closing

# Robust capital structure

## Capital structure

- Strong balance sheet
- Prudent financial leverage

## Credit rating

- Publicis Omnicom Group expects to maintain **BBB+ rating**
- Consistent with Publicis' and Omnicom's current ratings

## Financing structure

- Intention is to maintain credit facilities in place at Publicis and Omnicom
- Maintain strong liquidity

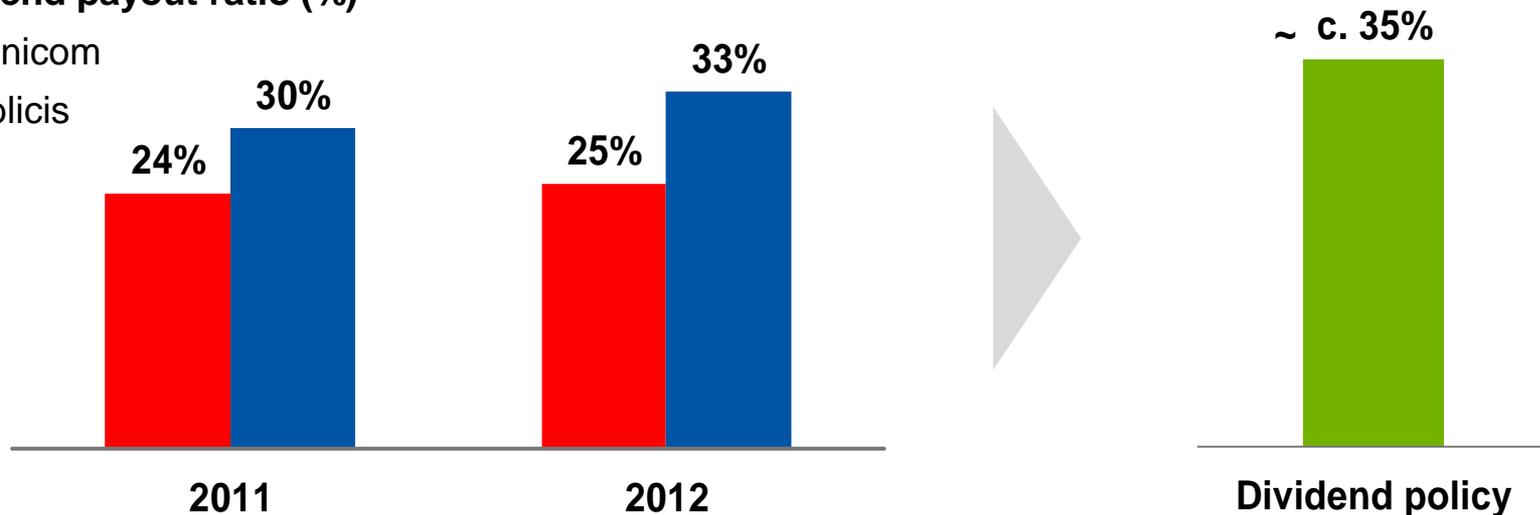
# Strong cash flow generation and return to shareholders

## Publicis Omnicom Group

Dividend payout ratio (%)

■ Omnicom

■ Publicis



Publicis Omnicom Group expected dividend policy: ~35% dividend payout ratio

# Consequences of the Merger for ORANE holders

- **For Publicis, the Merger will take the form of a cross-border merger of Publicis into Publicis Omnicom Group**
- **According to article L.228-101 of the *Code du Commerce* and paragraph 6.3.4.3 (6) of the ORANE prospectus, the vote of ORANE holders approving the Merger is required**
  - A negative vote from ORANE holders would not however impede the execution of the Merger if approved by Shareholders
- **If not redeemed upon the Merger, ORANE will remain outstanding and will be exchanged for shares of Publicis Omnicom Group in accordance with the existing amortization schedule**
  - In accordance with the merger parity, each ORANE will be redeemed into 9.135 shares of Publicis Omnicom Group (reflecting the parity adjustment of the ORANE discussed hereafter)

# Consequences of the Merger on ORANE holders

- **Optional early redemption:** As per paragraph 6.3.3.1 (iii) of the issuance agreement, the Merger entitles ORANE holders to request, on an individual basis, an early redemption of their ORANE
- ORANE holders will benefit from a 10 trading-day **Redemption Period** to make their request. This Redemption Period shall terminate **no later than** 15 trading days before the EGM
- Publicis will announce the opening and termination dates of the Redemption Period in advance
- Holders will receive
  - 9,135 shares per ORANE (rounded up or down up at the option of each holder, with payment of the difference in cash)
  - Accrued interest between 1<sup>st</sup> September 2013 and the last day of the Redemption Period at the annual rate of 3,2946% (as explained below)

# Adjustment to redemption parity

- **In 2003 and 2004, Publicis made distributions of ordinary dividends paid out of share issue and merger premium accounts**
- **As per the ORANE issuance agreement and law, the redemption parity should be adjusted by a multiple of 1.015**
- **As a consequence, each ORANE will be redeemed for 9.135 Publicis shares (9 x 1.015)**
- **Publicis is offering to holders, upon request being duly made, to receive in full and final settlement the additional shares and supplementary coupon they would have received during the period outside the limitation period (1<sup>st</sup> September of each year between 2009 to 2013)**
  - Publicis will shortly make available online via its Internet website a transaction compensation form that persons who wish to make a claim should fill out and return to Publicis with the necessary supporting documents

# Reasons for a mandatory early redemption

- **Publicis and Omnicom entered into a “Business Combination Agreement” (the “BCA”), announced on 28 July 2013, governing the proposed combination of their operations**
- **As per the BCA, Publicis has reserved the possibility to propose to ORANE holders to authorize the mandatory early redemption of the ORANE, such redemption to occur prior to the completion of the Merger**
  - The optional early redemption prior to the Merger remains unaffected
  - The mandatory early redemption is not a condition precedent to the Merger
- **A full redemption of ORANE into Publicis shares before the Merger would simplify Publicis capital structure before the Merger**

# Timing considerations

- **Meeting of ORANE holders convened early in the Merger process in order to ensure the simplification of its balance sheet prior to the publication of the first regulated documentation**
- **First regulated documents will make reference to the capital of the combined entity and thus to the full redemption (or otherwise) of the ORANE**
- **A mandatory early redemption voted on beforehand would facilitate the drafting and readability of these documents**
- **The mandatory early redemption will also need to be approved by Publicis shareholders in the EGM voting on the Merger**

# Benefits of an early redemption for holders

- **Access to liquidity**
  - The Company has identified only an extremely weak liquidity on Euronext Paris for the ORANE. This limits the ability of holders to sell them on favorable terms
- **Alignment of Returns with Equity Returns**
  - In the past, despite the 10% bonus provided for in the formula to determine the coupon, the application of such formula has never enabled ORANE holders to achieve a return equivalent to that offered by shares, given the increase in the Company's ordinary dividend
  - Combined entity contemplating a payout ratio of 35%, which should offer an attractive yield on the shares
- **Immediate Acquisition of Voting Rights in respect of underlying shares**
  - The ORANE do not presently benefit from voting rights in general meeting of shareholders in respect of the underlying shares
- **The contemplated mandatory early redemption does not affect the existing right of the holders to request an early redemption in application of paragraph 6.3.3.1 (iii) of the issuance agreement**

# Focus on the accrued coupon

- **From 1<sup>st</sup> September 2013, the ORANE coupon shall be revised for the next 3 interest periods based on the formula (article 6.2.6.1 (vi) of the issuance agreement):**

Max [Coupon Minimum ;  $R(n) \times 110\% \times [(Div2014 + Div2013 + Div2012) / 3]$ ]

- R(n) is the number of shares to be redeemed, ie 9.135
  - Div is the net amount of the dividend per share, voted on between 1<sup>st</sup> September of the preceding year and 31 August of the year in question
- **At the time of the early redemption, only the envisaged 1€ special dividend will have been announced**
  - **In order to determine the accrued coupon due in case of an optional or mandatory early redemption, Publicis made a theoretical assumption of a distribution of 1.10 euros per share (i.e. an increase of 20c compared to 2013)**
  - **The formula based on this assumption gives an annual coupon rate of 3.2946% (assuming a nominal value of 274.5 euros per ORANE):**  
Max [0.82% x 274.5 ;  $9.135 \times 110\% \times [(1.10 + 0.90 + 0.70) / 3]$  / 274.5 = 3.2946%
  - **The third resolution submitted to the ORANE holders aims at confirming the ORANE accrued coupon interest rate, as derived from this formula, in the context of the early redemption**

# Illustration

- Assuming an ORANE holder owns 1,000 ORANE redeemable on 15 February 2014 (either upon optional early redemption or mandatory early redemption), this holder will receive:
  - 9,135 shares of Publicis
  - An accrued coupon of 4,162.6 euros for the interest period running from 1<sup>st</sup> September 2013 to 15 February 2014, ie 168 days

$$274.5 \times 1,000 \times 3.2946\% \times 168/365 = 4,162.6 \text{ euros}$$

- Distributions paid in respect of the delivered Publicis shares:
  - €1.0 of special dividend paid before completion of the Merger, representing a total distribution of 9,135 euros
  - any ordinary dividend paid by Publicis in 2014 in respect of the 2013 fiscal year

# Mandatory early repayment technicalities

- **Given technical time constraints, holders will receive the Publicis shares delivered upon redemption of ORANE and the accrued coupon at the latest 10 trading days after the EGM**
- **Fractional shares will be rounded down and a complementary cash payment will be made**
- **Holders will not be expected to take any action to obtain the early redemption**
- **Publicis shares delivered pursuant to the mandatory early redemption will benefit from the special dividend of 1€ per share**

## Questions & Answers

## Voting of the resolutions

## How to use your voting device

### Smart Card

The voting device will not work if your smart card is not properly inserted

### How to vote

Simply press the button of your choice

- 1 = For
- 2 = Against
- 3 = Abstain

A message will appear on the bottom of the display

« **acknowledged** » means your vote has been acknowledged but may still be modified

« **registered** » means the voting period has expired and your vote has been recorded



# PUBLICIS GROUPE S.A. Meeting of ORANE holders

## Authorization of the Merger between Publicis Group S.A. and Omnicom Group Inc.

### 1<sup>st</sup> resolution

The general meeting of Bondholders, deliberating under the quorum and majority conditions provided for by article L. 225-96 of the French commercial code (*code de commerce*), referred to in article L.228-103 of the same code, after having heard the report of the Management Board describing the proposed merger between the Company and the company Omnicom Group Inc, such merger to occur by way of absorption of the Company by Publicis Omnicom Group NV, a company newly-constituted under Dutch law, which will concomitantly absorb Omnicom Group Inc by way of a transaction known as a 'reverse triangular merger', entirely in accordance with the agreement known as the Business Combination Agreement dated 27 July 2013 entered into between the Company and Omnicom Group Inc, hereby resolve to authorize, pursuant to paragraph 6.3.4.3 (6) of the information memorandum with the COB visa number 02-564 dated 16 May 2002 (the "Agreement") and article L. 228-101, 1st sub-paragraph, of the French commercial code (*code de commerce*), the merger between the Company and Publicis Omnicom Group NV under the conditions set out in the Business Combination Agreement.

- 1 For
- 2 Against
- 3 Abstain

## Mandatory early redemption of ORANE in case of completion of the Merger

### 2<sup>nd</sup> resolution (1/2)

The general meeting of Bondholders, deliberating under the quorum and majority conditions provided for by article L. 225-96 of the French commercial code (*code de commerce*), referred to in article L.228-103 of the same code, after having heard the report of the Management Board, hereby resolve to authorize the following modifications to the Agreement in order to introduce a mandatory early redemption event in the case of merger with Publicis Omnicom Group NV. Such modifications will take effect as soon as they will have been authorized by the shareholders of the Company in extraordinary meeting and will remain subject to such approval.

It is hereby established, in addition to the cases of early redemption at the option of the issuer under paragraph 6.3.2 of the Agreement and cases of early redemption at the option of the Bondholders under paragraph 6.3.3 of the Agreement, a case of mandatory early redemption for the Company and the Bondholders as follows.

The redemption of ORANE will occur in advance and mandatorily in respect of all outstanding ORANE held by the Bondholders, on a date to be decided upon by the Company, such date not being later than (i) the tenth working day following the date of the extraordinary general meeting of the shareholders of the Company approving the merger of the Company with the Dutch company that will be called Publicis Omnicom Group NV, pursuant to the agreement called the Business Combination Agreement entered into on 27 July 2013 between the Company and Omnicom Group Inc nor (ii) the day preceding the record date for payment of the special dividend of 1 euro per share which will be paid prior to the merger pursuant to such Business Combination Agreement.

## 2<sup>nd</sup> resolution (2/2)

The early redemption will result in the award of such number of shares of the Company remaining due at such date pursuant to paragraph 6.3.1.2 of the Agreement (as adjusted to take account of the portion of dividends paid out of premium since the issuance of the ORANE, such adjustment leading to the delivery of 9.135 shares per ORANE instead of 9 shares) and the payment of the coupon accrued as of the redemption date pursuant to paragraphs 6.2.6.2 et 6.2.6.3 of the Agreement, as modified according to the third resolution. Pursuant to paragraph 6.5 of the Agreement, the shares issued in redemption of the ORANE will be immediately assimilated to the existing shares.

The mandatory early redemption mentioned in the present resolution does not call into question the right of the Bondholders to demand the optional early redemption of their ORANE, pursuant to paragraph 6.3.3.1 (iii) of the Agreement.

- 1 For
- 2 Against
- 3 Abstain

# PUBLICIS GROUPE S.A. Meeting of ORANE holders

## Clarification of the calculation methodology for the accrued coupon

### 3<sup>rd</sup> resolution

The general meeting of Bondholders, deliberating under the quorum and majority conditions provided for by article L. 225-96 of the French commercial code (*code de commerce*), referred to in article L.228-103 of the same code, after having heard the report of the Management Board, hereby resolve to approve certain amendments to the Agreement in order to clarify the calculation methodology of the coupon accrued in certain cases of early redemption. Such clarifications will have immediate effect.

Regarding the calculation of coupon in the event of optional early redemption (in accordance with paragraph 6.3.3.1 (iii) of the Agreement) or mandatory early redemption (in accordance with the second resolution of this general meeting) occurring in the context of the merger between the Company and the Dutch company that will be called Publicis Omnicom Group NV, pursuant to the agreement called the Business Combination Agreement entered into on 27 July 2013 between the Company and Omnicom Group Inc, then the coupon due on the date of early redemption of the ORANE will be calculated *pro rata temporis* on the basis of a flat annual rate of 3.2946% calculated based on the nominal value of ORANE, such rate taking account of the adjustment of the ORANE in respect of the portion of dividends paid out of premium since the issuance of the ORANE.

It is additionally noted that the provisions of paragraph 6.2.6.3 of the Agreement will apply in the event of mandatory early redemption mentioned in the second resolution submitted to this general meeting.

- 1 For
- 2 Against
- 3 Abstain

## Powers of attorney

### 4<sup>th</sup> resolution

The general meeting of Bondholders, deliberating under the quorum and majority conditions provided for by article L. 225-96 of the French commercial code (*code de commerce*), referred to in article L.228-103 of the same code, hereby authorizes and grants all powers to the holder of a copy or excerpt of the minutes of this meeting to make any submissions, publications and formalities provided for by law or as may be necessary.

- 1 For
- 2 Against
- 3 Abstain