



## PUBLICIS OMNICOM MERGER TERMINATION



## **TERMINATION AGREEMENT**

- Mutual Consent
- Release of obligations
- No Break up Fees
- Decision approved by respective governance bodies



# **TERMINATION AGREEMENT - WHY?**

- An opportunity not a necessity
- Both companies doing great

### Merging two best in class: an ambitious challenge but

- Many hurdles
- Delays increasing execution risks
- Difficulty to recreate momentum
- Risk of Publicis business model dilution
- All not priced by financial markets







## 2018 PLAN

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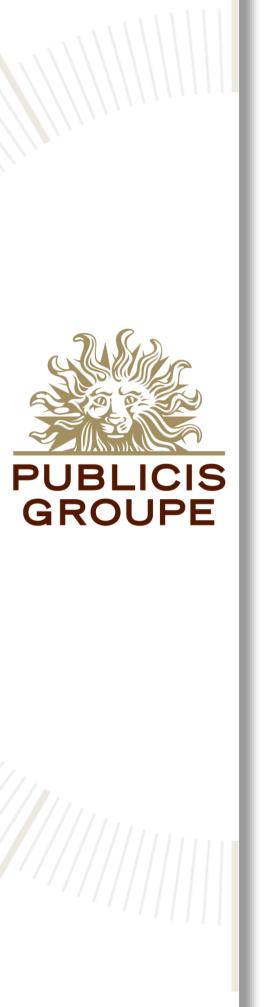


### 2018 PLAN

### **LONDON 23 APRIL 2013**

- Increase digital share to 50%
- Accelerate Growth
- Increase margin

# Plan A not Plan B



# 2018 GROUP OBJECTIVE

#### • 75% of its revenue in digital and fast growing markets

Publicis Groupe activities weight	
Digital	
Fast Growing Markets	

Overlap

Revenue in digital / FGM

2012	2013	2018
33%	38.4%	50%
25%	24.4%	35%
3%	4.1%	10%
55%	58.7%	75%



# MARGIN IMPROVEMENT

### • +200 bp to +400 bp in 2018 vs. 2012

### PROGRAM

**Digital scalability** 

Scalability in Fast Growing Market

Underperforming agencies

On-going costs initiatives

Items which lower the margin

#### • On track:

- 2013 margin: 16.5% + 40bps
- 2014 margin: Additional improvement

- MARGIN IMPROVEMENT
- From +170 to +200 bp
- From +70 to +90 bp
- From +90 to +110 bp
- From +190 to +250 bp
- From -250 to -320 bp

# ACCELERATE 2018 PLAN: STRENGTHS

#### Publicis amongst top performers

- Digital: #1 worldwide
- Media Agencies: #1 and #3 worldwide
- Creative Agencies: amongst the best
- PR: #4 worldwide
- Healthcare: #1 worldwide

#### Portfolio of clients well balanced

#### Proven business model

- Production platforms
- Shared services
- IT
- ERP

#### Focus on

- Innovation
- Growth
- Margin







