



2014
Highlights

From leader in digital
to leader in communications,
marketing and business
transformation

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In creating the 2014 Yearbook, we wanted to sum up the life of Publicis Groupe in 2014 in just a few pages: its identity, its main components and its key figures.

And of course, the significant moments that shaped the year, indicators of a new and irreversible transformation of the Groupe. This booklet gives you Publicis Groupe in a single glance, as a complement to the comprehensive overview provided by the Reference Document.

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For more information visit: www.publicisgroupe.com

SUPERVISORY BOARD

Élisabeth Badinter	Marie-Josée Kravis
Sophie Dulac	Marie-Claude Mayer
Simon Badinter	Véronique Morali
Claudine Bienaimé	Amaury de Sèze
Jean Charest	Jerry A. Greenberg*
Michel Cicurel	Hélène Ploix**
Gérard Worms**	Henri-Calixte Suaudeau**

* Submitted to the vote of the General Assembly meeting, May 27th, 2015.

** Until the General Assembly meeting held on May 27th, 2015.



ÉLISABETH BADINTER

Chairman of the Supervisory Board

2014 will be remembered in Publicis' history as a special year, rich in events, be they adverse or favorable. But all without exception will have revealed once more Publicis' outstanding personality: a brave group that does not compromise on its values, a resolute group that never gives up the fight for growth, a strong-willed group that shows an extraordinary ability to bounce back.

During the first semester, the end of our planned merger of equals with Omnicom proved to be rich with lessons. There was a time when this project made sense, and for a moment we realistically shared the same ambition. However, we realized that the merger was not headed in the direction we wished for and even threatened to alter the very foundation that makes our Groupe strong. Should we have accepted it in the name of the shared commitments we had made publicly? Without a doubt, the answer is no! We had the courage to step away from a union that was in contradiction with our interests and to face a momentarily challenging time, but so much more ambitious for Publicis' future. Preserving our identity and independence seemed more important to us than anything else.

We can see today that it was indeed the right decision.

By the second semester, our newfound freedom provided us with a wonderful opportunity to make a decisive step forward with the acquisition of Sapient, which is now complete. Keeping in line with the strategy launched at the end of 2006, which was already the most ambitious and modern at the time, Maurice Lévy proved once more through this operation that he is an unparalleled visionary.

This acquisition gives us a significant head start in the new technology and digital sectors, which is exactly where all the action happens! These societal changes,

which only five years ago were simply anticipations, are today a reality. And it is at this very moment that Publicis Groupe is becoming, with Sapient, the global leader in communications, marketing and business transformation.

To say it clearly: it is a tremendous weapon for our clients, who are also facing the challenges of their own transformation.

The radical change of our Groupe and our willingness to be a partner to our clients in this new digital era also led us to adapt our organization. To meet these new challenges, we are bringing a new generation of talented leaders to the Groupe's helm. To this end, a new *Directoire* (Management Board) was appointed for a period of four years. We have also created a new body, the "*Directoire+*" (Management Board+), who, while without voting rights, embodies the skills needed to empower and accompany the new Management Board team.

After a complicated first semester, 2014 ended brilliantly – The Groupe gained momentum and morale was high. Admittedly, the climate will remain difficult, but we look to 2015 with a strengthened foundation and a vast potential. I am therefore confident in our colleagues' determination to keep the Groupe on a path of positive growth. May they be thanked in advance for that.

On behalf of the Supervisory Board, I also wish to thank Maurice Lévy for his service to the Groupe and for his appetite for success, which he knows how to pass on to our teams so well.

With Publicis Groupe entirely in charge of its own destiny, having once more anticipated the major advances in our world and in our industry in order to better lead our clients, we look to the future with great confidence.

3RD

LARGEST GLOBAL COMMUNICATIONS GROUP



A LEADER IN MEDIA AGENCY INDUSTRY

€829M

GRUPE NET PROFIT

16.4%

OPERATING MARGIN

N°1

IN DIGITAL – PIONEER AND LEADER, 42% OF REVENUE FROM DIGITAL



208

CANNES LIONS AT THE INTERNATIONAL FESTIVAL OF CREATIVITY AND ADVERTISING IN CANNES



NAMED HOLDING COMPANY OF THE YEAR AT THE 2014 NORTH AMERICAN EFFIE AWARDS



7.2B€

REVENUE

N°1

IN HEALTHCARE COMMUNICATIONS

64,000 PROFESSIONALS 
IN **108** COUNTRIES 

NORTH AMERICA **34.8%**

LATIN AMERICA **9.1%**

EUROPE **32.0%**

AFRICA & MIDDLE EAST **4.1%**

ASIA-PACIFIC **20.0%**



INTERVIEW WITH

MAURICE LÉVY



*Chairman and CEO
Publicis Groupe*

While global growth in 2014 remained identical to the previous year, different forces seem to be at work. How would you assess the past year?

2013 was a transition year. We were still struggling with the profound trauma that was the financial and economic crisis. Rather, 2014 was a year of contrast and disparity; with one paradox: the real “emerging” economy was none other than North America, an island of growth on the global level. This paradox should carry on in 2015; the key indicators are green.

There was contrast and disparity within emerging economies. All that’s left of the famous BRIC is its name, as new macroeconomies and policies proved fertile in 2014. In China, in terms of economic policy, the tipping point has been reached; it evolved from an investment scheme based on infrastructures to an economy fully embracing consumption; lest we forget an unprecedented struggle against corruption. In India as in Brazil, it was an election year with varying degrees of success in the implementation of the specific strategies. Finally, in Russia, which was subject to both economic sanctions and to Ukrainian crisis, the ruble and the economy plummeted.

There was also contrast and disparity in Europe of course, with Southern countries feeling the effect of their debts and deficits, struggling to produce job-generating growth.

Northern countries, in much better health, accentuated further the gap between North and South. This gap does not bode well for the long run.

After an exceptional year in 2013, did these disparities affect Publicis Groupe’s performance in 2014?

Undeniably, this contrasted backdrop was an important factor. However, the major developments in digital technology also played an important role. They disrupt the very tools of marketing and communications, as well as the entire business model of communications groups in general. With a front row seat to these two trends, our industry steadily downsized its original projections.

In this context, it is true that this was a year of mixed results for Publicis Groupe, with 2% growth over the year, which falls short of both our abilities and expectations. The reasons are numerous and are due in part to the fact that our core management teams were too focused on other projects, which did not materialize.

Publicis Groupe should nonetheless get back to a more even rate of growth in 2015: even if growth first quarter remains modest, the acceleration will happen gradually. We are expecting a powerful upswing from the second half of the year.

These past few months, “transformation” was the key word for a number of companies, and evidently for Publicis Groupe. Is it to say that your business model is threatened?

Not immediately: the Publicis Groupe model is robust and works well. The strategic choices made in the past turned out to be right: they are choices for the future. From this year onwards, more than 50% of our revenue will stem from digital technology. This is not only substantial, it’s far above the competition, and it’s only the beginning.

However, it would be naïve and irresponsible to turn a blind eye on two of the tremendous ongoing and upcoming challenges facing businesses. First, what I call “uberisation”, a neologism that expresses the epitome of a sudden obsolescence of the business models of the said companies, which arises from technological innovation and disruption, from which many sectors do not know how to adapt; like taxis with the Uber application. Then, there’s the “blurring”, which does nothing less than redefine the boundaries within a company. For instance, is Amazon a logistics company? An e-commerce company? An IT-services cloud-based sales company? Or a company designing electronic products like the Kindle? The same is true of our own business – if we want to avoid being marginalized (or “uberised”), if we want to maximize the benefits of “blurring”, we have to widen our range of services in order to provide our clients with a much deeper and more extensive service, wherever our experience is both legitimate and relevant.

Hence, the acquisition of the American group Sapient, which makes it possible to broaden this range of services?

Sapient is a key element of this strategy, but not the only one. How can we essentially pretend to help our clients succeed in their marketing and business transformations if we don’t transform ourselves?

To meet these new challenges, Publicis Groupe first brought a new generation of leaders to the helm of the Groupe, with Anne-Gabrielle Heilbronner (General Secretary) on the Management Board, and with the creation of a *Directoire+* (Management Board+) comprised of Laura Desmond (CEO of Starcom MediaVest Groupe), Steve King (CEO of ZenithOptimedia), Arthur Sadoun (CEO of Publicis Worldwide), Rishad Tobaccowala (Publicis Groupe Chief Strategist) and Alan Herrick (CEO of Publicis.Sapient).

Simultaneously, our service offering effectively extended with the aim of best helping our clients. With the acquisition

of Sapient – the most ambitious ever accomplished in our industry: US \$3.7 billion – Publicis Groupe has equipped itself with a true gem: a leader in omnichannel commerce, technology and consulting. The Groupe thus propels itself in the world of digital and becomes the only holding company in the industry positioned to offer its clients a range of services that connect creativity, knowledge of brands, consumers and technology with this new digital landscape. Quite frankly, the model is unique and highly competitive. It should enable us to grow faster, provided we make the most of the Groupe’s total assets.

Finally, the revamping of our organization: the creation of the digital platform Publicis.Sapient, the optimization of our programmatic offering under the aegis of our large media networks, the creation of transversal cross-functions, as well as the creative passion that drives our advertising networks and continues to be rewarded – the entire Groupe is at work. The trust our clients place in us, an invaluable asset, will not be let down.

This new Publicis.Sapient platform generates a great deal of interest from your clients and even beyond the industry, especially in its relationship with the other networks and know-how of the Groupe. What will it actually be?

Our clients are confronted with the challenges discussed above: “uberisation”, “blurring”, convergence, etc. There are no words to express the great challenges of tomorrow. To help them “transform”, shift their business model in order for it to be relevant tomorrow and the day after tomorrow, they need a partner capable of helping them from the phases of strategic planning and consulting, to the detailed application of technological platforms, of omnichannel solutions or to the implementation of a marketing strategy co-created with the consumers.

It’s an entirely new world that awaits us with the infiltration of smartphones and other rapidly emerging technologies and the upheavals that come with it.

HIGHLIGHTS

SAPIENT

A TRANSFORMATIONAL ACQUISITION

The most strategic and significant operation ever to be accomplished in our sector: the acquisition of Sapient results in a complete transformation of Publicis Groupe. In a world dominated by a growing convergence of all channels of distribution, clients need a partner who can accompany them as they take on the increasingly digital world and assist them in their transformation; one punctuated by increasingly empowered, connected, and profoundly changed consumers.

The addition of Sapient combined with Publicis Groupe's digital, creative, media and communications creates unmatched capabilities in marketing, omni-channel commerce and consulting, underpinned by tremendous depth of technology expertise. Announced in November 2014 and completed in February 2015, this operation drives Publicis Groupe from the position of being a leader in digital to that of a world leader in communications, marketing and business transformation.

13,000
EMPLOYEES
INCLUDING
8,500
IN INDIA

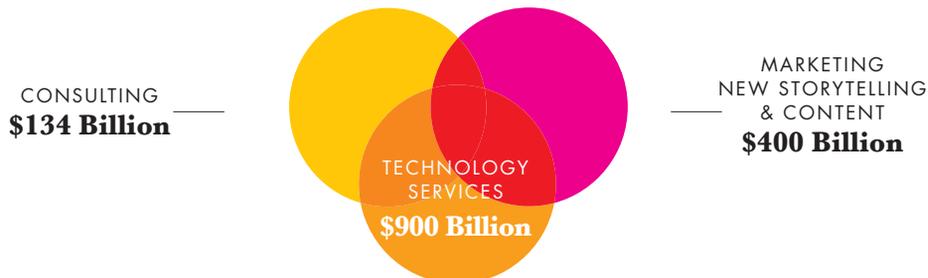
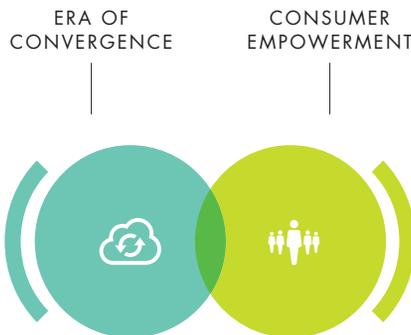
1.1B€
REVENUE



3
SPECIALTIES

- CONSULTING
- MARKETING, CONTENT, NEW STORYTELLING
- TECHNOLOGY SERVICES

TWO DRIVING TRENDS



A MORE THAN US \$1 TRILLION MARKET

HIGHLIGHTS

ORGANIZATION

A NEW GENERATION OF TALENTED LEADERS



The new challenges created by the rapid acceleration of the digital world and their impact on the transformation of our clients' businesses have led the Supervisory Board to appoint a new management team to drive the transformation of Publicis Groupe. The new *Directoire* (Management Board) appointed for four years as well, as the creation of a *Directoire+* (Management Board+) thus brings a new generation of talented leaders to the helm of the Groupe.

Their mission will be to prepare for the future of Publicis Groupe and to contribute to its transformation into a company of a new age: an alchemy of talents providing strategic, creative and technological solutions to clients, skilled to help them move forward in a world disrupted constantly by the technology innovation.

A NEW MANAGEMENT BOARD...



MAURICE LÉVY
Chairman and CEO of Publicis Groupe



JEAN-MICHEL ÉTIENNE
Executive Vice President – CFO of Publicis Groupe



ANNE-GABRIELLE HEILBRUNNER
General Secretary of Publicis Groupe



KEVIN ROBERTS
Executive Chairman Saatchi & Saatchi / Fallon, Head Coach of Publicis Groupe

...COMPLEMENTED BY THE SKILLS OF A MANAGEMENT BOARD+



LAURA DESMOND
CEO Starcom MediaVest Group



ALAN J. HERRICK
CEO Publicis.Sapient



STEVE KING
CEO ZenithOptimedia



ARTHUR SADOON
CEO Publicis Worldwide



RISHAD TOBACOWALA
Chief Strategist Publicis Groupe

A TIGHTER AND MORE INDEPENDENT SUPERVISORY BOARD

The Supervisory Board is comprised of eleven members*, six women and five men, six of whom are independent. It welcomes Jerry A. Greenberg*, co-founder of Sapient and former co-Chairman of the Sapient Board of directors, as an independent director. Mr. Greenberg brings to Publicis Groupe a deep-rooted expertise in digital and technology as well as an impressive track record of innovation, leadership and growth.

* Submitted to the vote of the General Assembly of May 27th, 2015.

HIGHLIGHTS

TRANSFORMATION

COMMUNICATIONS, MARKETING AND BUSINESS TRANSFORMATION LEADER



The infiltration of digital in our daily lives is readily visible to each and every one of us. In contrast, the upheavals it generates in the economic world are much more difficult to grasp and the magnitude of its impact is largely unexpected.

The blurring of boundaries forces companies to face new challenges and new risks. Be they sectorial, which no longer protect previously secured territories, generating potential losses in market shares at the hands of new entrants – or those of distribution – which force us to adopt omni-channel methods of working.

The speed at which technology is evolving and the introduction of new rules to the game – or rather the lack thereof – due to the rise of a new breed of competition (risk of uberisation), irreversibly changes the economic landscape. Companies have no other choice but to rethink their processes, their jobs, their customer relations and therefore their entire business models.

Often confused or even helpless when faced with this brutal cultural upheaval and the new “digital economy” way of

thinking, companies cannot take on the necessary investments in technology alone. This is especially true when facing one of the most tangible effects of this new world: e-commerce, which develops rapidly and exponentially.

To rethink their marketing strategies, have a thorough understanding of distribution channels, promote their brands widely but in a targeted way, own databases and revise their prices and margins, these are the new challenges for companies today. Their business models are in dire need of review.

Publicis Groupe, having anticipated these new needs, began its own transformation in order to accompany its clients, dealing with their own tremendous, swift and often vital transformations through the intricacies of the digital world.

The acquisition of Sapien, an expert in the most powerful technologies, e-commerce and consulting, brings Publicis Groupe the missing links in its own value chain by combining marketing, brand communications, creativity, media and an expanded global footprint.

CREATION OF THE PUBLICIS.SAPIENT PLATFORM

MORE THAN
22,000
EMPLOYEES

NEW ABILITIES:
CONSULTING, E-COMMERCE,
PRODUCTION PLATFORMS

A SOLID BASE IN INDIA:
8,500 EMPLOYEES IN THE 2ND GLOBAL MARKETPLACE
IN 2015 FOR MOBILE AND SOCIAL MEDIA

A SINGULAR EXPERTISE
GLOBAL CAMPAIGN DISTRIBUTION

PUBLICIS GROUPE + SAPIENT

50%
DIGITAL REVENUE AS EARLY AS 2015

76,000
EMPLOYEES

8 B€
REVENUE

HIGHLIGHTS

A NEW ALCHEMY



INTELLECTUAL QUOTIENT

From the onset, any approach to brand communication or product marketing requires serious thought and astute strategic counsel.

This need, coupled with the need to transform one's business model or marketing strategy, has led to the development of "consulting" as an activity.

A good deal of IQ thus becomes crucial to face the challenges presented by digital.

(IQ + EQ +

EMOTIONAL QUOTIENT

How can we create a strong, sustainable link between a brand and its audiences? Nothing would be possible without the necessary force of this link: emotion.

The "EQ" allows us to evoke humor, compassion or attachment but also trust, security or empathy... an infinite list of feelings, adding a touch of something undefinable that is so vital to a brand's content.

CONSULTING



TECHNOLOGY



BRANDING



MARKETING



Publicis Groupe is the only group worldwide that is active across the entire value chain. This unique positioning and offer make us the partner of choice for business transformation.

TECHNOLOGICAL QUOTIENT

While technology has radically changed the way societies around the world behave, it also offers rich development opportunities for businesses... at least, for those who know how to take advantage of its unprecedented capabilities!

In communications as well as in business performance, our experts provide innovative solutions, which improve business model efficiency and productivity.

CREATIVITY QUOTIENT

What would happen to this modern-day equation (IQ+EQ+TQ+BQ) without creativity, the root of our business and what makes us stand out?

This "CQ" powers the success of the greatest of all alchemies, enhancing and transcending Publicis Groupe's offer, making it unique!

TQ + BQ) CQ

QUICK QUOTIENT

Human interactions no longer know any boundaries. Purchases are made at the speed of light, and information is immediately available. The relationship between a brand and its consumers has become instantaneous via the explosion of smartphones and tablets. As consumers are more empowered, influential and connected, instantaneity rules. It should therefore come as no surprise that "Be Quick" has become the watchword!



Joint stock company with a Board of Directors and a Supervisory Board with a share capital of €88,481,543
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