

Q1
REVENUE

2016

April 19, 2016



**PUBLICIS
GROUPE**

DISCLAIMER

Certain information contained in this document, other than historical information, may constitute forward-looking statements or unaudited financial forecasts. These forward-looking statements and forecasts are subject to risks and uncertainties that could cause actual results to differ materially from those projected. They are presented as at the date of this document and, other than as required by applicable law, Publicis Groupe does not assume any obligation to update them to reflect new information or events or for any other reason. Publicis Groupe urges you carefully to consider the risk factors that may affect its business, as set out in the 2015 Registration Document filed with the French Autorité des Marchés Financiers (AMF) and which is available on the website of Publicis Groupe (www.publicisgroupe.com), including an unfavourable economic climate, an extremely competitive market sector, the possibility that our clients could seek to terminate their contracts with us at short notice, the fact that a substantial part of the Group's revenue is derived from certain key clients, conflicts of interest between advertisers active in the same sector, the Group's dependence on its directors and employees, laws and regulations which apply to the Group's business, legal action brought against the Group based on allegations that certain of the Group's commercials are deceptive or misleading or that the products of certain clients are defective, the strategy of growing through acquisitions, the depreciation of goodwill and assets listed on the Group's balance sheet, the Group's presence in emerging markets, the difficulty of ensuring internal controls, exposure to liquidity risk, a drop in the Group's credit rating and exposure to the risks of financial markets.

Q1 REVENUE

(EUR million)	Q1
2016 REVENUE	2,291
2015 REVENUE	2,103
Reported growth	+8.9%
Growth excluding FX	+10.0%
Organic growth	+2.9%

Q1 2016 REVENUE BY GEOGRAPHY

(EUR million)	Q1 2016	Q1 2015	Organic growth	Q1 2016 vs. Q1 2015
Europe	631	588	+3.4%	+7.3%
North America	1,301	1,152	+3.0%	+12.9%
Asia Pacific	230	221	+3.8%	+4.1%
Latin America	71	90	-3.1%	-21.1%
Middle East Africa	58	52	+0.7%	+11.5%
Total	2,291	2,103	+2.9%	+8.9%

Q1 2016 ORGANIC GROWTH BY COUNTRY

> 5%

Chile, Colombia, Germany, India, Italy, Japan,
Netherlands, Philippines, Russia, South Africa, Thailand,
Turkey, United Arab Emirates, Vietnam

0 to 5%

Australia, France, Greater China, Indonesia, Korea, Malaysia,
Poland, Singapore, Spain, Sweden, Switzerland, USA

< 0%

Brazil, Canada, Egypt, Israël, Mexico, UK

DIGITAL REVENUE

	Q1 2016	Q1 2015	Q1 2016 vs. Q1 2015
EUR million	1,255	1,056	+18.8%
% of Groupe revenue	54.8%	50.2%	

Q1 2016 organic growth: +7.6%

Q1 2016 ORGANIC GROWTH

	Europe	North America	Asia Pacific	Latin America	Middle East Africa	Total
Digital	+13.0%	+4.3%	+21.0%	+14.4%	+13.2%	+7.6%
Analog	-3.9%	+0.9%	-3.9%	-7.5%	-2.8%	-1.9%
Total	+3.4%	+3.0%	+3.8%	-3.1%	+0.7%	+2.9%
% of Digital revenue	49%	64%	38%	24%	22%	55%

NET DEBT / (NET CASH)

(EUR million)	Q1 2016	Q1 2015	Q1 2014
Net Debt / (Net Cash), average	2,092	776	(300)
Net Debt / (Net Cash), as of March 31	2,864	2,966	29

LIQUIDITY AS OF MARCH 31, 2016

(EUR million)	TOTAL	DRAWN	AVAILABLE
Committed Facilities			
364-day revolving credit facilities	205	-	205
5-year revolving credit facility ⁽¹⁾	517	-	517
5-year syndicated facility (Club Deal) ⁽²⁾	2,000	-	2,000
Total Committed Facilities	2,722	-	2,722
Cash and Marketable Securities	676	-	676
Total liquidity	3,398		3,398
Group other uncommitted facilities	245	(12)	233

(1) €67m maturing in 2017, €400m maturing in 2018 and €50m maturing in 2019

(2) Maturing in 2020

STRATEGIC UPDATE



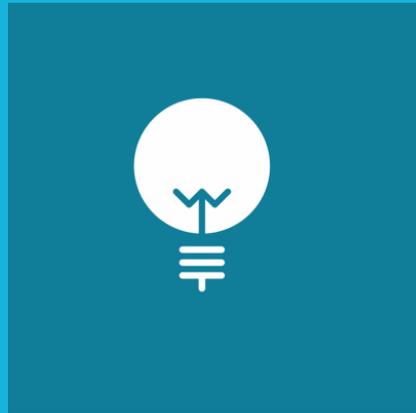
THE WORLD WE LIVE IN

We are at the beginning of the most transformative revolution ever

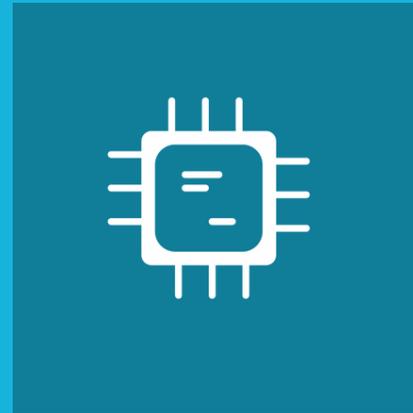
Industry 4.0



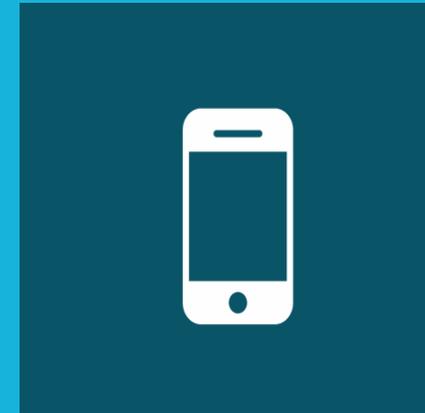
Industry 1.0
Steam



Industry 2.0
Electricity



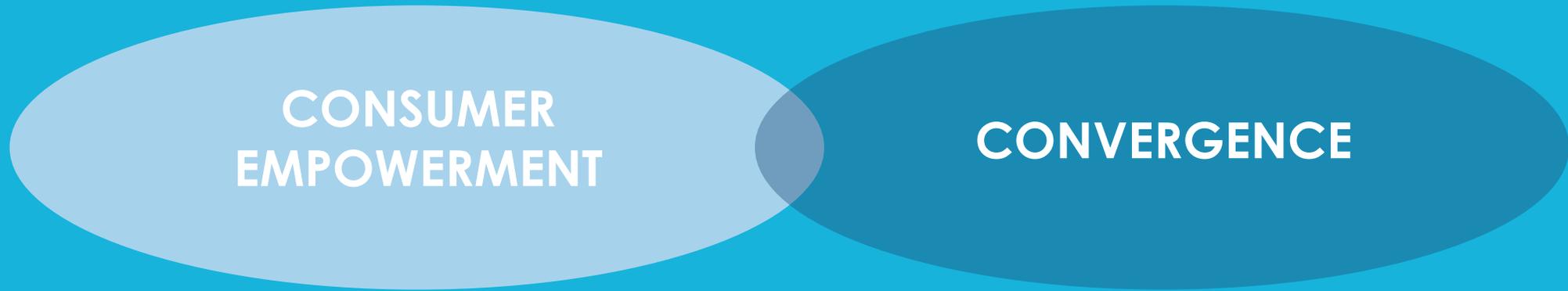
Industry 3.0
Electronics



Industry 4.0
Connectivity

Source: "The Fourth Industrial Revolution", Professor Klaus Schwab

TWO GIANT FORCES



Clients need to transform their business and operations

CLIENTS' NEEDS

TRANSFORMATION

They want us to be a trusted and strategic business partner to help them transform their own business

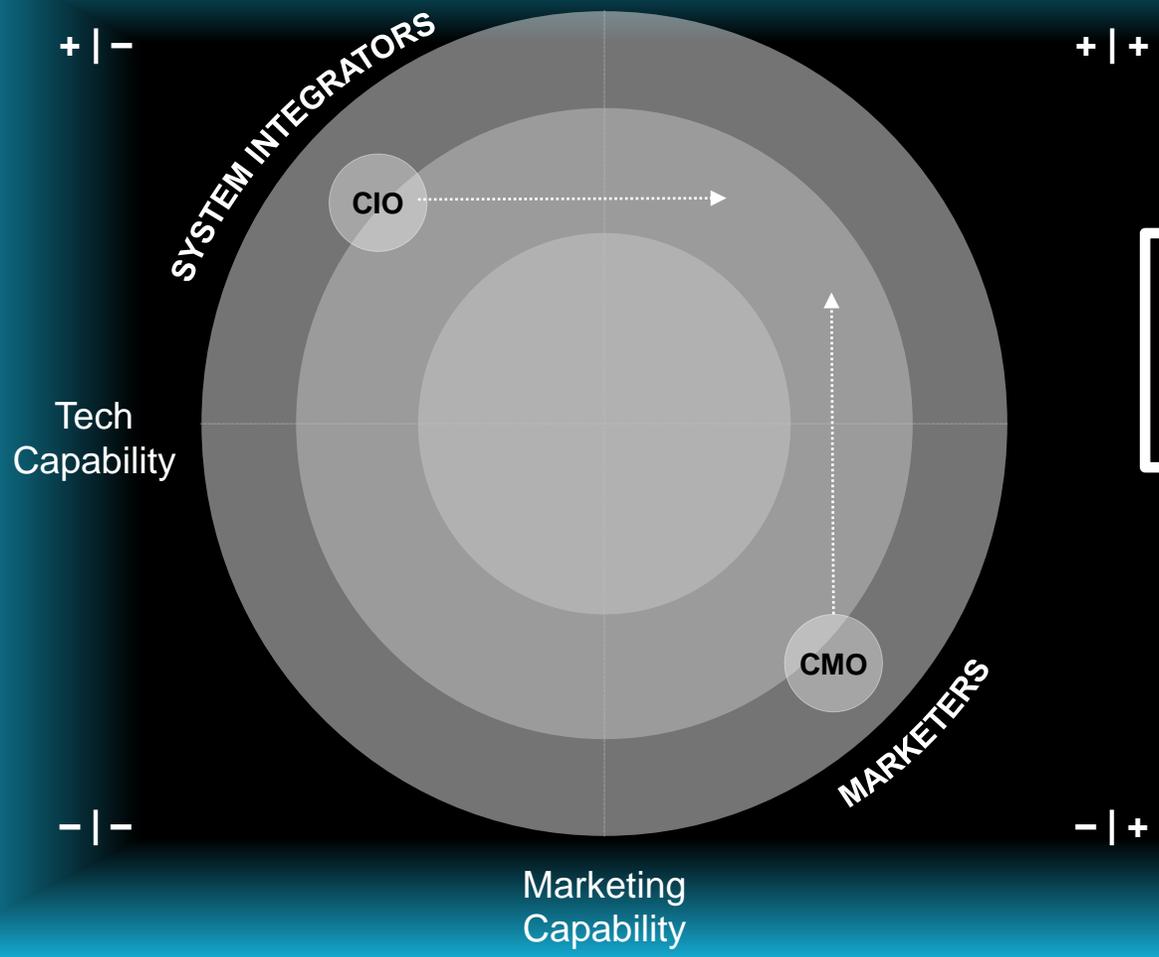
COMPETITIVITY

To be competitive in terms of brand building & sales, they want to access the best assets, simply and seamlessly

PRODUCTIVITY

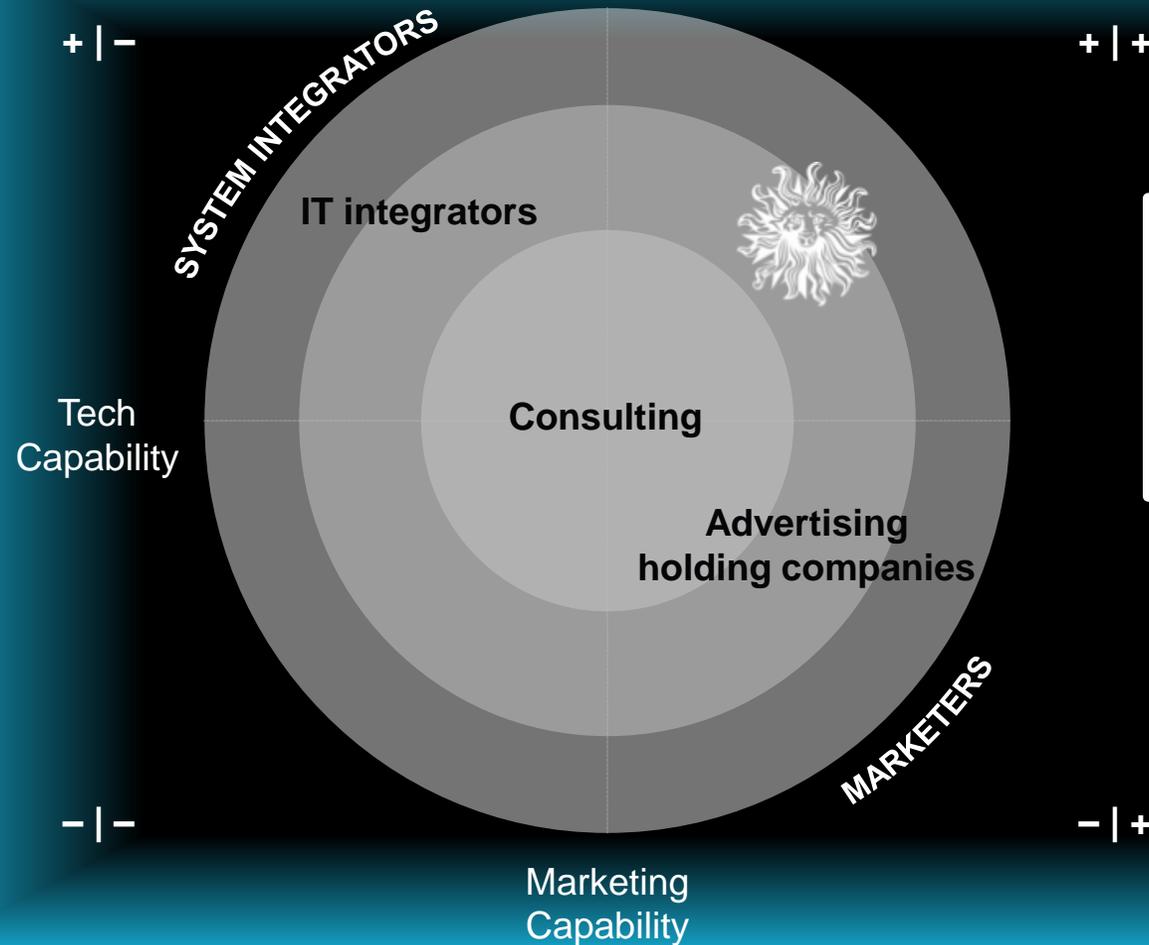
Price pressure is steep and they want more for less

CHANGE COMMANDS A SHIFT IN HOW COMPANIES BEHAVE



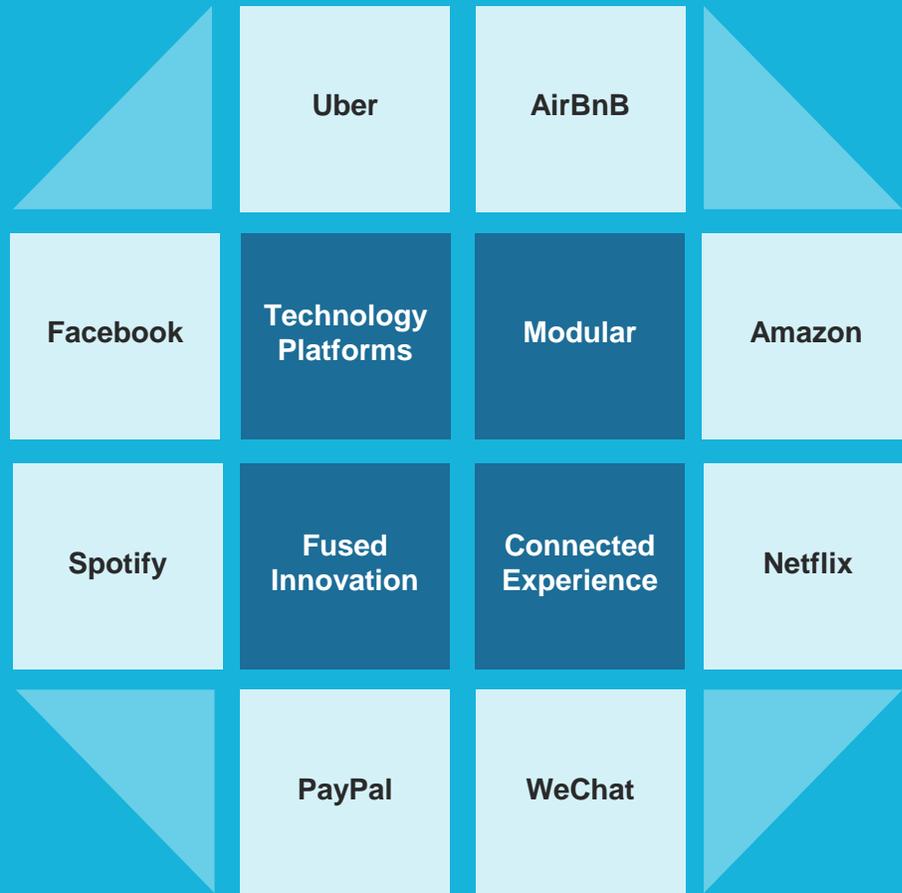
Success = where Tech and Marketing skills intersect

OUR AMBITION: TO BE A KEY TRANSFORMATION PARTNER



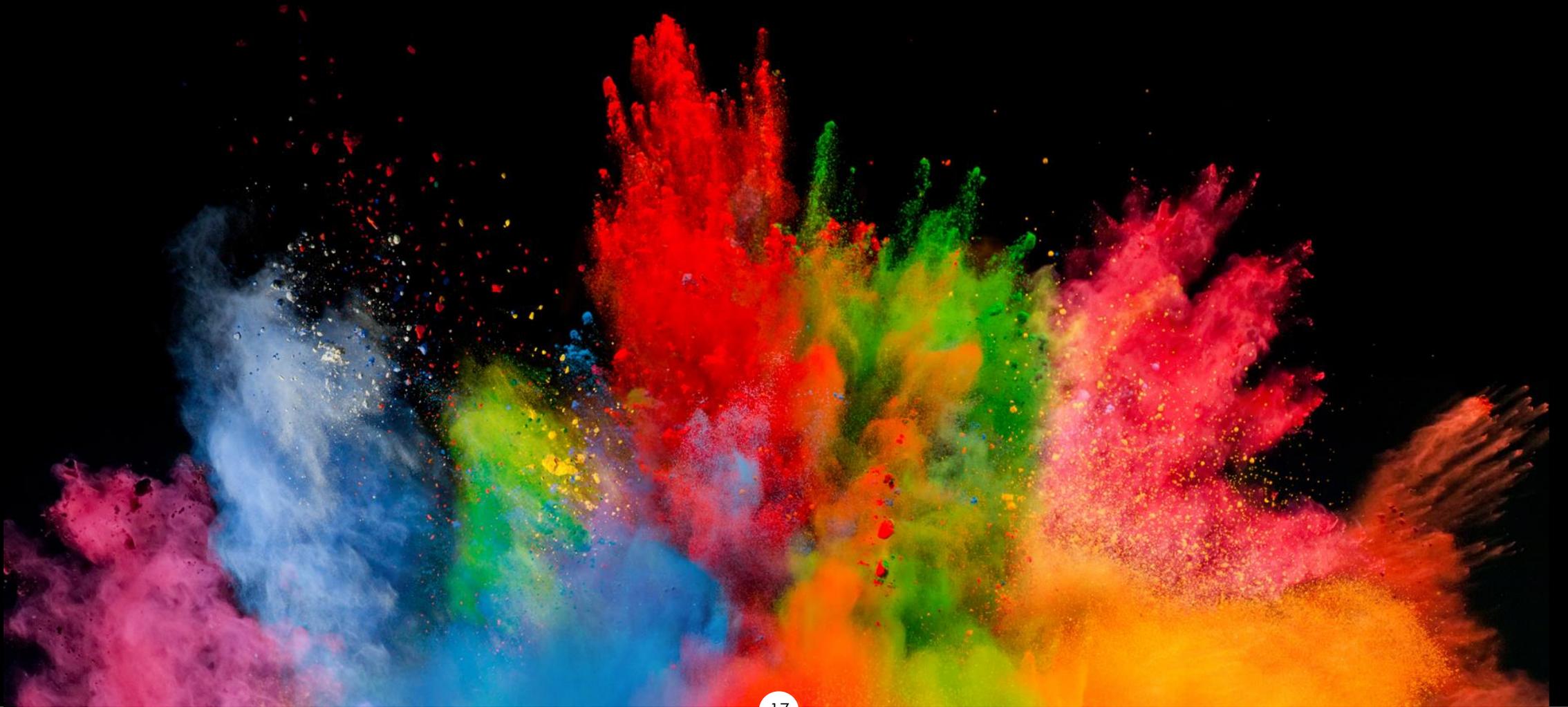
**A strategic partner to help
our clients succeed their
own transformation**

4.0 COMPANIES

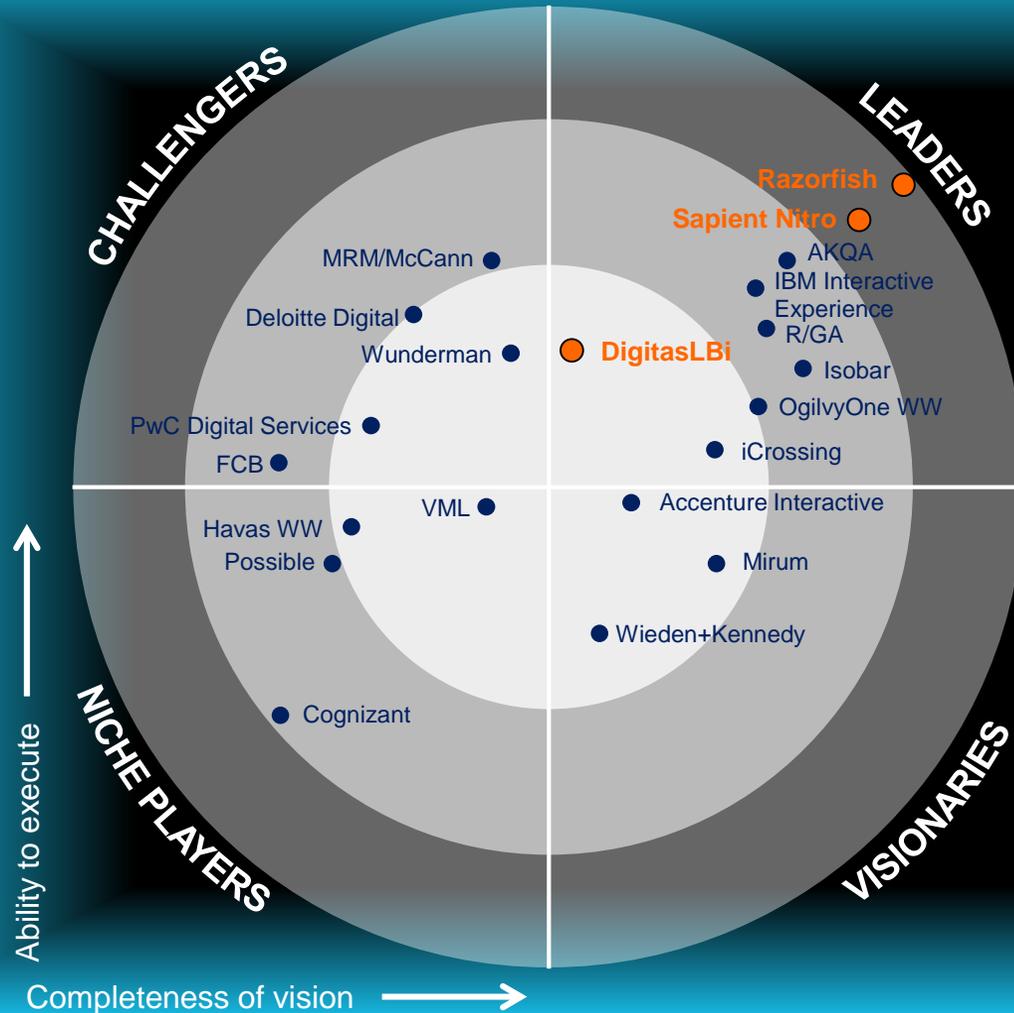


Growing and thriving companies are built as platforms, using data to drive everything

CREATIVITY IS PUBLICIS GROUPE'S DNA

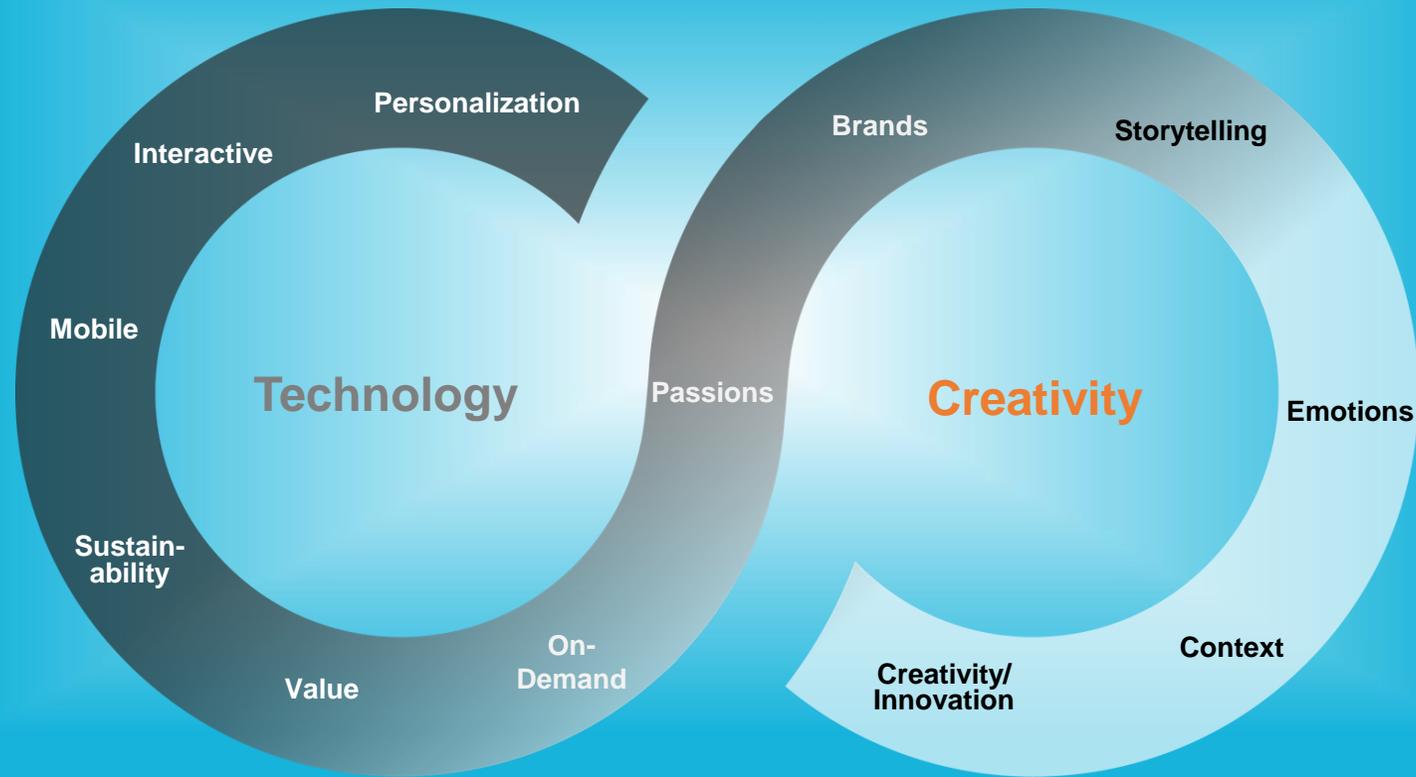


OUR DIGITAL GLOBAL AGENCIES BEST POSITIONED



Publicis.Sapient gathers best-in-class digital marketing agencies, according to Gartner's magic quadrant (March 2016)

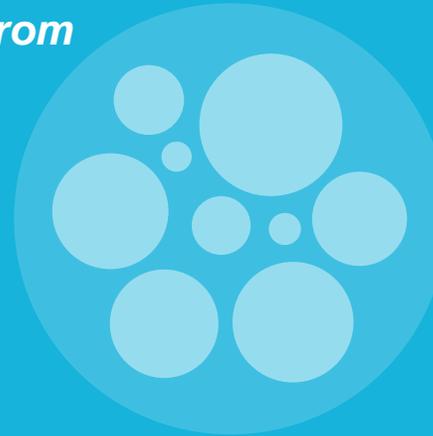
THE FUSION OF MARKETING AND TECHNOLOGY UNLEASHES EXTRAORDINARY CREATIVE POTENTIAL



“THE END OF ADVERTISING AS WE KNOW IT” (1)



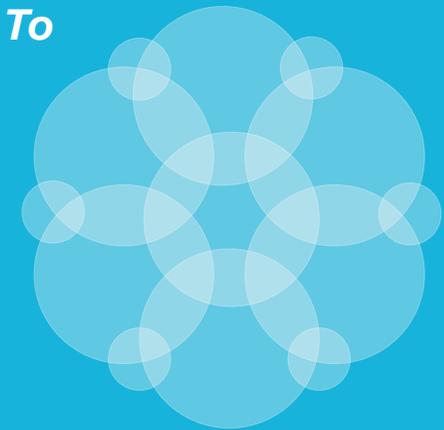
From



Holding Company



To

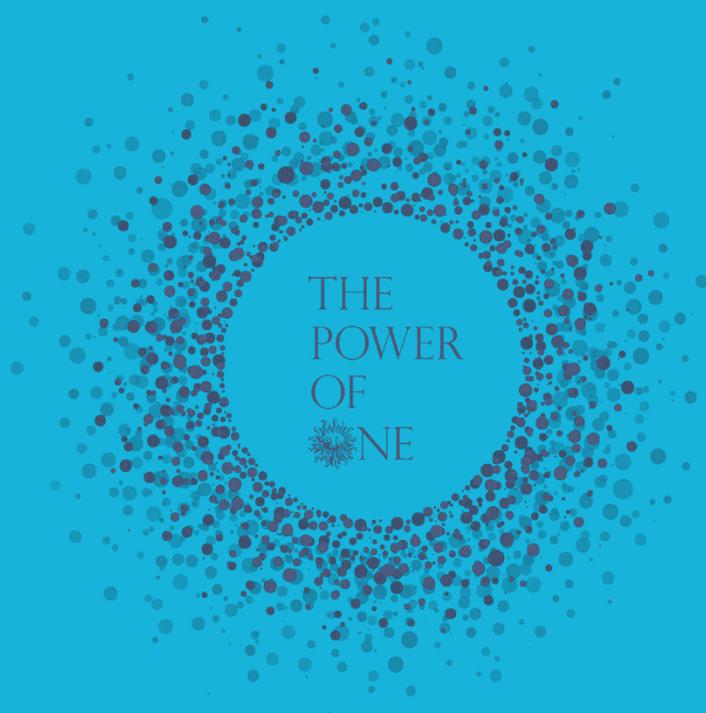


Connecting Company

(1) Source: Sergio Zyman & Armin Brott

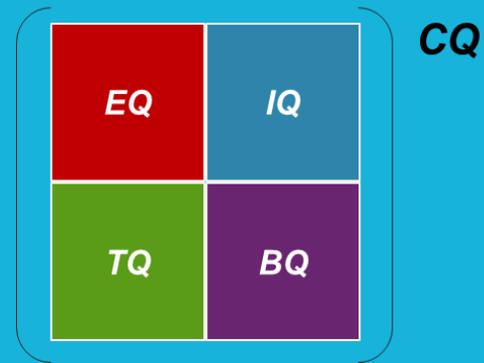
OUR 4.0 APPROACH FOR CLIENTS

ONE



Accessible & agile

ALCHEMY



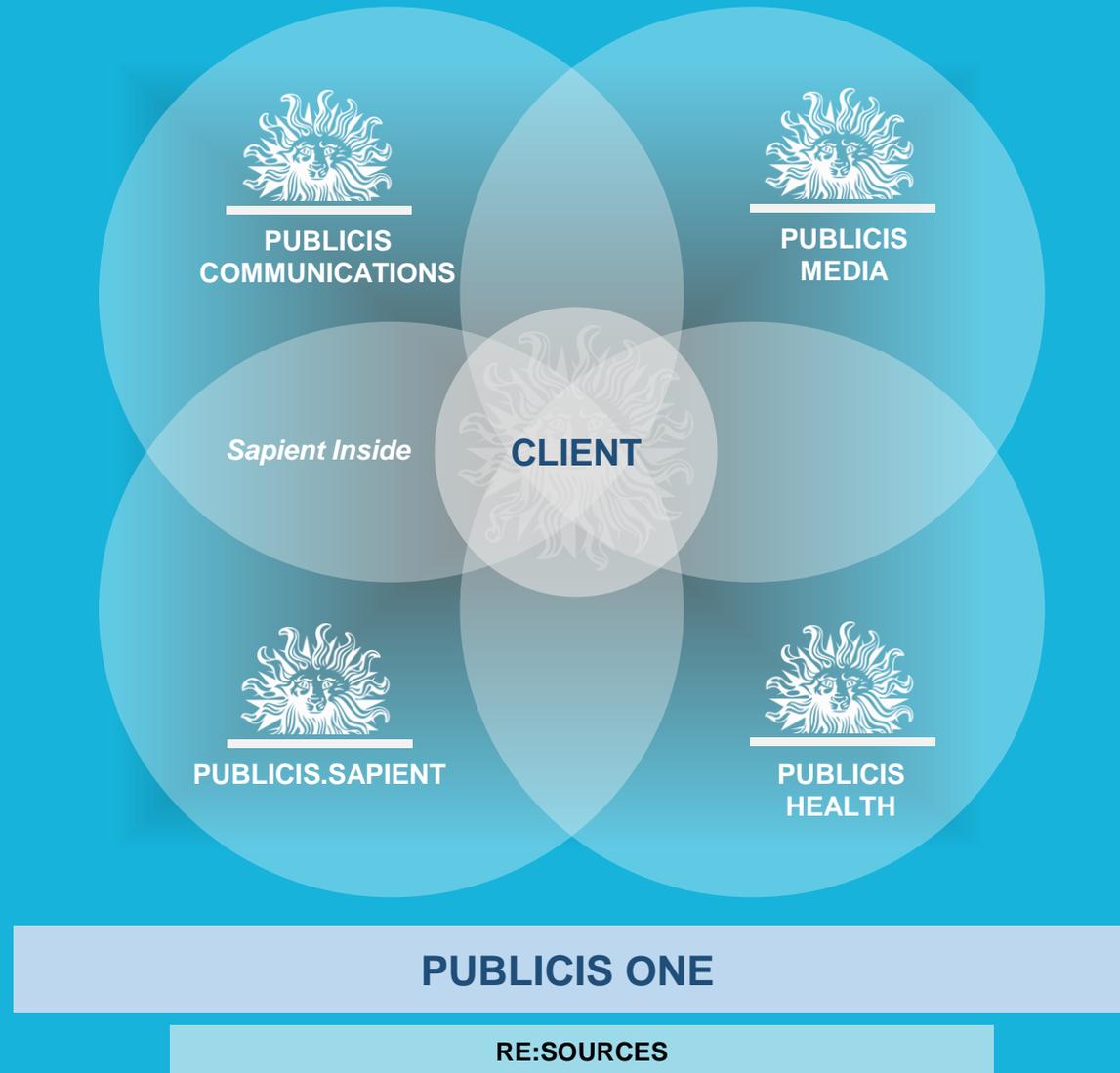
Creativity & technology

MODULAR



New organizational structure

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“THE POWER OF ONE” IMPLEMENTATION



PUBLICIS
COMMUNICATIONS

- Organization
- Roles / Nominations
- Processes **WIP**



PUBLICIS.SAPIENT

- Organization
- Roles / Nominations
- Processes



PUBLICIS
MEDIA

- Organization
- Roles / Nominations
- Processes **WIP**



PUBLICIS
HEALTH

- Organization
- Roles / Nominations
- Processes



PUBLICIS
ONE

- Organization
- Roles / Nominations
- Processes **WIP**

On track to be finalized in the course of H1 2016

CONCLUSION



TOP PRIORITIES

Finalize the transformation in H1 2016

Resume growth

Increase margin

2016 OUTLOOK

Unchanged

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APPENDICES



Q1 2016 REVENUE IN USD MILLION

Revenue

2,527

Q1 2016

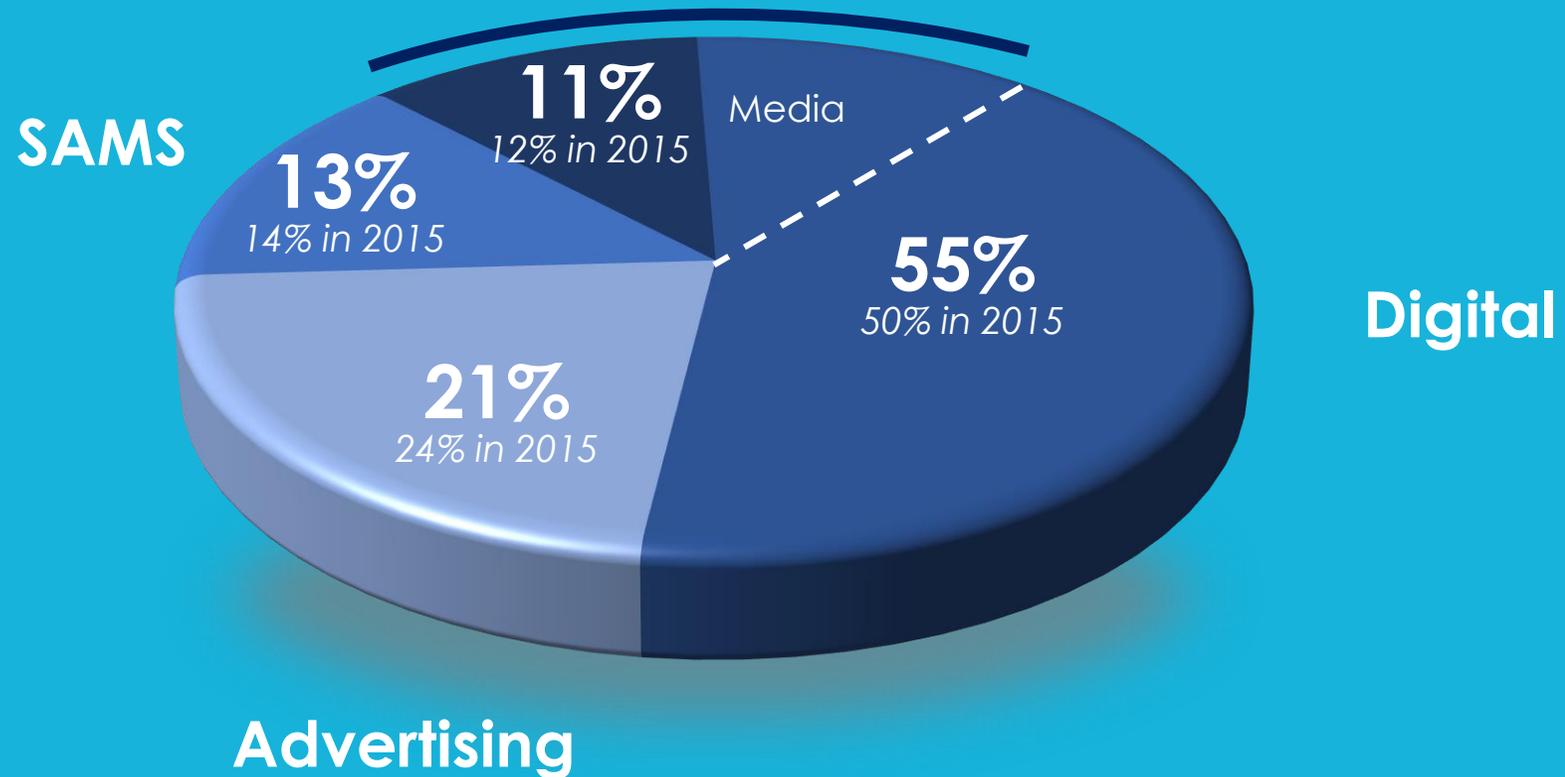
2,366

Q1 2015

+6.8%

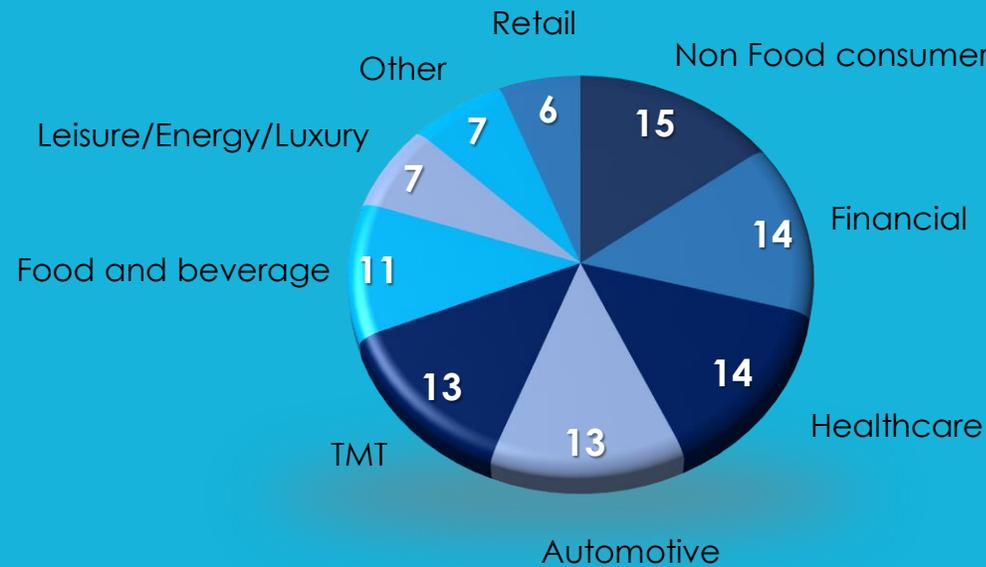
Q1 2016: REVENUE BY ACTIVITY

Analog & Digital Media = 23%

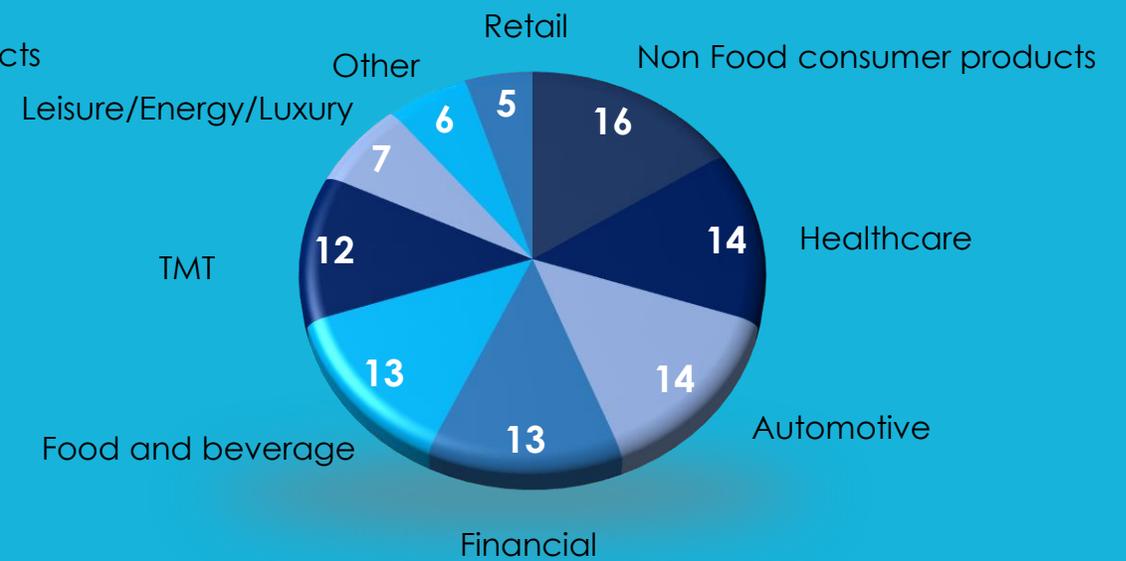


Q1 2016: REVENUE BY SECTOR ⁽¹⁾

Q1 2016

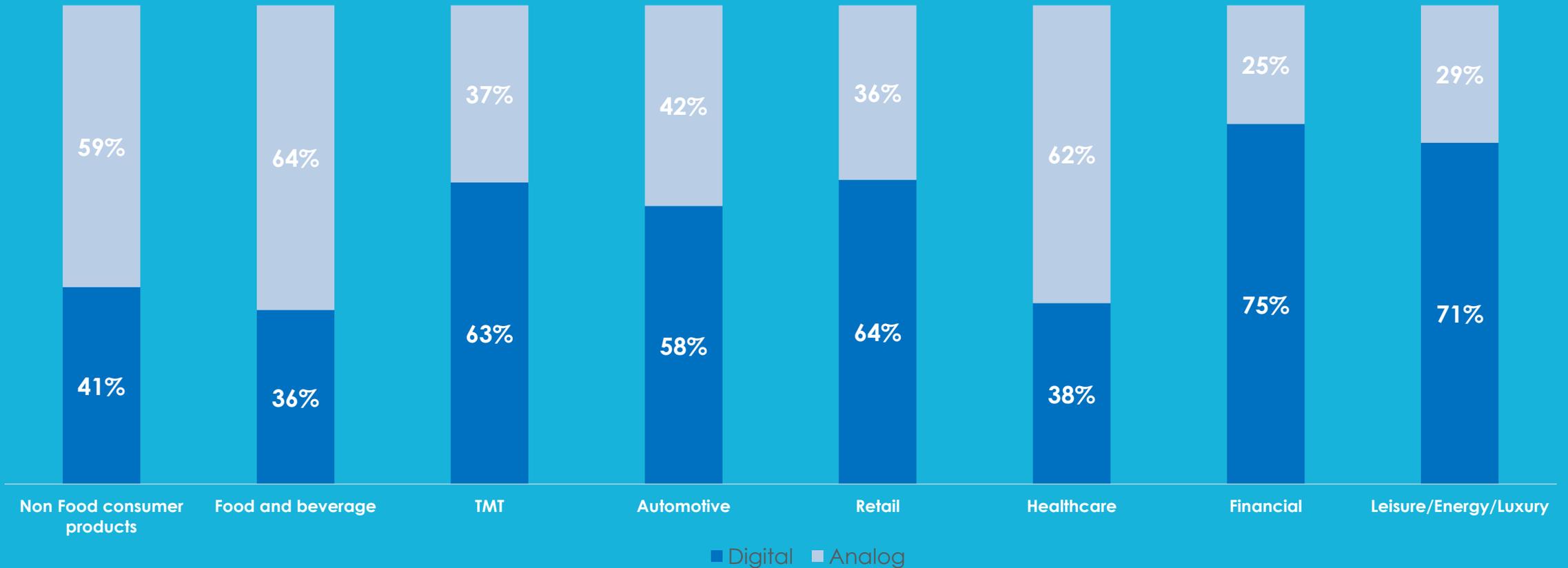


Q1 2015



(1) Based on 2,603 clients representing 84% of Groupe revenue

Q1 2016 REVENUE BY SECTOR ⁽¹⁾ : ANALOG VS. DIGITAL



(1) Based on 2,603 clients representing 84% of Groupe revenue

REVENUE & ORGANIC GROWTH CALCULATION

(EUR million)	Q1	Currency impact (EUR million) Q1 2016	
2015 revenue	2,103		
Currency impact	(20)	GBP	(7)
2015 revenue at 2016 exchange rate ^(a)	2,083	USD	23
		Other	(36)
2016 revenue before impact of acquisitions ^{(1) (b)}	2,144	Total	(20)
Revenue from acquisitions ⁽¹⁾	147		
2016 revenue	2,291		
Organic growth (b/a)	+2.9%		

(1) Acquisitions (Star Reacher, Sapient, B2B, Expicient, Practice iLeo Romania, Relaxnews, C, Match Media, Domani, AKOM 360, TMC, Voden, 2DataFish, Frubis, The Solution Group, Glickman, TCC, First Click, August Media, Langland, PDI, MercerBell, Vertiba, Seven Seconds, Insight Redéfini), net of disposals

(2) EUR = USD 1,103 in Q1 2016 vs. USD 1.125 in Q1 2015

EUR = GBP 0.771 in Q1 2016 vs. GBP 0.743 in Q1 2015

Q1 2016 REVENUE BY GEOGRAPHY

(ALTERNATIVE BREAKDOWN)

(EUR million)	Q1 2016	Q1 2015	Reported growth	Organic growth
Europe ⁽¹⁾	618	575	+7.5%	+3.2%
North America	1,301	1,152	+12.9%	+3.0%
BRIC + MISSAT ⁽²⁾	205	215	-4.7%	+1.4%
Rest of the world	167	161	+3.7%	+3.3%
Total	2,291	2,103	+8.9%	+2.9%

(1) Europe excluding Russia and Turkey

(2) BRIC = Brazil, Russia, India, China

MISSAT = Mexico, Indonesia, Singapore, South Africa, Turkey

GROSS DEBT AS OF MARCH 31, 2016

Breakdown by MATURITY

(EUR million)	Total	Apr. 2016 – Mar. 2017	Apr. 2017 – Mar. 2018	Apr. 2018 – Mar. 2019	Apr. 2019 – Mar. 2020	Apr. 2020 onwards
Eurobond 2021 ⁽¹⁾	763					763
Eurobond 2024 ⁽¹⁾	638					638
Medium term loan	1,414		471	471	472	
Earn out / Buy out	447	265	96	54	20	12
Other debt ⁽¹⁾	278	173	11			94
Total gross debt	3,540	438	578	525	492	1,507

(1) Including fair value of associated derivatives



No covenants

NET DEBT AS OF MARCH 31, 2016

Breakdown by CURRENCY

(EUR million)	Total	EURO	USD	GBP	Others
Eurobond 2021 ^{(1) (2)}	763		763		
Eurobond 2024 ^{(1) (2)}	638		638		
Medium term loan	1,414	446	968		
Earn out / Buy out	447	61	161	78	147
Other debt ⁽¹⁾	278	(13)	321	15	(45)
Cash & marketable securities ⁽³⁾	(676)	(37)	(11)	(45)	(583)
Net debt (cash)	2,864	457	2,840	48	(481)

(1) Including fair values of associated derivatives

(2) 2 tranches of the Eurobond issued in December 2014 swapped in USD at fixed rate

(3) After impact of currency swaps

NET DEBT AS OF MARCH 31, 2016

Breakdown by RATE

(EUR million)	Total	Earn-out / Buy-out	Fixed rate	Floating rate
Eurobond 2021 ⁽¹⁾ ⁽²⁾	763		763	
Eurobond 2024 ⁽¹⁾ ⁽³⁾	638		638	
Medium term loan	1,414			1,414
Other debt ⁽¹⁾	278		94	184
Total gross debt excluding earn out/buy out	3,093		1,495	1,598
Earn-out / Buy-out	447	447		
Cash & marketable securities	(676)			(676)
Net debt (cash)	2,864	447	1,495	922

(1) Including fair values of associated derivatives

(2) 2 tranches of the Eurobond issued in December 14 swapped in USD at fixed rate

DEFINITIONS

- **EBITDA:** operating margin before depreciation
- **Operating margin:** Revenue after personnel costs, other operating expenses (excl. non-current income and expense) and depreciation (excl. amortization of intangibles arising on acquisitions).
- **Operating margin rate:** Operating margin as a percentage of revenue.
- **Net income group share:** Group net income after elimination of impairment losses, amortization of intangibles from acquisitions, main capital gains and losses on disposal of assets, revaluation of earn-out payments and costs related to merger with Omnicom project and Sapient acquisition.
- **EPS (Earnings per share):** Net income group share divided by average number of shares, not diluted.
- **EPS, diluted (Earnings per share, diluted):** Net income group share divided by average number of shares, diluted.
- **Capex:** Net acquisitions of tangible and intangible assets, excluding financial investments and other financial assets.
- **ROCE (Return On Capital Employed):** Operating Margin after Tax (using Effective Tax Rate) / Average employed capital. Capital employed include Saatchi & Saatchi goodwill which is not recognised in consolidated accounts under IFRS.
- **Net Debt (or financial net debt):** Sum of long and short financials debt and debt-hedging derivatives linked with, net of treasury and cash equivalents.
- **Average net debt:** Average of monthly net debt at end of month.
- **Dividend pay-out :** Dividend per share / EPS

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