PUBLICIS GROUPE ACQUIRES PREMIER MALAYSIAN INTERACTIVE AGENCY ARACHNID, BOLSTERING SAATCHI & SAATCHI DIGITAL OFFER IN APAC

Today’s transaction signifies a major scaling up of our digital capabilities across the Asia Pacific region, in order to provide our clients with the best possible solutions across the full multitude of consumer channels. The acquisition of Arachnid will further enhance our ability to deliver powerful integrated campaigns for our clients in this strategically important region and to unleash the ‘unreasonable power of creativity’ ” said Chris Foster, Chairman & CEO of Saatchi & Saatchi Asia Pacific.

Publicis Groupe [Euronext Paris: FR0000130577] today announced the acquisition of 100% of Arachnid, a highly awarded Malaysian digital agency.

Arachnid was established in Kuala Lumpur in 1996, and now employs a team of more than sixty digital communications specialists. With firm roots in digital and interactive marketing, its service offering has evolved to cover all forms of interaction-oriented touch-points. The agency’s portfolio of blue-chip multinational clients includes Dutch Lady (dairy), Lexus, MINI, Petronas (oil and gas), Reckitt Benckiser, and Toyota, and the agency serves over 25 markets across North America, South America, Western & Eastern Europe, Africa, Asia and Australia. Since it was founded, Arachnid has won more than 160 local and international awards for its creativity, strategy and marketing effectiveness. It has been ranked three times on the Deloitte Asia Pacific Fast 500 - a roster of the 500 fastest growing technology companies across Asia Pacific. In the last four years alone, the agency received 11 client-nominated and client-judged ‘Advertising and Marketing Agency Of The Year Awards’ in five agency categories including Digital Agency of the Year, Direct Marketing Agency of the Year and Creative Agency of the Year.
The agency will be rebranded Saatchi & Saatchi Arachnid, and becomes part of the Saatchi & Saatchi network in the Asia-Pacific region. Founder and CEO Chin Weng Keong will continue to lead the business as Saatchi & Saatchi Arachnid, and will now report to Chris Foster, Chairman & CEO of Saatchi & Saatchi Asia Pacific.

Publicis Groupe now counts more than 600 full-time employees in Malaysia through its networks Leo Burnett, Publicis Worldwide, Saatchi & Saatchi and VivaKi. At the end of June 2012, Publicis Groupe employed nearly 13,000 people across the Asia-Pacific region.

Digital and fast-growing markets make up the two pillars of Publicis Groupe’s worldwide growth strategy, with Arachnid delivering on both. According to the most recent ZenithOptimedia forecasts (October 2012), Malaysia’s GDP is expected to grow between 4 and 5% and adspend is projected to grow by 5% in 2012. Total advertising expenditure in Malaysia in the year up to July 2012 increased by 2% compared to the same period in 2011. In the Asia-Pacific region as a whole, ad expenditure grew by as much as 5.9% in 2011, with every medium registering growth. Internet-related advertising is forecast for particularly strong growth; worldwide it is forecasted to grow on average by 16% a year between 2012 and 2014.

“Today’s transaction signifies a major scaling up of our digital capabilities across the Asia Pacific region, in order to provide our clients with the best possible solutions across the full multitude of consumer channels,” said Chris Foster. “The acquisition of Arachnid will further enhance our ability to deliver powerful integrated campaigns for our clients in this strategically important region and to unleash the ‘unreasonable power of creativity.’ ”

Chin Weng Keong added “We’ve been exploring becoming part of a global group for a while and we’ve received a number of offers. We’ve finally found the right fit with Publicis Groupe. We share a common vision and strategy with the Saatchi & Saatchi teams, and our excellent rapport promises a wide range of synergies. This is an opportunity for us to evolve beyond pure-play digital, and to integrate our capabilities into a new generation agency well positioned for an exciting future.”
About Publicis Groupe
Publicis Groupe [Euronext Paris FR0000130577, part of the CAC 40 index] is the third largest communications group in the world, offering the full range of services and skills: digital and traditional advertising, public affairs and events, media buying and specialized communication. Its major networks are Leo Burnett, MSLGROUP, PHCG (Publicis Healthcare Communications Group), Publicis Worldwide, Rosetta and Saatchi & Saatchi. VivaKi, the Groupe's media and digital accelerator, includes Digitas, Razorfish, Starcom MediaVest Group and ZenithOptimedia. Present in 104 countries, the Groupe employs 56,000 professionals.

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