



After another record year Publicis unveils AI strategy

25 January 2024

But first...
A trading update to
warm you up

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Another strong year in 2023

Organic growth
+6.3% FY

After 2 years at double-digits

Organic growth
+5.7% Q4

Strong finish to the year

Outperforming the industry average
by an estimated 450bps⁽¹⁾ for FY & Q4

(1) based on consensus

Delivering above expectations in both FY'23 and Q4'23

Go-to-market in Media  A balanced revenue mix

+6.3% FY'23

Organic growth

above initial +3 to +5%
guidance despite
macroeconomic
challenges

1/3 of revenue

Media

Strongly accretive

Market share gains
Faster New Business
ramp-up in Q4

Double-digit
FY & Q4

1/3 of revenue

Data & Tech

Very solid

Different dynamics between
data & tech
Contrasting trends in Q4 like in Q3

Epsilon

FY **+10%**
Q4 **+11%**

publicis
sapient

FY **+3%**
Q4 **-4%**

1/3 of revenue

Creative

Very resilient

despite anticipated cuts in
classic advertising

Low-single digit
FY & Q4

Very solid organic performance in key geographies



U.S.

FY +5.0%
Q4 +6.1%

Strong FY performance
after 2 years at +10%

Acceleration in Q4
thanks to new business ramp up



Europe

FY +10.3%
Q4 +4.3%

Double-digit FY performance
after 2022 above +10%

Q4 at mid-single digit
on tough comparable



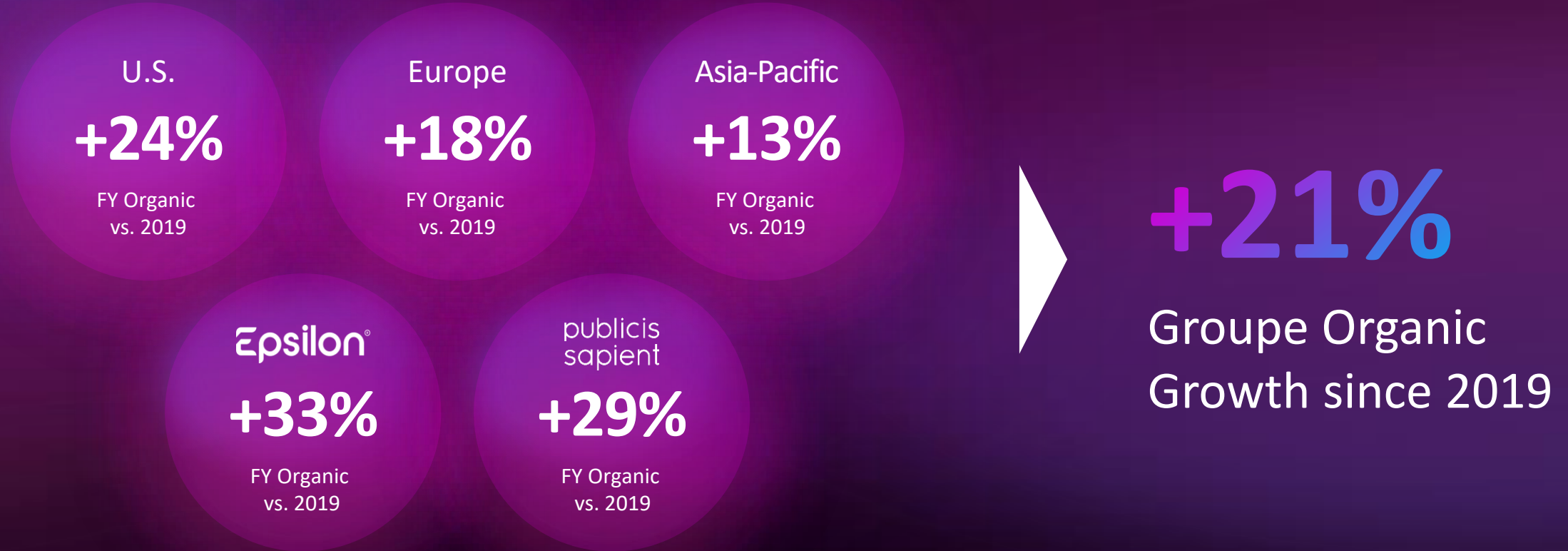
Asia-Pacific

FY +2.9%
Q4 +4.0%

Growth in FY in Asia despite
macro conditions in China

Improvement in Q4 with China
returning to growth

A strong and sustainable performance over the years



Back to AI

1

AI at Publicis
wasn't born with



ChatGPT



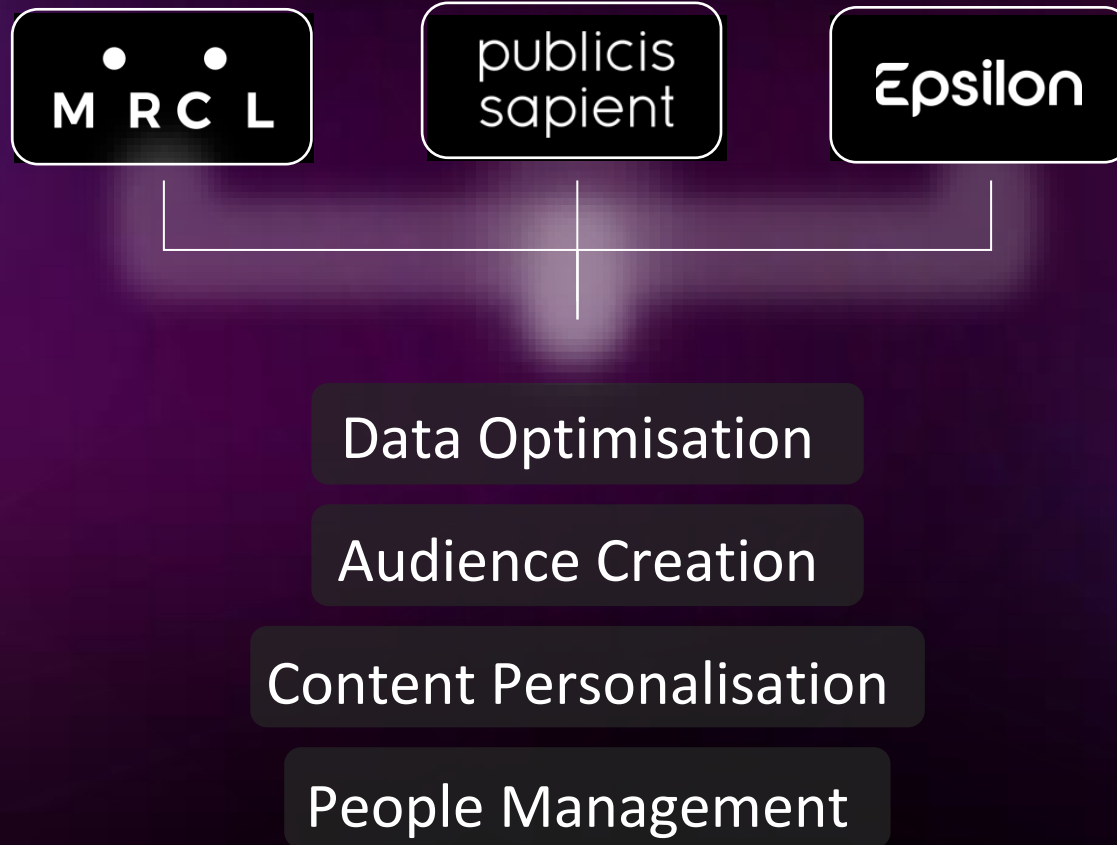
Satya Nadella
CEO of Microsoft

We started early:

“AI is the most transformative technology of our time, but its real power lies in how it can be applied to amplify human ingenuity. That’s the beauty of Marcel and what makes our collaboration with Publicis so seamless and natural.”

January 29th 2018

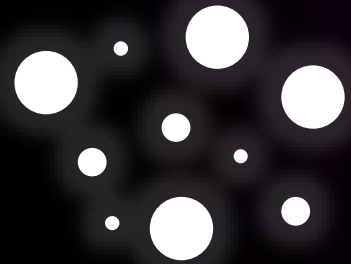
And took it seriously



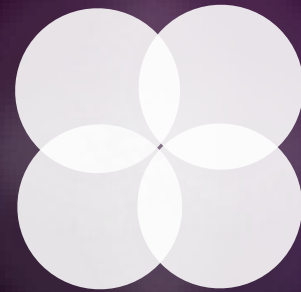
2

We have a **unique model** to
leverage AI even further

Indispensable partner in our **clients'** transformation



From
Holding Company



To
Platform Company

Outperforming our industry

2023

+6.3%
organic growth

2023 margin

18%
expected

4Y CAGR

+4.7%
vs +2.2% *

#1

in New Business

*average top 4 competitors IPG, Omnicom, WPP & Dentsu

AI-ready

Proprietary data

A single platform structure

45 000 engineers / data analysts

3

We are shifting to an
Intelligent System company



**Intelligent
System**

An Intelligent System connects the knowledge of the enterprise to the individual – **bringing the power of everyone to the power of one** to operate at the speed of AI.

2.3B profiles globally

Millions of creative assets

650B impression bids daily

Trillions of data points on performance

35Y of business transformation data

CoreAI

Epsilon

publicis
sapient

M R C L

CitrusAd

Profitero

Unified Experience

A digital experience that allows us to seamlessly benefit from all of the capabilities as they work

Insight

Processing trillions of datapoints to build and sharpen hypotheses, to predict better business outcomes.

Media

Driving media effectiveness providing clients with planning options instantly, eliminating programmatic errors and finding new growth audiences at scale.

Creative

Realizing content personalization at scale and speed with audience accuracy, creative excellence, production efficiencies and optimization.

Software

Bringing the best software and digitally-enabled products to market at scale faster than anyone.

Operations

Supercharging our operations and our people in managing client, team, and individual growth.

Core AI

A common Centralized Data Foundation, a Common Taxonomy, and a Single Modular Tech Platform

Human-First

=

Ethics-Led



What's Next?

Our investment to get us there

publicis
sapient \$8bn Epsilon®

€1bn bolt-on M&A in the last 3 years

+

€300M Opex over next 3 years

▼

€100M Opex in 2024

▼

€50M
in people

▼

€50M
in tech

2024

Not dilutive on
margin

2025

Accretive on margin

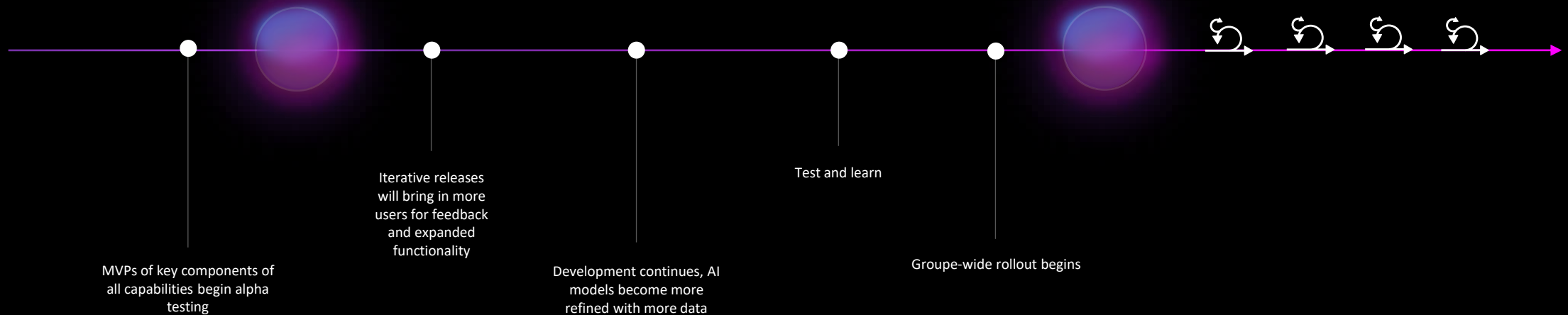
Next Steps

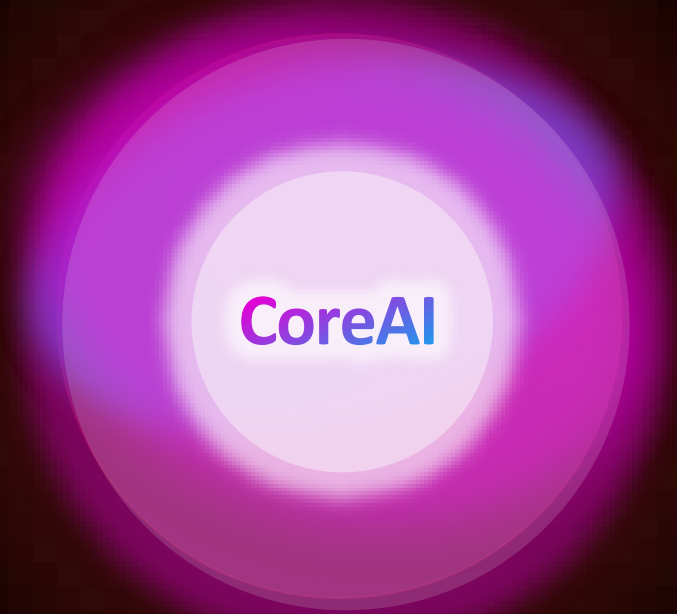
Q1-Q2 2024

MVPs Launch at VivaTech

H2 2024 and Beyond

Iterative releases as we mature each capability





**Intelligent
System**

By starting first:

Leapfrog our industry

Outperform on growth

Best in class margin

Merci

See you on February 8th

Appendices

Q4 2023 Net Revenue by Geography

(EUR million)	Q4 2023	Q4 2022	2023 vs. 2022	Organic growth vs. 2022	<i>Organic growth vs. 2019</i>
North America	2,158	2,133	+1.2%	+6.0%	+27%
Europe	851	814	+4.5%	+4.3% ⁽¹⁾	+17%
Asia Pacific	318	323	-1.5%	+4.0%	+7%
Middle East Africa	106	104	+1.9%	+9.7%	+14%
Latin America	107	88	+21.6%	+13.9%	+20%
Total	3,540	3,462	+2.3%	+5.7%	+21%

(1) Organic growth in Europe was +2.5% in Q4 2023 excluding Outdoor Media activities and the Drugstore

FY 2023 Net Revenue by Geography

(EUR million)	FY 2023	FY 2022	2023 vs. 2022	Organic growth vs. 2022	<i>Organic growth vs. 2019</i>
North America	8,050	7,869	+2.3%	+4.9%	+23%
Europe	3,172	2,879	+10.2%	+10.3%⁽¹⁾	+18%
Asia Pacific	1,156	1,176	-1.7%	+2.9%	+13%
Middle East Africa	380	359	+5.8%	+12.4%	+19%
Latin America	341	289	+18.0%	+8.9%	+21%
Total	13,099	12,572	+4.2%	+6.3%	+21%

(1) Organic growth in Europe was +2.5% in Q4 2023 excluding Outdoor Media activities and the Drugstore

Definitions

Net revenue: Revenue less pass-through costs which comprise amount paid to external suppliers engaged to perform a project and charged directly to clients. Those costs are mainly production & media costs and out of pocket expenses.

Organic growth: Change in net revenue excluding the impact of acquisitions, disposals and currencies.

Contact

Press

Amy Hadfield, Group Communications Director | Tel. + 33 1 44 43 70 75 | Email. amy.hadfield@publicisgroupe.com

Investor Relations

Alessandra Girolami | Email. alessandra.girolami@publicisgroupe.com

Jean-Michel Bonamy | Email. jean-michel.bonamy@publicisgroupe.com

Lorène Fleury | Email. lorene.fleury@publicisgroupe.com

Maxine Miller | Email. maxine.miller@publicisgroupe.com

Tel. + 33 1 44 43 77 88

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Publicis Groupe | 133, Champs Élysées | F-75380 Paris Cedex 08

www.publicisgroupe.com | [@publicisgroupe](https://twitter.com/publicisgroupe)