

H1 2019 RESULTS

18 JULY

2019



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H1 2019 HIGHLIGHTS



H1 2019 HIGHLIGHTS

- **Q2 organic growth of 0.1%, back to positive territory as anticipated**
- **Strong financials in H1 2019, with 40bps improvement in operating margin rate ⁽¹⁾, headline EPS up 2.5% ⁽²⁾ and Free Cash Flow remaining at a high level**
- **Closing of Epsilon transaction at compelling price**

(1) Excluding Epsilon transaction costs and positive 20bps technical impact of IFRS 16 vs. H1 2018

(2) On a fully diluted basis, at constant currency and excluding BEAT tax and Epsilon transactions costs. +4.8% on a reported basis.

SEQUENTIAL IMPROVEMENT IN TOPLINE GROWTH VS Q1

- **Q2 organic growth back in positive territory, as anticipated**
 - Q2 at +0.1%, vs. -1.6%⁽¹⁾ in Q1 showing a sequential improvement
 - Strong contribution from Q4 2018 new business wins and from game changers at +21% growth
 - Still mitigated by attrition of our revenue in traditional advertising mainly in the US

- **Organic growth by geography in Q2**
 - North America at -1.7% with impact from attrition of 300 bps on US operations
 - Europe at +2.4%, supported by positive organic growth in the UK (+4.6%) and in France (+2.1%)
 - APAC at +2.7%, confirming the good start of the year
 - Middle-East and Africa at +12.9%, supported by Digital Business Transformation projects
 - Latam at -8.7%, weaker than expected due to economic context in region and tough comparable

(1) Excluding PHS

STRONG FINANCIALS IN THE FIRST HALF 2019

- **Operating margin of €652 ⁽¹⁾ million, up +5.7%**
- **Operating margin rate at 15.0%, up +40bps ⁽²⁾**
 - € 108 million in savings
 - € 48 million reinvested in talents and expertise
- **Headline earnings per share, diluted : €1.98, +2.5% ⁽³⁾**
- **Free Cash Flow before change in working capital of €491 million, remaining at a high level**

(1) Excluding €40 million Epsilon transaction costs

(2) Excluding IFRS 16 positive technical impact

(3) At constant currency, and excluding BEAT tax impact

CLOSING OF THE EPSILON ACQUISITION

- **A one-time opportunity to acquire a unique platform** at scale to complete our transformation
- **Compelling price very good financing conditions**
 - Net value of **\$3.95 billion**
 - **Double-digit accretion** ⁽¹⁾ to headline EPS (+12.5%) and Free Cash Flow per share (+18.3%), excluding any transaction-related synergies
- **Clear integration plan with 25 teams and one clear objective to accelerate growth**
 - Epsilon core activity put at the center of the Groupe to irrigate all our operations
 - Creative Agency and CJ Affiliate folded into Publicis Communications and Publicis Media in order to drive expansion and efficiencies

(1) Headline EPS and FCF per share on a fully diluted basis. Numbers based on pro-forma 2018 figures.

H1 2019 NET REVENUE



NET REVENUE

| (EUR million) | Q1 | Q2 | H1 |
|------------------------------|--------------|--------------|--------------|
| 2019 net revenue | 2,118 | 2,234 | 4,352 |
| 2018 net revenue | 2,082 | 2,198 | 4,280 |
| Reported growth | +1.7% | +1.6% | +1.7% |
| Organic growth | -1.8% | +0.1% | -0.8% |
| Organic growth ex PHS | -1.6% | +0.1% | -0.7% |

Q2 NET REVENUE BY GEOGRAPHY

| (EUR million) | Q2 2019 | Q2 2018 | 2019 vs. 2018 | Organic growth |
|--------------------|--------------|--------------|------------------|-------------------|
| Europe | 663 | 641 | +3.4% | +2.4% |
| North America | 1,177 | 1,179 | -0.2% | -1.7% |
| Asia Pacific | 237 | 224 | +5.8% | +2.7% |
| Latin America | 78 | 86 | -9.3% | -8.7% |
| Middle East Africa | 79 | 68 | +16.2% | +12.9% |
| Total | 2,234 | 2,198 | +1.6% | +0.1% |

H1 2019 NET REVENUE BY GEOGRAPHY

| (EUR million) | 2019 | 2018 | 2018 vs. 2017 | Organic growth | Organic growth ex PHS |
|--------------------|--------------|--------------|------------------|-------------------|-----------------------------|
| Europe | 1,296 | 1,255 | +3.3% | +1.6% | +1.6% |
| North America | 2,316 | 2,321 | -0.2% | -3.1% | -3.0% |
| Asia Pacific | 444 | 423 | +5.0% | +2.0% | +2.0% |
| Latin America | 144 | 158 | -8.9% | -7.6% | -7.6% |
| Middle East Africa | 152 | 123 | +23.6% | +19.1% | +19.1% |
| Total | 4,352 | 4,280 | +1.7% | -0.8% | -0.7% |

H1 2019 NET REVENUE ORGANIC GROWTH BY COUNTRY

> +10%

Colombia, India, Italy, Singapore, United Arab Emirates

+5% to +10%

Israel, Philippines, Canada

0 to +5%

France, Mexico, Russia, South Africa, United Kingdom

< 0%

Australia, Brazil, Germany, Greater China, Indonesia, Japan, Spain, United States

H1 2019 RESULTS



CONSOLIDATED INCOME STATEMENT

| (EUR million) | H1 2019 | H1 2018 |
|--|--------------|--------------|
| Revenue | 4,868 | 4,725 |
| Net revenue | 4,352 | 4,280 |
| EBITDA ⁽¹⁾ | 885 | 882 |
| Operating margin | 612 | 617 |
| Operating margin excluding transaction costs ⁽²⁾ | 652 | 617 |
| Non-current income and expenses | (1) | (1) |
| Net financial expenses | (20) | (36) |
| Income taxes | (162) | (141) |
| Consolidated Headline Net Income | 469 | 439 |
| Associates | (5) | 1 |
| Minority interests | (1) | (2) |
| Headline Group Net Income ⁽¹⁾ | 463 | 438 |
| Epsilon transaction costs net of tax | (30) | - |
| Amortization of intangibles arising on acquisitions, net of tax | (20) | (28) |
| Impairment / Real estate consolidation charge, net of tax | (90) | (81) |
| Main capital gains (losses) / change in fair value of financial assets | 23 | (17) |
| Revaluation of earn-out | (1) | (11) |
| Group Net Income | 345 | 301 |

(1) See definition in Supplemental Information

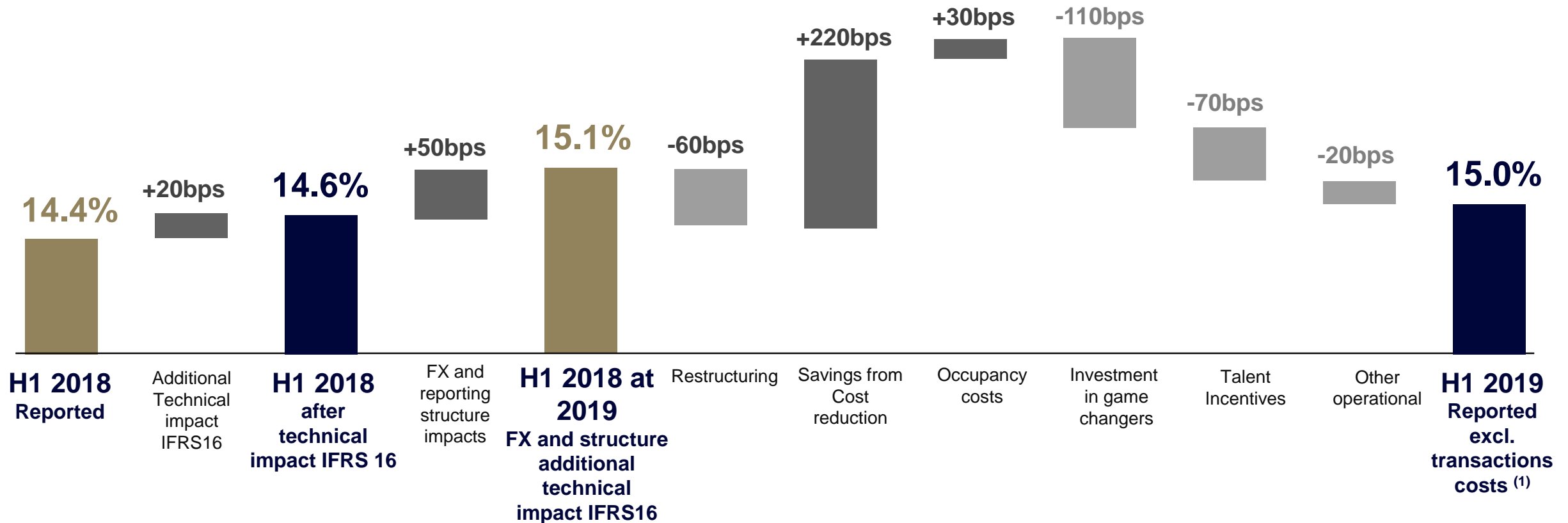
(2) €40 million Epsilon transaction costs (€30 million after tax)

OPERATING MARGIN

| (EUR million) | H1 2019 | H1 2018 |
|--|----------------|----------------|
| Net revenue | 4,352 | 4,280 |
| Personnel costs | (2,818) | (2,798) |
| Restructuring costs | (61) | (36) |
| Other operating expenses | (588) | (564) |
| Depreciation | (273) | (265) |
| Operating margin | 612 | 617 |
| as a % of Net revenue | 14.1% | 14.4% |
| Operating margin excl. transaction costs ⁽¹⁾ | 652 | 617 |
| as a % of Net revenue | 15.0% | 14.4% |

(1) Epsilon transaction costs

H1 2019 - CHANGE IN OPERATING MARGIN ⁽¹⁾ AS A % OF NET REVENUE



IFRS16 was applied from January 1, 2018 using prospective method
 (1) Operating margin rate excluding Epsilon transaction costs (€40 m)

NET FINANCIAL INCOME (EXPENSES)

| (EUR million) | H1 2019 | H1 2018 |
|--|----------------|----------------|
| 2020 BNP Paribas loan, 2021 & 2024 Eurobond, 2023 Eurobond | (28) | (28) |
| 2025 & 2028 & 2031 Eurobond ⁽¹⁾ | (4) | - |
| Other financial expense net of interest income | 50 | 22 |
| Discount on long term debt | (3) | (3) |
| Interest on net financial debt | 15 | (9) |
| Interest on lease liabilities | (30) | (29) |
| Foreign exchange gain (loss) | (1) | 6 |
| Other financial expenses ⁽²⁾ | (4) | (4) |
| Headline Net financial expenses ⁽³⁾ | (20) | (36) |
| Change in fair value of financial instruments | 19 | - |
| Net financial expenses ^{(2) (3)} | (1) | (36) |

(1) Eurobonds issued on 13 June 2019 to fund Epsilon acquisition

(2) Includes provisions on financial assets, dividends outside the Group, change in fair value of financial assets and finance costs on long term provisions

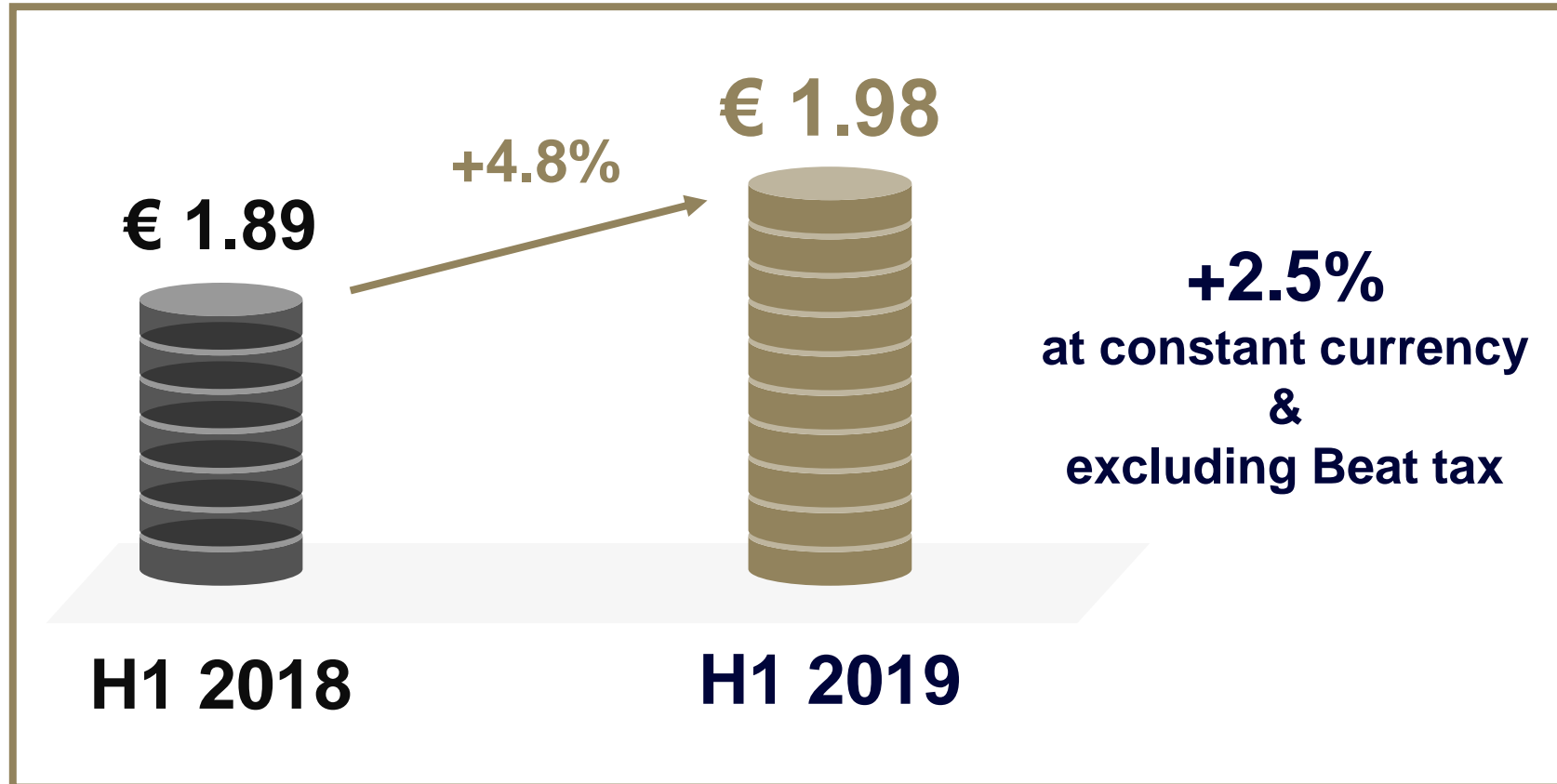
(3) Excluding earn-out revaluation

INCOME TAX AND EFFECTIVE TAX RATE

| (EUR million) | H1 2019 | H1 2018 |
|---------------------------|----------------|----------------|
| Reported income taxes | 136 | 109 |
| Effective tax rate | 25.8% | 25.9% |

Impact of Beat tax = +190bps on Effective tax rate

HEADLINE EARNINGS PER SHARE, DILUTED ⁽¹⁾



(1) See definition in Supplemental Information

FREE CASH FLOW

| (EUR million) | H1 2019 | H1 2018 |
|---|----------------|----------------|
| EBITDA ⁽¹⁾ | 885 | 882 |
| Interests paid and received | 33 | 19 |
| Repayment of lease liabilities and related interests | (214) | (204) |
| Tax paid | (190) | (149) |
| Other items | 42 | 38 |
| Cash flows from operations before change in WCR ⁽²⁾ | 556 | 586 |
| Capex, net of disposals ⁽¹⁾ | (65) | (86) |
| Free Cash Flow before change in WCR | 491 | 500 |

(1) See definition in Supplemental Information

(2) See Supplemental Information

USE OF CASH

| (EUR million) | H1 2019 | H1 2018 |
|---|----------------|----------------|
| Free Cash Flow before change in WCR | 491 | 500 |
| Change in WCR | (826) | (890) |
| Acquisitions (net of disposals) ⁽¹⁾ | 17 | (3) |
| Earn-out | (68) | (81) |
| Buy-out | (1) | (5) |
| Dividends paid | (8) | (5) |
| Share buy-back, net of sales | 4 | 10 |
| Sales of treasury shares due to exercise of stock options | - | 9 |
| Exercise of warrants | 5 | 3 |
| Non-cash impact on net debt | 24 | 145 |
| Reduction (Increase) in net debt | (362) | (317) |

(1) H1 2019: acquisitions (€70m) and disposals (€87m)

BALANCE SHEET

| (EUR million) | June 30, 2019 | June 30, 2018 |
|--------------------------------|----------------------|----------------------|
| Goodwill and intangibles | 9,964 | 9,682 |
| Net right of use | 1,954 | 1,777 |
| Other fixed assets | 854 | 823 |
| Current and deferred tax | (489) | (567) |
| Working capital | (2,618) | (1,982) |
| TOTAL | 9,665 | 9,733 |
| Group equity | 6,692 | 6,155 |
| Minority interests | (9) | (1) |
| TOTAL EQUITY | 6,683 | 6,154 |
| Provisions for risk & charges | 592 | 504 |
| Net debt (cash) | 74 | 1,044 |
| Lease liability ⁽¹⁾ | 2,316 | 2,031 |
| TOTAL | 9,665 | 9,733 |

(1) H1 2019: including €327 million of lease extension in New York committed in June 2019

NET FINANCIAL DEBT

| (EUR million) | H1 2019 | H1 2018 | FY 2018 |
|--------------------------------------|-------------------|----------------|----------------|
| Net Financial Debt, average | 550 | 1,317 | 1,323 |
| Net Financial Debt, at end of period | 74 ⁽¹⁾ | 1,044 | (288) |

(1) H1 2019 proforma after Epsilon: €3,969 million

FINANCIAL RATIOS

| | Last 12 months ending June. 30, 2019 | 12 months ending December 31, 2018 | Internal objectives |
|--|--------------------------------------|------------------------------------|---------------------|
| (Average net financial debt + Average Lease liability) / EBITDA | 1.5x | 1.6x | < 2.2x |
| (Net financial debt + Lease liability) / Shareholders' Equity | 0.36x | 0.26x | < 0.80x |
| EBITDA ⁽¹⁾ / Cost of net financial debt & Lease liability | 44x | 30x | > 7x |

(1) See definitions in Supplemental Information

LIQUIDITY AS OF JUNE 30, 2019

| (EUR million) | June 30, 2019 before Epsilon acquisition | | | Epsilon acquisition | June 30, 2019 Proforma after Epsilon | June 30, 2018 |
|---|---|-------|--------------|------------------------|--|---------------|
| | TOTAL | DRAWN | AVAILABLE | | AVAILABLE | AVAILABLE |
| Committed Facilities | | | | | | |
| Epsilon term loan | 1,064 | - | 1,064 | (1,064) | - | - |
| 364-day revolving credit facilities | 165 | - | 165 | | 165 | 165 |
| 5-year revolving credit facility ⁽¹⁾ | 466 | - | 466 | | 466 | 514 |
| 5-year syndicated facility (Club Deal) ⁽²⁾ | 2,000 | - | 2,000 | | 2,000 | 2,000 |
| Total Committed Facilities | 3,695 | - | 3,695 | (1,064) | 2,631 | 2,679 |
| Cash and Marketable Securities | 4,744 | - | 4,744 | (2,831) | 1,913 | 1,812 |
| Total liquidity | 8,439 | - | 8,439 | (3,895) | 4,544 | 4,491 |
| Group other uncommitted facilities | 248 | 9 | 239 | | 239 | 232 |

(1) €166 million maturing in 2020, €200 million in 2022, €100 million in 2023

(2) Maturing in 2024

STRATEGIC UPDATE



OUR INDUSTRY HAS BEEN DISRUPTED BY DATA AND TECH

Consequences today vary across companies but the need for transformation has never been stronger

Publicis's model designed to address those challenges

Investment in talents



**over €150M
in the last 18 months**

Investment in expertise



**Acquisition of Epsilon
for \$3.95 billion**

Strong financials delivery



**Strong cash generation
to deleverage in 4 years**

SLOWER ORGANIC GROWTH IN THE SHORT TERM DUE TO TWO PHENOMENA

Historical revenue mix penalizing short term growth

- **Traditional advertising exposure** with upper-end of the funnel in brand advertising
 - c. 35% of our activity ⁽¹⁾
- **FMCG sector** where a handful of clients are cutting their spending
 - c. 25% of our clients portfolio ⁽¹⁾

Necessary transformation launched few years ago

- Demanded extra focus and investment
- Penalizing in the short term but real strength in the long term:
 - Encouraging results from **New Business and Game Changers**
 - Completion of our transformation with **Epsilon** after **Sapient and the Power of One**

**Slower growth in the short term, while
strengthening the Groupe profile with future facing expertise**

(1) before Epsilon acquisition

OUTLOOK

2019 OUTLOOK

- Broadly stable net revenue on an organic basis with H2 > H1
- Operating margin rate: +30bp to +50bp improvement ⁽¹⁾
- Headline EPS diluted: 5% to 10% growth ⁽¹⁾ ⁽²⁾

2020 OUTLOOK

- New forecasts to be updated taking into account the positive impact of the integration of Epsilon and the potential continued reduction in client spending
- Improvement in operating margin rate
- Headline EPS diluted: 5% to 10% growth ⁽²⁾

(1) Including the contribution of Epsilon on 6 months and excluding transaction costs

(2) At constant currency, and excluding BEAT tax of €30 million (estimated) as of 2019

THREE LEVERS TO COME BACK TO GROWTH

Become the preferred partner of our clients in their transformation

- Deliver what our clients need in this new world: **personalized experiences at scale**
- Capitalize on a **USD 1.5 trillion addressable transformation market**
- Publicis Sapient and Epsilon together to represent **over 30%⁽¹⁾ of our net revenue**

Roll out our country model after strong results where implemented first

- New organization announced in the US to foster cross fertilization

Accelerate New business momentum with a unique way to go to market

- Unparalleled set of capabilities in data, creative, media and technology to differentiate in every pitches

(1) Proforma 2018 numbers for Publicis Groupe and Epsilon. Epsilon core, excluding the Agency and CJ Affiliate, that will be folded in creative and media activities

CONCLUSION



CONCLUSION

- **Strong Confidence in the model we are building thanks to New Business track record, Game Changers performance and best in class financials**
- **Conservative approach to growth in the short term due to the cuts in fees from a handful of FMCG clients in the US**
- **Clear plan to return to growth thanks to unique competitive levers**
- **Focus on execution to create superior value for all stakeholders**

MERCI



SUPPLEMENTAL INFORMATION



SUPPLEMENTAL INFORMATION

NET REVENUE & ORGANIC GROWTH CALCULATION

| (EUR million) | Q1 | Q2 | H1 |
|---|--------------|--------------|--------------|
| 2018 net revenue | 2,082 | 2,198 | 4,280 |
| Currency impact ⁽²⁾ | 93 | 72 | 165 |
| 2018 net revenue at 2019 exchange rate (a) | 2,175 | 2,270 | 4,445 |
| 2019 net revenue before impact of acquisitions ⁽¹⁾ (b) | 2,136 | 2,273 | 4,409 |
| Net revenue from acquisitions ⁽¹⁾ | (18) | (39) | (57) |
| 2019 net revenue | 2,118 | 2,234 | 4,352 |
| Organic growth (b/a) | -1.8% | +0.1% | -0.8% |
| Organic growth ex PHS ⁽³⁾ | -1,6% | +0.1% | -0.7% |

| Currency impact | | | |
|--------------------|-----------|-----------|------------|
| (EUR million) | Q1 | Q2 | H1 |
| GBP ⁽²⁾ | 3 | 0 | 3 |
| USD ⁽²⁾ | 90 | 69 | 159 |
| Other | 0 | 3 | 3 |
| Total | 93 | 72 | 165 |

(1) Acquisitions (Optix, Independent Ideas, Ecosys, Domaines Publics, Payer Science, One Digital, The Shed, Kindred, Xebia, IDC Creation, Brilliant, Soft Computing, E2 Media), net of disposals.

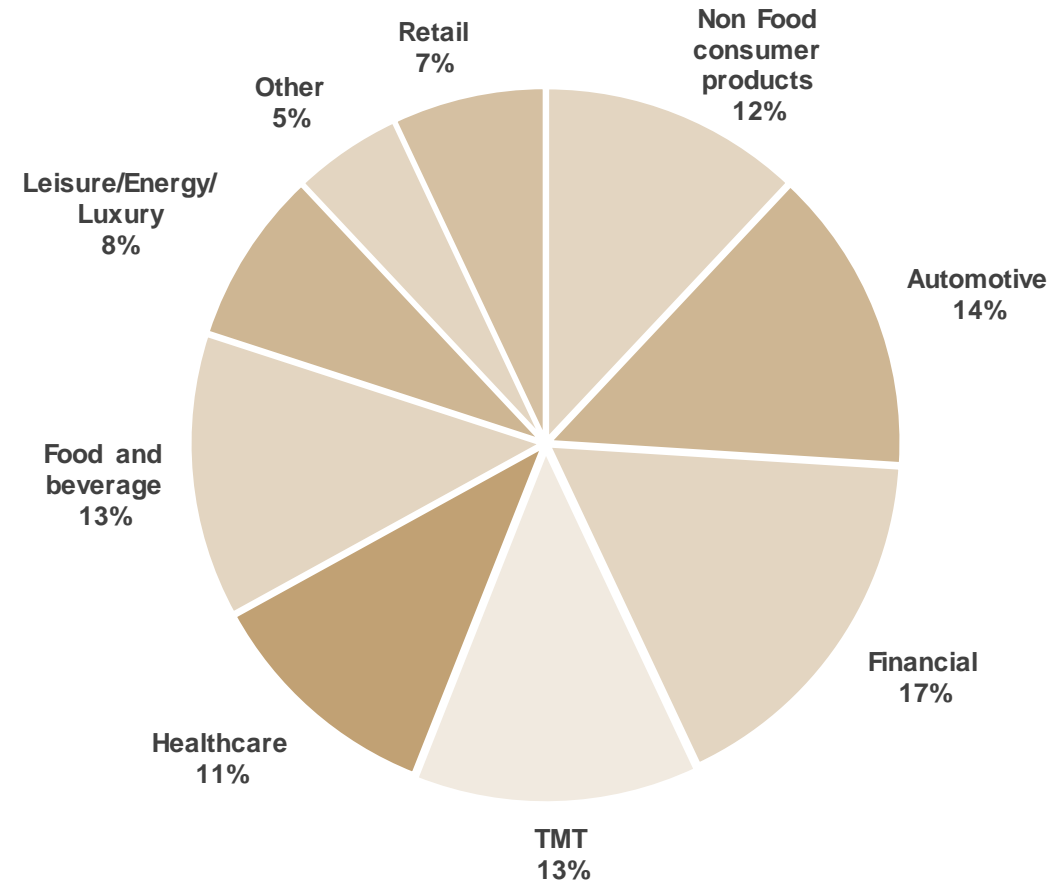
(2) EUR = USD 1.130 on average in H1 2019 vs. USD 1.210 on average in H1 2018

EUR = GBP 0.873 on average in H1 2019 vs. GBP 0.880 on average in H1 2018

(3) Publicis Groupe made effective the disposal of Publicis Health Services in January 2019

SUPPLEMENTAL INFORMATION

H1 2019 NET REVENUE BY SECTOR (1)



(1) Based on 2.888 clients representing 88% of net revenue

SUPPLEMENTAL INFORMATION

GAME CHANGERS IN H1 2019

| | |
|--|-----------------|
| Net revenue from our game changers | c. €580 million |
| Organic growth of game changers (vs H1 2018) | +24% |
| Share of game changers in Groupe net revenue | 13% |

SUPPLEMENTAL INFORMATION

CONDENSED CONSOLIDATED INCOME STATEMENT

| (EUR million) | H1 2019 | H1 2018 |
|---|--------------|--------------|
| Net revenue | 4,352 | 4,280 |
| Pass-through revenue ⁽¹⁾ | 516 | 445 |
| Revenue | 4,868 | 4,725 |
| EBITDA | 885 | 882 |
| Depreciation | (273) | (265) |
| Operating margin | 612 | 617 |
| Amortization of intangibles arising from acquisitions | (27) | (34) |
| Impairment / Real estate consolidation charge | (113) | (107) |
| Non-current income and expense | 17 | (18) |
| Operating income | 489 | 458 |
| Net financial income (expenses) | (1) | (36) |
| Earn-out revaluation | (1) | (11) |
| Income taxes | (136) | (109) |
| Associates | (5) | 1 |
| Minority interests | (1) | (2) |
| Group Net Income | 345 | 301 |

(1) Pass-through revenue of €516 million in H1 2019 are split between €464 million as pass-through costs and €52 million as depreciation (H1 2018: Pass-through revenue of €445 million are split between €392 million as pass-through costs and €53 million as depreciation)

SUPPLEMENTAL INFORMATION

INCOME TAX AND EFFECTIVE TAX RATE

| (EUR million) | H1 2019 | H1 2018 |
|---|----------------|----------------|
| Reported income taxes | 136 | 109 |
| Income tax on Epsilon transaction costs | 10 | - |
| Income tax on amortization of intangibles arising from acquisitions | 7 | 6 |
| Income tax on impairment | 23 | 26 |
| Income tax on capital gains / losses | (12) | - |
| Income tax on other items | (2) | - |
| Headline income taxes | 162 | 141 |

SUPPLEMENTAL INFORMATION

GROSS DEBT AS OF JUNE 30, 2019

Breakdown by MATURITY

| (EUR million) | Total | Jul. 2019 – Jun. 2020 | Jul. 2020 – Jun. 2021 | Jul. 2021 – Jun. 2022 | Jul. 2022 – Jun. 2023 | Jul. 2023 – Onwards |
|----------------------------------|--------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| Eurobond 2021 ^{(1) (2)} | 753 | | | 753 | | |
| Eurobond 2023 | 495 | | | | | 495 |
| Eurobond 2024 ^{(1) (2)} | 625 | | | | | 625 |
| Eurobond 2025 ^{(1) (2)} | 744 | | | | | 744 |
| Eurobond 2028 ^{(1) (2)} | 741 | | | | | 741 |
| Eurobond 2031 ^{(1) (2)} | 737 | | | | | 737 |
| Medium term loan ⁽¹⁾ | 470 | 470 | | | | |
| Earn out / Buy out | 191 | 106 | 50 | 33 | 1 | 1 |
| Other debt ⁽¹⁾ | 62 | 50 | 12 | | | |
| Total gross debt | 4,818 | 626 | 62 | 786 | 1 | 3,343 |

(1) Including fair values of associated derivatives

(2) Eurobond swapped in USD at fixed rate



No covenants

SUPPLEMENTAL INFORMATION

NET DEBT AS OF JUNE 30, 2019

Breakdown by CURRENCY

| (EUR million) | Total | EUR | USD | GBP | Others |
|----------------------------------|--------------|------------|------------|-------------|---------------|
| Eurobond 2021 ^{(1) (2)} | 753 | | 753 | | |
| Eurobond 2023 | 495 | 495 | | | |
| Eurobond 2024 ^{(1) (2)} | 625 | | 625 | | |
| Eurobond 2025 ^{(1) (2)} | 744 | | 744 | | |
| Eurobond 2028 ^{(1) (2)} | 741 | | 741 | | |
| Eurobond 2031 ^{(1) (2)} | 737 | | 737 | | |
| Medium term loan ⁽¹⁾ | 470 | 148 | 322 | | |
| Earn out / Buy out | 191 | 13 | 114 | 19 | 45 |
| Other ⁽¹⁾ | 62 | 28 | 24 | 7 | 3 |
| Cash & marketable securities | (4,744) | (131) | (3,689) | (68) | (856) |
| Net debt (cash) | 74 | 553 | 371 | (42) | (808) |

(1) Including fair values of associated derivatives

(2) Eurobond swapped in USD at fixed rate

SUPPLEMENTAL INFORMATION

Breakdown by **RATE** NET DEBT AS OF JUNE 30, 2019

| (EUR million) | Total | Earn-out / Buy-out | Fixed rate | Floating rate |
|--|--------------|-------------------------------|-----------------------|--------------------------|
| Eurobond 2021 ^{(1) (2)} | 753 | - | 753 | - |
| Eurobond 2023 | 495 | - | 495 | - |
| Eurobond 2024 ^{(1) (2)} | 625 | - | 625 | - |
| Eurobond 2025 ^{(1) (2)} | 744 | - | 744 | - |
| Eurobond 2028 ^{(1) (2)} | 741 | - | 741 | - |
| Eurobond 2031 ^{(1) (2)} | 737 | - | 737 | - |
| Medium term loan ^{(1) (3)} | 470 | - | 322 | 148 |
| Other debt ⁽¹⁾⁽⁴⁾ | 62 | - | - | 62 |
| Total gross debt ex. earn out/buy out | 4,627 | - | 4,417 | 210 |
| Earn-out / Buy-out | 191 | 191 | - | - |
| Cash & marketable securities | (4,744) | - | - | (4,744) |
| Net debt (cash) | 74 | 191 | 4,417 | (4,534) |

- (1) Including fair values of associated derivatives
(2) Eurobond swapped in USD at fixed rate
(3) Including 367mUSD swapped in fixed rate

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.

EBITDA: Operating margin before depreciation.

Operating margin: Net 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 net revenue.

Headline Group Net Income: Net income attributable to the Groupe, after elimination of impairment charges, amortization of intangibles arising from acquisitions, the main capital gains (or losses) on disposals, change in the fair value of financial assets, the impact of US tax reform, the revaluation of earn-out debt and Epsilon transaction costs.

EPS (Earnings per share): Group net income divided by average number of shares, not diluted.

EPS, diluted (Earnings per share, diluted): Group net income divided by average number of shares, diluted.

Headline EPS, diluted (Headline Earnings per share, diluted): Headline group net income, divided by average number of shares, diluted

Capex: Net acquisitions of tangible and intangible assets, excluding financial investments and other financial assets.

Free Cash Flow : Net cash flow from operating activities less interests paid & received, repayment of lease liabilities & related interests linked to operating activities

Free Cash Flow before change in working capital requirements: Net cash flow from operating activities less interests paid & received, repayment of lease liabilities & related interests and changes in WCR linked to operating activities

Net Debt (or financial net debt): Sum of long and short financial debt and associated derivatives, net of treasury and cash equivalents excluding lease liability since 1st January 2018.

Average net debt: Average of monthly net debt at end of each month.

Dividend pay-out: Dividend per share / Headline diluted EPS.

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