

FIRST QUARTER 2019

15 APRIL
2019



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. These forward-looking statements and forecasts 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 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 unfavorable 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, exposure to liquidity risk, a drop in the Group's credit rating and exposure to the risks of financial markets.

Q1 2019 KEY MESSAGES



Q1 2019 KEY MESSAGES

- ➔ Q1 2019 net revenue of € 2,118 m, up +1.7% on a reported basis

- ➔ Q1 organic growth in line with expectations
 - Organic growth of -1.6% ⁽¹⁾ reflecting well-identified headwinds
 - Continuing impact of attrition, most notably in FMCG traditional advertising in North America
 - Impact of Q3 2018 media account losses
 - Unfavorable comparable base in Q1 2018

- ➔ Continued strong growth from Game changers, up +27%

(1) Excluding Publicis Health Services (PHS)

Q1 2019

NET REVENUE & NET DEBT



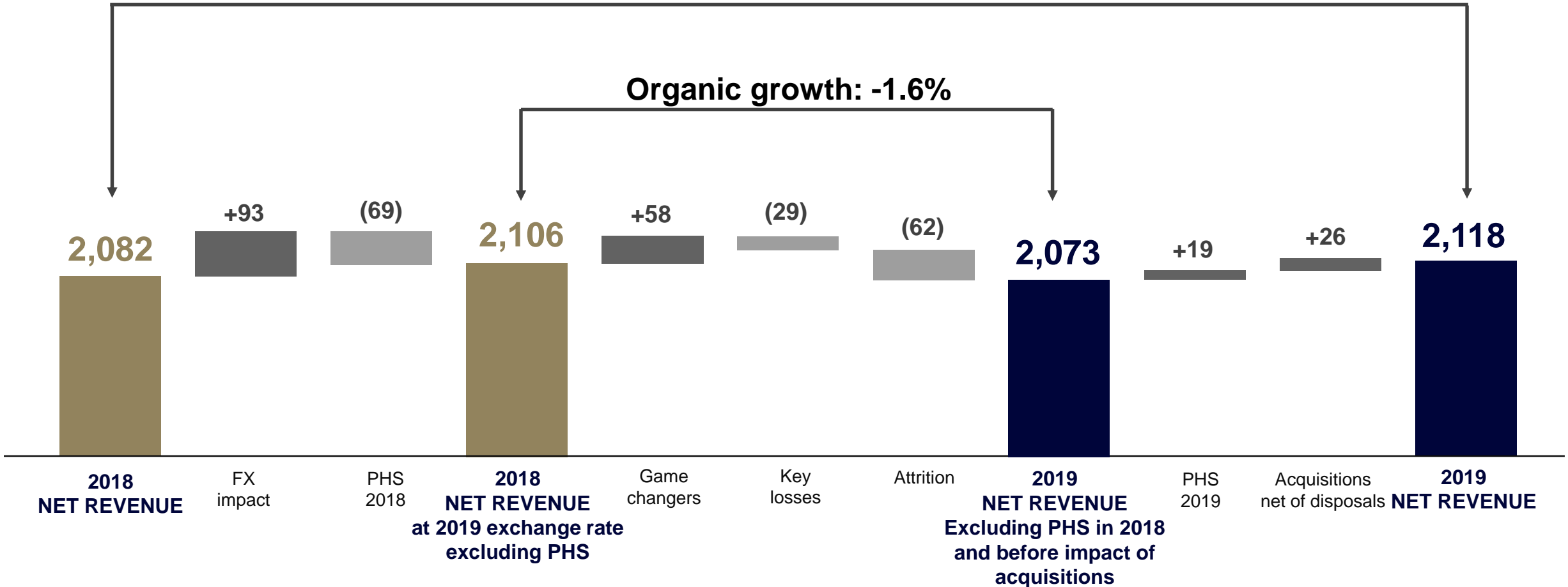
FIRST QUARTER

(EUR million)	Q1
2019 net revenue	2,118
2018 net revenue	2,082
Reported growth	+1.7%
Growth at constant currencies	-2.6%
Organic growth	-1.8%
Organic growth ex PHS	-1.6%

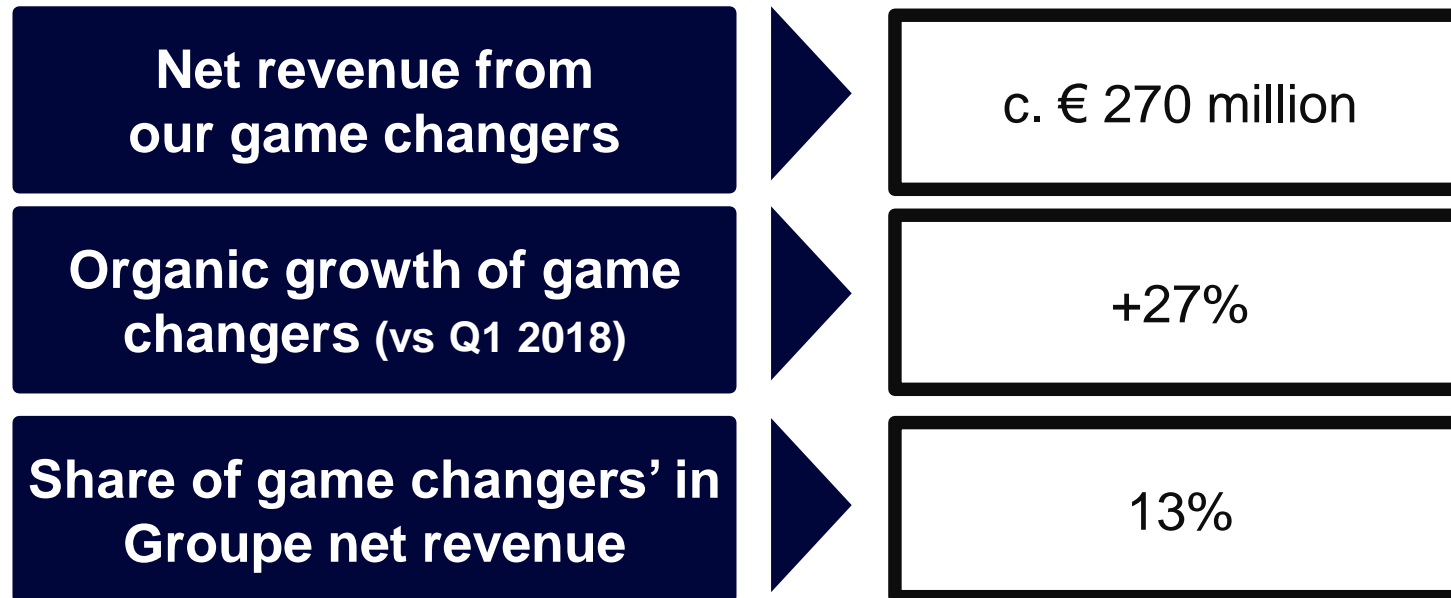
CHANGE IN Q1 2019 NET REVENUE IN MILLION EUROS

Reported growth: +1.7%

Organic growth: -1.6%



ORGANIC GROWTH FOR STRATEGIC GAME CHANGERS



Q1 NET REVENUE ⁽¹⁾ BY GEOGRAPHY

(EUR million)	Q1 2019	Q1 2018	2019 vs. 2018	Organic growth	Organic growth ex PHS
Europe	633	614	+3.1%	+0.8%	+0.7%
North America	1,139	1,142	-0.3%	-4.6%	-4.3%
Asia Pacific	207	199	+4.0%	+1.2%	+1.2%
Latin America	66	72	-8.3%	-6.3%	-6.3%
Middle East Africa	73	55	+32.7%	+26.6%	+26.6%
Total	2,118	2,082	+1.7%	-1.8%	-1.6%

(1) Revenue less pass-through costs. See definition in Supplemental Information

Q1 2019 NET REVENUE ORGANIC GROWTH BY COUNTRY

> +10%

Argentina, Israel, Italy, Sri Lanka,
United Arab Emirates

+5% to +10%

India, Singapore, United Kingdom

0 to +5%

Canada, France, South Africa

< 0%

Australia, Brazil, Germany, Greater China, Mexico,
Russia, United States

NET FINANCIAL DEBT (1)

(EUR million)	Q1 2019	Q1 2018	FY 2018
Net Financial Debt, average	229	1,001	1,323
Net Financial Debt, at end of period	885	1,684	(288)

(1) Net debt on finance lease has been reclassified in Lease Liabilities since 1st January 2018, see definition in supplemental information

LIQUIDITY AS OF MARCH 31, 2019

(EUR million)	TOTAL	DRAWN	AVAILABLE
Committed Facilities			
364-day revolving credit facilities	165	-	165
5-year revolving credit facility ⁽¹⁾	517	-	517
5-year syndicated facility (Club Deal) ⁽²⁾	2,000	-	2,000
Total Committed Facilities	2,682	-	2,682
Cash and Marketable Securities	1,756	-	1756
Total liquidity	4,438	-	4,438
Group other uncommitted facilities	245	10	235

(1) €50 million in 2019, €67 million maturing in 2020, €200 million in 2022, €200 million in 2023

(2) Maturing in 2020

UPDATE & OUTLOOK



2019 OUTLOOK CONFIRMED

Higher organic growth in 2019 vs. 2018

+30bp to +50bp margin improvement

5% to 10% Headline diluted EPS growth ⁽¹⁾

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

SUPPLEMENTAL INFORMATION



SUPPLEMENTAL INFORMATION

NET REVENUE & ORGANIC GROWTH CALCULATION

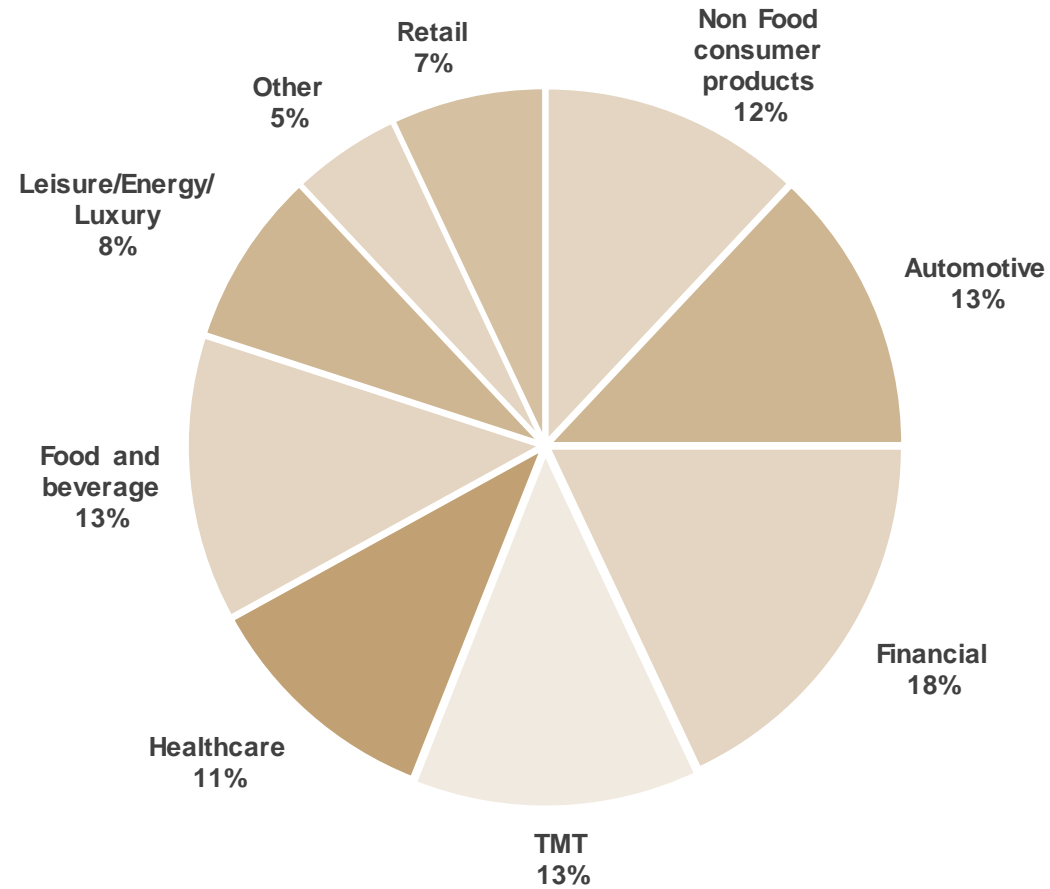
(EUR million)	Q1 2019
2018 net revenue	2,082
Currency impact ⁽²⁾	93
2018 net revenue at 2019 exchange rate (a)	2,175
2019 net revenue before impact of acquisitions ⁽¹⁾ (b)	2,136
Net revenue from acquisitions ⁽¹⁾	(18)
2019 net revenue	2,118
Organic growth (b/a)	-1.8%
Organic growth ex PHS ⁽³⁾	-1.6%

Currency impact	
(EUR million)	Q1 2019
GBP ⁽²⁾	3
USD ⁽²⁾	90
Other	0
Total	93

- (1) Acquisitions (Optix, Independent Ideas, Ecosys, Domaines Publics, Payer Science, One Digital, The Shed, Kindred, Xebia, IDC Creation, Brilliant, Soft computing), net of disposals
- (2) EUR = USD 1.136 on average in 2019 vs. USD 1.229 on average in 2018
EUR = GBP 0.872 on average in 2019 vs. GBP 0.883 average in 2018
- (3) Excluding PHS

SUPPLEMENTAL INFORMATION

Q1 2019 NET REVENUE BY SECTOR (1)



(1) Based on 2,667 clients representing 87% of net revenue

SUPPLEMENTAL INFORMATION

GROSS FINANCIAL DEBT AS OF MARCH. 31, 2019

Breakdown by MATURITY

(EUR million)	Total	Apr. 2019 – Mar. 2020	Apr. 2020 – Mar. 2021	Apr. 2021 – Mar. 2022	Apr. 2022 – Mar. 2023	Apr. 2023 Onwards
Eurobond 2021 ^{(1) (2)}	755	-	-	755	-	-
Eurobond 2023	494	-	-	-	-	494
Eurobond 2024 ^{(1) (2)}	627	-	-	-	-	627
Medium term loan ⁽¹⁾	473	473	-	-	-	-
Earn out / Buy out	235	132	62	36	4	1
Other debt ⁽¹⁾	57	46	11	-	-	-
Total gross debt	2,641	651	73	791	4	1,122



No covenants

- (1) Including fair values of associated derivatives
(2) Eurobond issued in December 2014 swapped in USD at fixed rate

SUPPLEMENTAL INFORMATION

NET FINANCIAL DEBT AS OF MARCH. 31, 2019

Breakdown by CURRENCY

(EUR million)	Total	EUR	USD	GBP	Others
Eurobond 2021 ^{(1) (2)}	755	-	755	-	-
Eurobond 2023	494	494	-	-	-
Eurobond 2024 ^{(1) (2)}	627	-	627	-	-
Medium term loan ⁽¹⁾	473	149	324	-	-
Earn out / Buy out	235	22	137	25	51
Other ⁽¹⁾	57	(24)	21	9	51
Cash & marketable securities	(1,756)	(110)	(824)	(16)	(806)
Net debt (cash)	885	531	1,040	18	(704)

(1) Including fair values of associated derivatives

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

SUPPLEMENTAL INFORMATION

NET FINANCIAL DEBT AS OF MARCH. 31, 2019

Breakdown by **RATE**

(EUR million)	Total	Earn-out / Buy-out	Fixed rate	Floating rate
Eurobond 2021 ^{(1) (2)}	755	-	755	-
Eurobond 2023	494	-	494	-
Eurobond 2024 ^{(1) (2)}	627	-	627	-
Medium term loan ^{(1) (3)}	47	-	324	149
Other debt ⁽¹⁾	57	-	-	57
Total gross debt ex. earn out/buy out	2,406	-	2,200	206
Earn-out / Buy-out	235	235	-	-
Cash & marketable securities	(1,756)	-	-	(1,756)
Net debt (cash)	885	235	2,200	(1,550)

(1) Including fair values of associated derivatives

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

(3) Including 367mUSD swapped in fixed rate in 2017

Lease Liability

(EUR million)	Q1 2019	Q1 2018	FY 2018
Lease Liability, at end of period	2,051	1,984	2,041

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 / real estate transformation expenses, amortization of intangibles arising on acquisitions, the main capital gains (or losses) on disposals, change in the fair value of financial assets, the impact of US tax reform and the revaluation of earn-out 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 and repayment of lease liabilities & related interests linked to operating activities

Free Cash Flow before changes 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 from 1st January 2018.

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

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

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