



# **Q3 2022 REVENUE**

---

**18 October 2022**

# 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 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 to carefully consider the risk factors that may affect its business, as set out in the Universal Registration Document filed with the French Autorité des Marchés Financiers (AMF) and which is available on the website of Publicis Groupe ([www.publicisgroupe.com](http://www.publicisgroupe.com)), including an unfavorable economic climate, a highly competitive industry, risks related to disruption in the advertising and communication sector, risks related to employees, the possibility that our clients could seek to terminate their contracts with us on short notice, risks of IT system failures and cybercrime, risks associated with mergers and acquisitions, risks associated with the confidentiality of personal data, risks of litigation, governmental, legal and arbitration proceedings, risks associated with the Groupe's financial rating and exposure to liquidity risks.



**Q3 2022 HIGHLIGHTS**

**Q3 2022 REVENUE**

**OUTLOOK**

**Q&A**

# STRONG Q3'22, AHEAD OF EXPECTATIONS

**Q3'22**  
**+10.3%**  
organic  
*versus 2021*

**Q3'22**  
**+16%**  
organic  
*versus 2019*

**9M'22**  
**+21%**  
reported  
*versus 2021*

- 3<sup>rd</sup> consecutive quarter of double-digit growth with Q3 at +10.3%
- Acceleration in momentum compared to pre-pandemic levels:  
+16% in Q3 versus 2019, after +12% in Q2 and +10% in Q1

Continued outperformance in a globally uncertain macro context, thanks to our unique model integrating Data & Tech in Creative and Media

# 1

## A STRONG ACTIVITY MIX, CAPTURING THE SHIFT IN CLIENT SPEND

### Data & Tech

publicis  
sapient

**+18.1%**  
Q3'22  
organic

*ability to capture  
strong DBT, direct-to-  
consumer and commerce  
demand*

**EPSILON**

**+13.9%**  
Q3'22  
organic

*strong digital media,  
capturing the rise in  
demand for targeted ID-  
based media*

### Media

### Creative

*1/3 of net revenue  
significantly accretive to  
organic growth*

*Double-digit organic growth,  
fueled by Digital*

*Mid-single-digit organic growth,  
with strong Production*

# 2

## SOLID PERFORMANCE IN ALL GEOGRAPHIES AGAIN THIS QUARTER

**+11.1%**  
**U.S. organic**  
**Q3'22**

*+20% vs. 2019*

- Publicis Sapiant & Epsilon accelerating further this quarter
  - Publicis Sapiant at +21%
  - Epsilon at +14%
- Double-digit Media
- Creative up high-single digit driven by production

**+11.1%**  
**Europe organic**  
**Q3'22**

*+11% vs. 2019*

- Europe up +12.8% **excl. Outdoor Media act. & the Drugstore**
- U.K. at +22.6% - outstanding performance at Publicis Sapiant
- France<sup>(1)</sup> at +7.8% - double-digit growth in Media and stable Creative

**+4.1%**  
**APAC organic**  
**Q3'22**

*+6% vs. 2019*
















- China up +5.9% - accelerating despite ongoing lockdowns, with new business ramp up
- South East Asia broadly stable - several countries facing tough comparables at Publicis Sapiant

(1) Excluding Outdoor Media activities and the Drugstore

# 3

## CONTINUED NEW BUSINESS MOMENTUM AFTER RECORD H1

### 2022 year-to-date New Business wins

		
<i>Global Media</i>	<i>Media &amp; Creative AOR</i>	<i>Creative Global</i>
		
<i>Media U.S.</i>	<i>Media &amp; Creative Global</i>	<i>Media Global</i>
		
<i>Media China, India, SEA</i>	<i>Media France &amp; U.K.</i>	<i>CRM Global</i>
		
<i>Creative MEA</i>	<i>Media U.S.</i>	<i>Creative Global</i>
		
<i>Creative India</i>	<i>Media India</i>	<i>Creative Australia</i>

### New Business wins rankings

#### J.P.Morgan

Holding Company	LTM <sup>(1)</sup>			Net Equivalent Revenue
	Gross Reported Billings Wins	Losses	Net	
Publicis	4,489	(1,388)	3,101	120
WPP Group	4,447	(3,959)	488	103
Stagwell	490	(55)	435	36
Interpublic	1,780	(1,205)	576	32
Havas	135	(65)	70	0
Dentsu Int.	775	(1,240)	(465)	(16)
Omnicom	1,489	(2,580)	(1,091)	(91)
<b>Total</b>	<b>\$13,606</b>	<b>(\$10,492)</b>	<b>\$3,114</b>	<b>\$185</b>

(1) JPMorgan report dated October 14, 2022, Last Twelve Months New Business Wins, \$ in million



**Q3 2022 HIGHLIGHTS**

**Q3 2022 REVENUE**

**OUTLOOK**

**Q&A**



# NET REVENUE

(EUR million)	Q1	Q2	Q3	9M
<b>2022 net revenue</b>	<b>2,800</b>	<b>3,073</b>	<b>3,237</b>	<b>9,110</b>
2021 net revenue	2,392	2,539	2,621	7,552
Reported growth	+17.1%	+21.0%	+23.5%	+20.6%
<i>O/w FX impact</i>	<i>+5.8%</i>	<i>+10.0%</i>	<i>+12.5%</i>	<i>+9.5%</i>
<b>Organic growth</b>	<b>+10.5%</b>	<b>+10.3%</b>	<b>+10.3%</b>	<b>+10.3%</b>

## Q3 2022 NET REVENUE BY GEOGRAPHY

(EUR million)	Q3 2022	Q3 2021	2022 vs. 2021	Organic growth
<b>North America</b>	<b>2,076</b>	<b>1,602</b>	<b>+29.6%</b>	<b>+11.0%</b>
<b>Europe</b>	<b>694</b>	<b>619</b>	<b>+12.1%</b>	<b>+11.1%<sup>(1)</sup></b>
<b>Asia Pacific</b>	<b>303</b>	<b>266</b>	<b>+13.9%</b>	<b>+4.1%</b>
<b>Middle East Africa</b>	<b>90</b>	<b>77</b>	<b>+16.9%</b>	<b>+1.9%</b>
<b>Latin America</b>	<b>74</b>	<b>57</b>	<b>+29.8%</b>	<b>+19.4%</b>
<b>Total</b>	<b>3,237</b>	<b>2,621</b>	<b>+23.5%</b>	<b>+10.3%</b>

# Q3 2022 PERFORMANCE – NORTH AMERICA

(EUR million)	Q3 2022	Q3 2021	2022 vs. 2021	Organic growth
<b>North America</b>	<b>2,076</b>	<b>1,602</b>	<b>+29.6%</b>	<b>+11.0%</b>

## US

- **61% of Groupe net revenue**
- **Organic growth: +11.1%**
- **Media:** double digit growth, in both traditional and digital
- **Creative:** high-single digit growth again this quarter, driven by strong production
- **Further acceleration in organic growth for both Publicis Sapient & Epsilon:**
  - **Publicis Sapient:** seventh consecutive quarter of double-digit organic growth, at **+21%**
  - **Epsilon:** organic growth at **+14%** largely driven by Digital media

# Q3 2022 PERFORMANCE - EUROPE

(EUR million)	Q3 2022	Q3 2021	2022 vs. 2021	Organic growth
<b>Europe</b>	<b>694</b>	<b>619</b>	<b>+12.1%</b>	<b>+11.1%<sup>(1)</sup></b>

## UK

- **9% of Groupe net revenue**
- **Organic growth: +22.6%**
- Record double-digit growth at **Publicis Sapient** this quarter with major contract ramp up
- Double-digit growth in both **Media** and **Creative**
- Continued growth at **Epsilon**

## France

- **5% of Groupe net revenue**
- **Organic growth: +7.8%<sup>(2)</sup>**
- Double-digit growth in **Media**
- Broadly stable **Creative**
- **Publicis Sapient** up double-digit

## Germany

- **3% of Groupe net revenue**
- **Organic growth: +2.5%**
- Strong growth in **Media**
- Softer **Creative** performance
- Positive **Publicis Sapient**

## Central & Eastern Europe

- **2% of Groupe net revenue**
- **Organic growth: +13.4%**
- Double-digit growth in **Poland, Romania, Hungary** and **Turkey**
- Activity still largely stopped in **Ukraine**



(1) Organic growth in Europe was +12.8% excluding Outdoor Media activities and the Drugstore

(2) Excluding Outdoor media activities and the Drugstore

# Q3 2022 PERFORMANCE – REST OF WORLD

(EUR million)	Q3 2022	Q3 2021	2022 vs. 2021	Organic growth
<b>Asia Pacific</b>	<b>303</b>	<b>266</b>	<b>+13.9%</b>	<b>+4.1%</b>
<b>Middle East Africa</b>	<b>90</b>	<b>77</b>	<b>+16.9%</b>	<b>+1.9%</b>
<b>Latin America</b>	<b>74</b>	<b>57</b>	<b>+29.8%</b>	<b>+19.4%</b>

## Asia Pacific

- 9% of Groupe net revenue
- Organic growth: +4.1%
- Continued double-digit growth in **Media**, low single-digit in **Creative**
- Recovery accelerating in **China** at +5.9% thanks to new business
- Flat **South East Asia**
- Strong **Australia & New Zealand**

## Middle East Africa

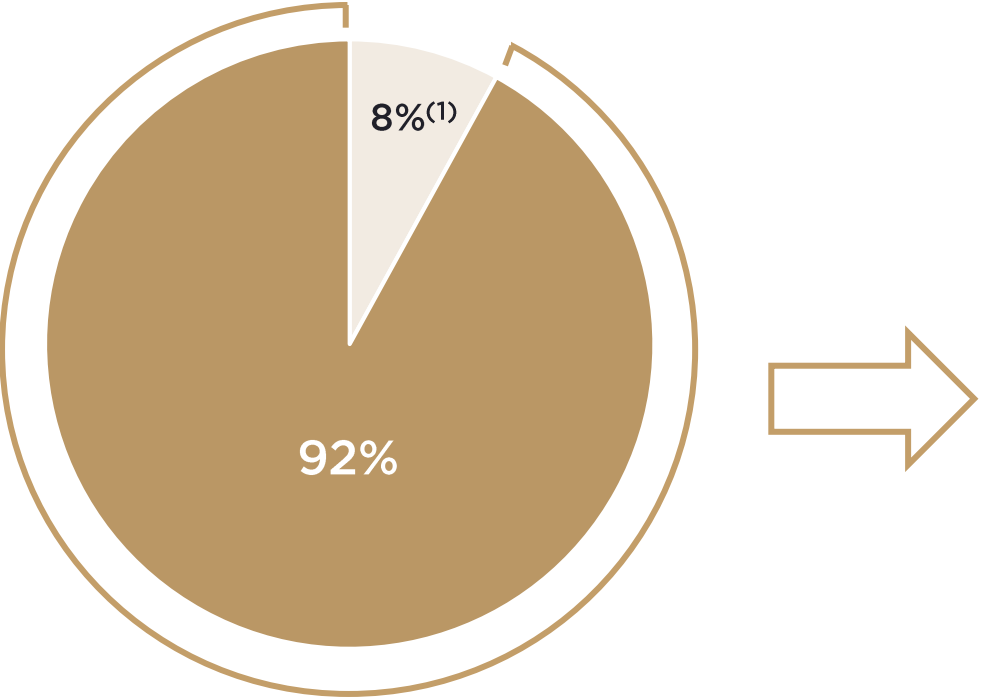
- 3% of Groupe net revenue
- Organic growth: +1.9%
- Slower growth in the region, notably at **Publicis Sapient** on the back of strong comparable base

## Latin America

- 2% of Groupe net revenue
- Organic growth: +19.4%
- Continued strong growth in the region, notably in **Media**
- Double-digit growth in **Mexico** and **Argentina**

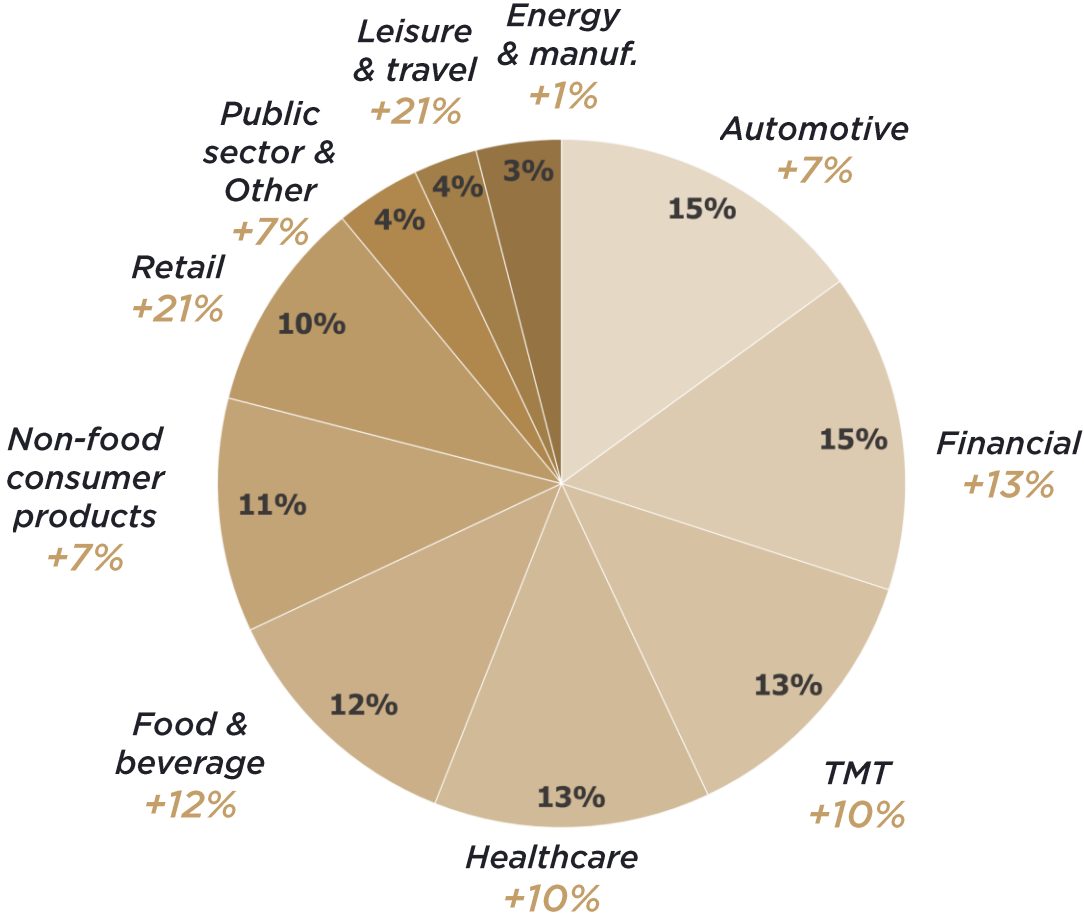
# 9M 2022 PERFORMANCE BY INDUSTRY

## Net revenue split



3,442 main clients representing 92% of Groupe net revenue

## Net revenue growth per client industry<sup>(2)</sup>



(1) Includes small clients, French Outdoor media activities and the Drugstore  
 (2) Growth at constant currencies and at 2022 perimeter, based on 92% of net revenue

# NET FINANCIAL DEBT

(EUR million)	Sep 30, 2022	Dec. 31, 2021	Sep 30, 2021
<b>Net Financial Debt, LTM average</b>	<b>870</b>	<b>1,530</b>	<b>1,835</b>
<b>Net Financial Debt, at end of period</b>	<b>919</b>	<b>76</b>	<b>1,585</b>
<b>(Average net financial debt + Average Lease liability) / EBITDA</b>	<b>1.3x</b>	<b>1.6x</b>	<b>1.7x</b>



**Q3 2022 HIGHLIGHTS**

**Q3 2022 REVENUE**

**OUTLOOK**

**Q&A**



# OUTLOOK

- **Strong Q3'22** in a context of rising macroeconomic tensions, leading to 9M organic growth at +10.3%
- **Q4 organic upgraded** to 3% to 5%  
Cautious stance but robust trends to continue



**Upgrade FY 2022 guidance**  
for the second time this year

**Organic growth at circa +8.5%**  
from +6% to +7% previously

**Operating margin rate close to 18%**  
compared to 17.5% - 18% previously

**Free Cash Flow<sup>(1)</sup> close to €1.6bn**  
versus at least €1.5bn previously

## Beyond 2022

**A strong model to face macroeconomic uncertainties ahead**

(1) Before working capital requirements

# THE CAPABILITIES TO FACE MACRO UNCERTAINTIES AHEAD AND THE SHIFTS IN MARKETING LANDSCAPE

Successful integration of  
transformational acquisitions

publicis  
sapient

EPSILON

in Creative & Media

Supported by our Country-model

*A new go-to-market & business mix*

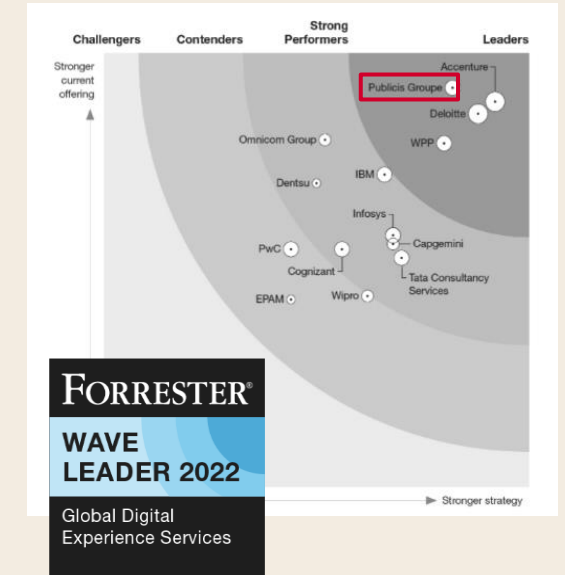
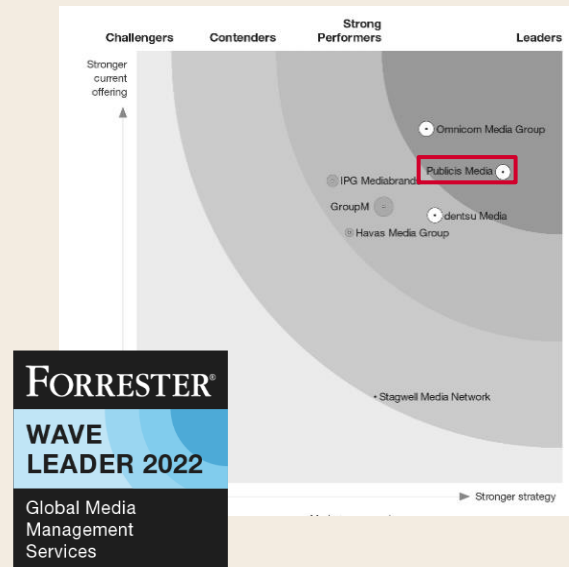
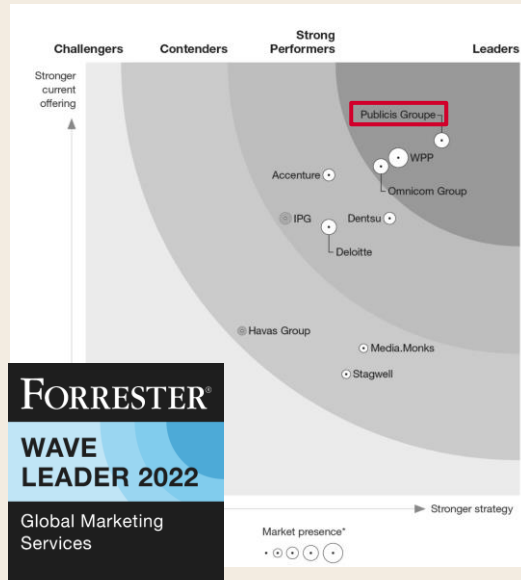
To help clients weather macroeconomic  
challenges in inflationary context

To address fundamental changes in  
marketing landscape:

- Privacy-Led identity
- New Digital Media Channels
- Shift from Paid to Owned Media

# A UNIQUE OFFER RECOGNIZED QUALITATIVELY

## A superior offer recognized in external rankings



# ... AND A UNIQUE MODEL TO ACCELERATE ON THE NEW AGE OF COMMERCE

The expertise to transform every brand experience  
into a commerce experience

## CREATIVE



Dynamic content  
Production

## MEDIA



Digital Media  
Connected TV  
Measurement  
Onsite & Offsite Retail Media

## DATA

EPSILON

Identity resolution  
First-party data management  
Customer knowledge  
Privacy

## TECH

publicis  
sapient

Direct-to-Consumer  
Build owned channels  
Innovative digital solutions  
Cost-out projects

*To help clients  
navigate, develop  
and activate  
commerce in a way  
that is effective  
and responsible*

Led by a new generation of leaders with the creation of the Directoire+

# CONCLUSION

## **New FY 2022 guidance upgrade after strong 9-month performance**

C.+8.5% Organic Growth | Close to 18% Operating Margin | Close to €1.6bn Free Cash Flow<sup>(1)</sup>

## **Strong dynamic despite current macroeconomic environment**

Unique capabilities | Platform organization

## **Rewarding the outstanding dedication of our talent**

Additional one-week salary for half of Groupe employees to be paid in November<sup>(2)</sup>

(1) Before working capital requirements

(2) Employees without any variable remuneration and who have been present in the Groupe for the past year



**Q3 2022 HIGHLIGHTS**

**Q3 2022 REVENUE**

**OUTLOOK**

**Q&A**



# APPENDIX

---

# NET REVENUE & ORGANIC GROWTH CALCULATION

(EUR million)	Q1	Q2	Q3	9M
2021 net revenue	2,392	2,539	2,621	7,552
Currency impact <sup>(2)</sup>	125	229	295	649
2021 net revenue at 2022 exchange rate (a)	2,517	2,768	2,916	8,201
2022 net revenue before impact of acquisitions (b)	2,781	3,052	3,215	9,048
Net revenue from acquisitions <sup>(1)</sup>	19	21	22	62
2022 net revenue	2,800	3,073	3,237	9,110
<b>Organic growth (b/a)</b>	<b>+10.5%</b>	<b>+10.3%</b>	<b>+10.3%</b>	<b>+10.3%</b>

2022 Currency impact				
(EUR million)	Q1	Q2	Q3	9M
GBP <sup>(2)</sup>	8	4	-	12
USD <sup>(2)</sup>	100	190	254	544
Other	17	35	41	93
<b>Total</b>	<b>125</b>	<b>229</b>	<b>295</b>	<b>649</b>

- (1) Acquisitions (CitrusAd, Tremend, Profitero, Boomerang, Balance Internet, BBK, Taylor Herring, Wiredcraft, Octopus UK, Means Advertising, Like-A-Rainbow), net of disposals (Russia, DPZ&T, Nexus, Makers Lab)
- (2) EUR = USD 1.065 average in 9M 2022 vs. USD 1.194 average in 9M 2021  
 EUR = GBP 0.847 on average in 9M 2022 vs. GBP 0.862 on average in 9M 2021



# GROSS DEBT AS OF SEPTEMBER 30, 2022

## Breakdown by maturity

(EUR million)	Total	Oct 2022 - Sep 2023	Oct 2023 - Sep 2024	Oct 2024 - Sep 2025	Oct 2025 - Sep 2026	Beyond
Eurobond 2023	499		499			
Eurobond 2024	601			601		
Eurobond 2025 <sup>(1) (2)</sup>	873			873		
Eurobond 2028 <sup>(1) (2)</sup>	898					898
Eurobond 2031 <sup>(1) (2)</sup>	927					927
Earn out / Buy out	179	88	44	29	17	1
Other debt and fair value of derivatives <sup>(1)</sup>	(53)	(57)	4			
<b>Total gross debt</b>	<b>3 924</b>	<b>31</b>	<b>547</b>	<b>1 503</b>	<b>17</b>	<b>1 826</b>



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

 **No covenants**

# NET DEBT AS OF SEPTEMBER 30, 2022

## Breakdown by currency

(EUR million)	Total	EUR	USD	GBP	Others
Eurobond 2023	499	499			
Eurobond 2024	601	601			
Eurobond 2025 <sup>(1) (2)</sup>	873		873		
Eurobond 2028 <sup>(1) (2)</sup>	898		898		
Eurobond 2031 <sup>(1) (2)</sup>	927		927		
Earn-out / Buy-out	179	25	101	12	41
Other debt and fair value of derivatives <sup>(1)</sup>	(53)	(112)	38	4	17
Cash & marketable securities	(3 005)	(85)	(1 779)	(15)	(1 126)
<b>Net debt (cash)</b>	<b>919</b>	<b>928</b>	<b>1 058</b>	<b>1</b>	<b>(1 068)</b>

# LIQUIDITY AS OF SEPTEMBER 30, 2022

(EUR million)	September 30, 2022			Sept. 30, 2021
	Total	Drawn	Available	Available
364-day revolving credit facilities			-	45
5-year revolving credit facility			-	343
5-year syndicated facility (Club Deal) <sup>(1)</sup>	2,000	-	2,000	2,000
<b>Total Committed Facilities</b>			<b>2,000</b>	<b>2,388</b>
Cash and Marketable Securities			3,005	2,784
<b>Total liquidity</b>			<b>5,005</b>	<b>5,172</b>

# 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.

**Organic growth vs. 2019** calculated as:  $([1 + \text{organic growth (n-1)}] * [1 + \text{organic growth (n)}]) - 1$

**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.

**Net debt (or financial net debt):** Sum of long and short financial debt and associated derivatives, net of treasury and cash equivalents excluding lease liabilities.

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

# CONTACT

## Press

**Amy Hadfield, Group Communications Director**

Tel. + 33 1 44 43 70 75 / Email. [amy.hadfield@publicisgroupe.com](mailto:amy.hadfield@publicisgroupe.com)

## Investor Relations

**Alessandra Girolami, Vice-President Investor Relations & Strategic Financial Planning**

Tel. + 33 1 44 43 77 88 / Email. [alessandra.girolami@publicisgroupe.com](mailto:alessandra.girolami@publicisgroupe.com)

Download the Publicis IR app, the Publicis Groupe Investor Relations app dedicated to investors, analysts and media.

Available for free at the following stores: Apple Store: <https://itunes.apple.com/us/app/publicis-ir/id1350661093?ls=1&mt=8>

Google Play Store: <https://play.google.com/store/apps/details?id=com.symexeconomics.pub.fr&hl=en>

Publicis Groupe | 133, Champs Elysées | F-75380 Paris Cedex 08 | [www.publicisgroupe.com](http://www.publicisgroupe.com) | [@publicisgroupe](https://twitter.com/publicisgroupe)