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PRESS RELEASE



PUBLICIS GROUPE: FROM A DIGITAL LEADER TO A BUSINESS, MARKETING AND COMMUNICATION TRANSFORMATION LEADER, GROWTH OBJECTIVES UPGRADED, MARGIN IMPROVEMENT CONFIRMED

In its webcast communication with analysts and investors today, December 4, 2014, **Publicis Groupe** [Euronext Paris: **FR0000130577**, **CAC 40**] presented its strategic update following its Investor Day in London held on April 23, 2013.

A Disrupted World

Technology is enabling consumers in new ways due to mobile, social and other platforms leading to an empowered age. It is also dissolving the barriers between industries and blurring the differences between media channels and communication and commerce, leading to a converged era.

The Transformed Publicis Groupe

In this disrupted world of an Empowered Age and Converged Era, clients have never been as uncertain, confused and worried about their brands, their organization and their future business models. Consumers are more empowered than ever. Publicis Groupe is uniquely positioned to:

- Tell stories and build brands
- Identify, segment and distribute stories across all screens
- Deliver tech enablement, commerce and CRM at scale
- Deliver insights, strategy, content and creativity through a totally new organizational framework

Maurice Lévy, Chairman and CEO, stated: *“We are experiencing radical changes in consumer behavior and truly overturned business models under the impulse of digital. Beginning in 2006, we anticipated this transformation and heavily invested in order to best serve our clients and help them face these enormous changes. The speed of innovation and the leakage of digital in every economic sector are driving us to reposition Publicis Groupe in order to be able to bring our clients, a radically new model, of delivering all of the services they need in order to face this inescapable transformation of business models, in ways they can stay relevant in the minds of consumers and in their own industries. Thus the importance of including consulting, technology, data and algorithmic models in an alchemy that is powered by creativity. The additional new capabilities in consulting and technology delivered via new ways of working makes Publicis Groupe a unique company in its field, who will be able to grow faster than the market, while improving its margins.”*

2018 Objectives

2015 growth recovery is on its way. Growth objectives are annually upgraded to 200bp above the industry average as of full year integration of the proposed Sapiant acquisition (2016). The original 100bp are enhanced with the contribution of Sapiant, which represents 100bp. The Groupe's margin announcement of 200bp to 400bp is confirmed. On rebased performance numbers, including the proposed Sapiant acquisition, the starting point of 2012 is now at 15.3%. Enhancement will lead from 17.3% to 19.3% in 2018.

Financials

- ORANE early redemption subject to the May 2015 AGM approval. The ORANE will be repaid through the use of treasury shares and share buyback (50/50) which will then be cancelled. This transaction will be accretive.
- Dividend: Publicis Groupe confirms a payout ratio moving progressively from 35% in 2015 to 42% in 2018.
- A quick deleveraging through strong recurring cash flows. The Publicis Groupe financial policy is fundamentally based on current rating maintained by the Groupe and an average Net Debt/EBITDA ratio at a maximum of 2.0.

About Publicis Groupe

Publicis Groupe [Euronext Paris FR0000130577, CAC 40] is one of the world's leading communications groups. The Groupe offers a full range of services and skills: digital (DigitasLBI, Razorfish, Rosetta, VivaKi, Nurun), advertising (BBH, Leo Burnett, Publicis Worldwide, Saatchi & Saatchi), public affairs, corporate communications and events (MSLGROUP), media strategy, planning and buying (Starcom MediaVest Group and ZenithOptimedia), healthcare communications, with Publicis Healthcare Communications Group (PHCG), and finally, brand asset production with Prodigious. Present in 108 countries, the Groupe employs more than 63,000 professionals.

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