

# FULL YEAR 2017 RESULTS

8

FEBRUARY 2018





## DISCLAIMER

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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 Documents 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, 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.



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# **2017 HIGHLIGHTS**

# Delivering while transforming



**2017:  
WE DELIVERED**

## WE DELIVERED

Continued sequential improvement in organic growth: +2.2% in Q4

- Confirmed recovery in the US: +4.5% in Q4, after +3.5% in Q3
- FY 2017 organic growth of +0.8%

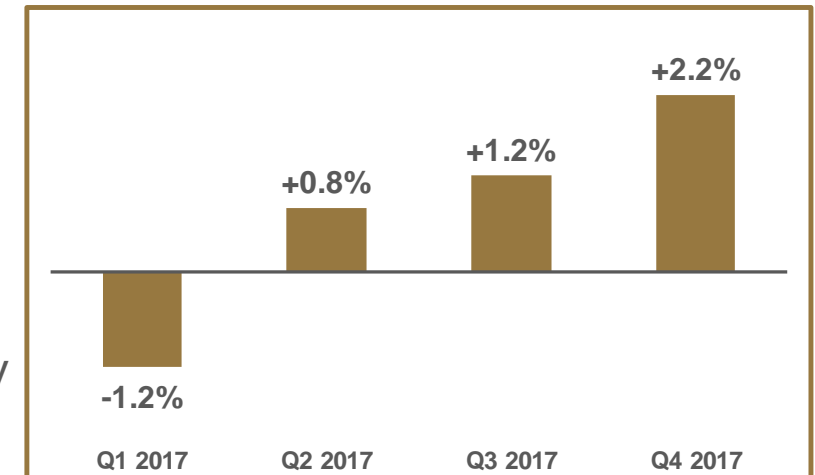
Operating margin rate of 15.5% up 40 basis points  
at constant restructuring charge

- Operating margin of €1,505 million, up 0.7% at constant currency

Year-end net debt of €727 million, down 42% year-on-year

- Free cash flow <sup>(1)</sup> of €1,287 million, up +2.1% year-on-year
- Including more than €500 million in cash dividends and buybacks

Proposed dividend of €2 per share, up 8.1%, leading to 44.4% pay-out <sup>(2)</sup>



(1) FCF before change in WCR

(2) Dividend to be approved at the AGM of May 30, 2018



# 2017 RESULTS

## Q4 AND FULL YEAR REVENUE

(EUR million)	Q1	Q2	Q3	Q4	YTD
<b>2017 REVENUE</b>	<b>2,328</b>	<b>2,515</b>	<b>2,264</b>	<b>2,583</b>	<b>9,690</b>
2016 REVENUE	2,291	2,462	2,315	2,665	9,733
Reported growth	+1.6%	+2.2%	-2.2%	-3.1%	-0.4%
Growth at constant currencies	-0.6%	+1.1%	+1.9%	+2.7%	+1.3%
<b>Organic growth</b>	<b>-1.2%</b>	<b>+0.8%</b>	<b>+1.2%</b>	<b>+2.2%</b>	<b>+0.8%</b>



## Q4 2017 REVENUE

### BY GEOGRAPHY

(EUR million)	Q4 2017	Q4 2016	Q4 2017 vs. Q4 2016	Organic growth
Europe	755	768	-1.7%	-1.8%
North America	1,308	1,362	-4.0%	+4.4%
Asia Pacific	304	321	-5.3%	-0.4%
Latin America	127	124	+2.4%	+8.7%
Middle East Africa	89	90	-1.1%	+6.4%
<b>Total</b>	<b>2,583</b>	<b>2,665</b>	<b>-3.1%</b>	<b>+2.2%</b>

## 2017 REVENUE

### BY GEOGRAPHY

(EUR million)	2017	2016	2017 vs. 2016	Organic growth	H1 organic growth	H2 organic growth
Europe	2,758	2,760	-0.1%	+1.3%	+4.3%	-1.6%
North America	5,187	5,236	-0.9%	+0.5%	-2.4%	+3.7%
Asia Pacific	1,060	1,085	-2.3%	-1.5%	-1.4%	-1.6%
Latin America	389	365	+6.6%	+4.8%	+3.5%	+5.8%
Middle East Africa	296	287	+3.1%	+4.4%	+0.8%	+7.8%
<b>Total</b>	<b>9,690</b>	<b>9,733</b>	<b>-0.4%</b>	<b>+0.8%</b>	<b>-0.2%</b>	<b>+1.7%</b>



## 2017 ORGANIC GROWTH

### BY COUNTRY

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<b>&gt; +10%</b>	Argentina, Chile, Russia, Turkey, Vietnam
<b>+5% to +10%</b>	Australia, India, Israel, South Korea, Mexico, UK, United Arab Emirates
<b>0 to +5%</b>	Brazil, France, Italy, Netherlands, Singapore, South Africa, Switzerland, USA
<b>&lt; 0%</b>	Belgium, Canada, China, Germany, Japan, Malaysia, Spain, Sweden

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## ANONYMOUS LETTER

An anonymous letter was sent to Publicis Groupe's auditors and some financial analysts, claiming that Publicis Groupe anticipated the application of IFRS15 to boost organic growth

- ➔ This assertion is wrong: Publicis Groupe has not anticipated application of IFRS 15
- ➔ As the anonymous letter is clearly intended to damage Publicis Groupe's reputation and could affect its stock price, Publicis Groupe informed the AMF, the French Stock Market Authority

IFRS15 is adopted starting January 1, 2018

- ➔ Impact on revenue will be more than €600 million incremental revenue
- ➔ There will be other impacts that will be presented to the market soon

A full analysis has been conducted and the results are:

- ➔ Published organic growth is calculated in full compliance with accounting principles and calculation methodology
- ➔ Some contracts in production and events were reclassified on a gross basis vs net previously: no media or advertising activities involved

Marginal impact on revenue

- ➔ Revenue impact of €33 million in 2017 compared with full year revenue of €9,690 million, i.e. 40bps organic growth
- ➔ Q4 2017 organic growth negatively impacted by 90bps

2017	Q1	Q2	Q3	Q4	12 months
Revenue (EUR m)	2,328	2,515	2,264	2,583	9,690
Organic growth	-1.2%	+0.8%	+1.2%	+2.2%	+0.8%
<b>Including:</b>					
Impact of reclassification (EUR m)	+23	+18	+15	-23	+33
Impact on organic growth	+90bps	+80bps	+70bps	-90bps	+40bps

## CONSOLIDATED INCOME STATEMENT

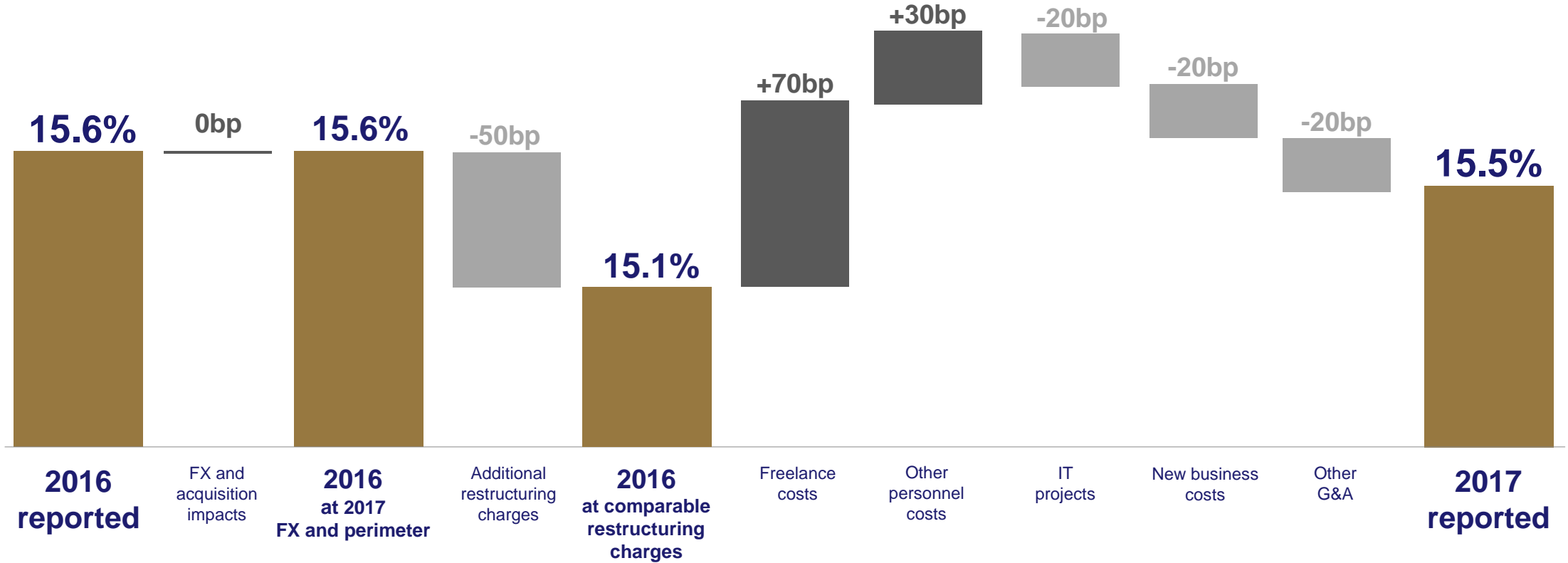
(EUR million)	2017	2016	2017 vs. 2016
Revenue	9,690	9,733	-0.4%
<b>EBITDA <sup>(1)</sup></b>	<b>1,666</b>	<b>1,682</b>	
<b>Operating margin</b>	<b>1,505</b>	<b>1,516</b>	<b>-0.7%</b>
Non-current income and expenses	(1)	12	
Net financial income (expenses)	(61)	(74)	
Income taxes	(391)	(427)	
<b>Consolidated Headline Net Income</b>	<b>1,052</b>	<b>1,027</b>	
Associates	(5)	(5)	
Minority interests	(10)	(7)	
<b>Headline Group Net Income <sup>(1)</sup></b>	<b>1,037</b>	<b>1,015</b>	<b>+2,2%</b>
Amortization of intangibles arising on acquisitions, net of tax	(55)	(51)	
Impairment loss, net of tax	(115)	(1,383)	
US tax reform impact	61	0	
Revaluation of earn-out	(66)	(108)	
<b>Group Net Income</b>	<b>862</b>	<b>(527)</b>	

(1) See definition in Supplemental Information

## OPERATING MARGIN

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>
Revenue	9,690	9,733
Personnel costs (excl. restructuring costs)	(5,857)	(5,986)
Restructuring costs	(120)	(73)
Other operating expenses	(2,047)	(1,992)
Depreciation	(161)	(166)
<b>Operating margin</b>	<b>1,505</b>	<b>1,516</b>
<b>As a % of revenue</b>	<b>15.5%</b>	<b>15.6%</b>

## CHANGE IN OPERATING MARGIN AS A % OF REVENUE



## NET FINANCIAL INCOME (EXPENSES)

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>	<b>2017 vs. 2016</b>
2020 BNP Paribas loan, 2021 & 2024 Eurobond, 2023 Eurobond	(60)	(61)	1
Other financial expense net of interest income	28	7	21
Discount on long term debt (earn-out and finance leases)	(19)	(20)	1
<b>Interest on net financial debt</b>	<b>(51)</b>	<b>(74)</b>	<b>23</b>
Foreign exchange gain (loss)	(1)	10	(11)
Other financial expenses <sup>(1)</sup>	(9)	(10)	1
<b>Net financial income (expenses) <sup>(2)</sup></b>	<b>(61)</b>	<b>(74)</b>	<b>13</b>

(1) Includes provisions on financial assets, dividends outside the Group and finance costs on long term provisions

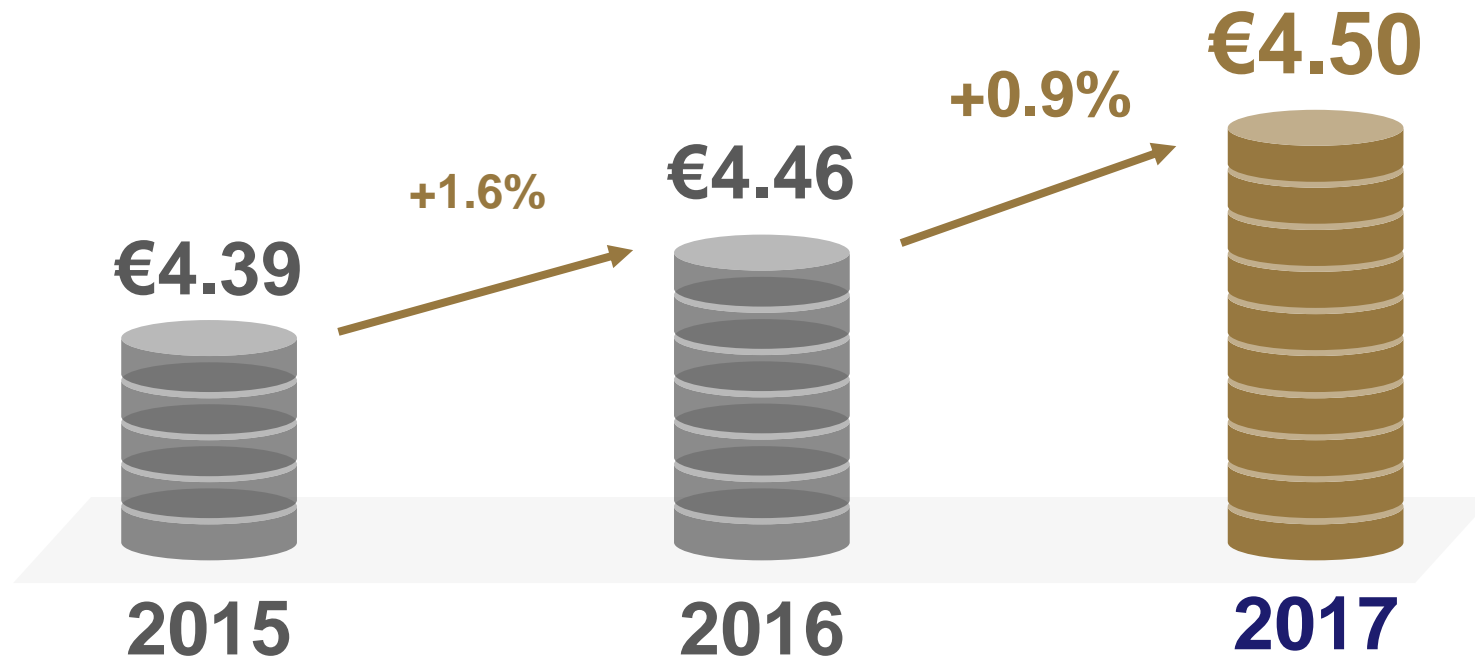
(2) Excluding earn-out revaluation



## INCOME TAX AND EFFECTIVE TAX RATE

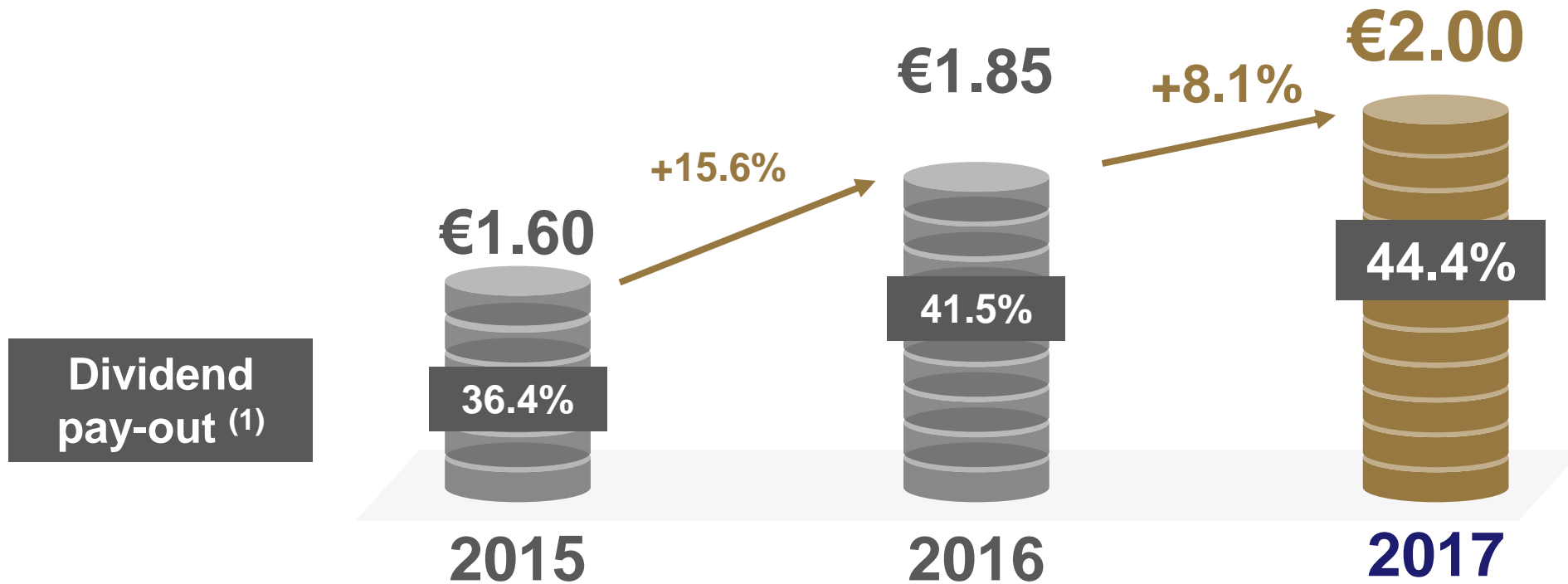
(EUR million)	2017	2016
<b>Reported income taxes</b>	<b>312</b>	<b>342</b>
Impact of US tax reform:	61	
<i>Toll Charge on reserves accumulated by subsidiaries</i>	<i>(139)</i>	
<i>Deferred tax credit</i>	<i>200</i>	
<b>Adjusted income taxes</b>	<b>373</b>	<b>342</b>
<b>Effective tax rate</b>	<b>27.2%</b>	<b>29.0%</b>
Income tax on Amortization of intangibles arising from acquisitions	18	28
Income tax on Impairment	0	57
<b>Headline income taxes</b>	<b>391</b>	<b>427</b>

## HEADLINE EARNINGS PER SHARE, DILUTED <sup>(1)</sup>



(1) See definition in Supplemental Information

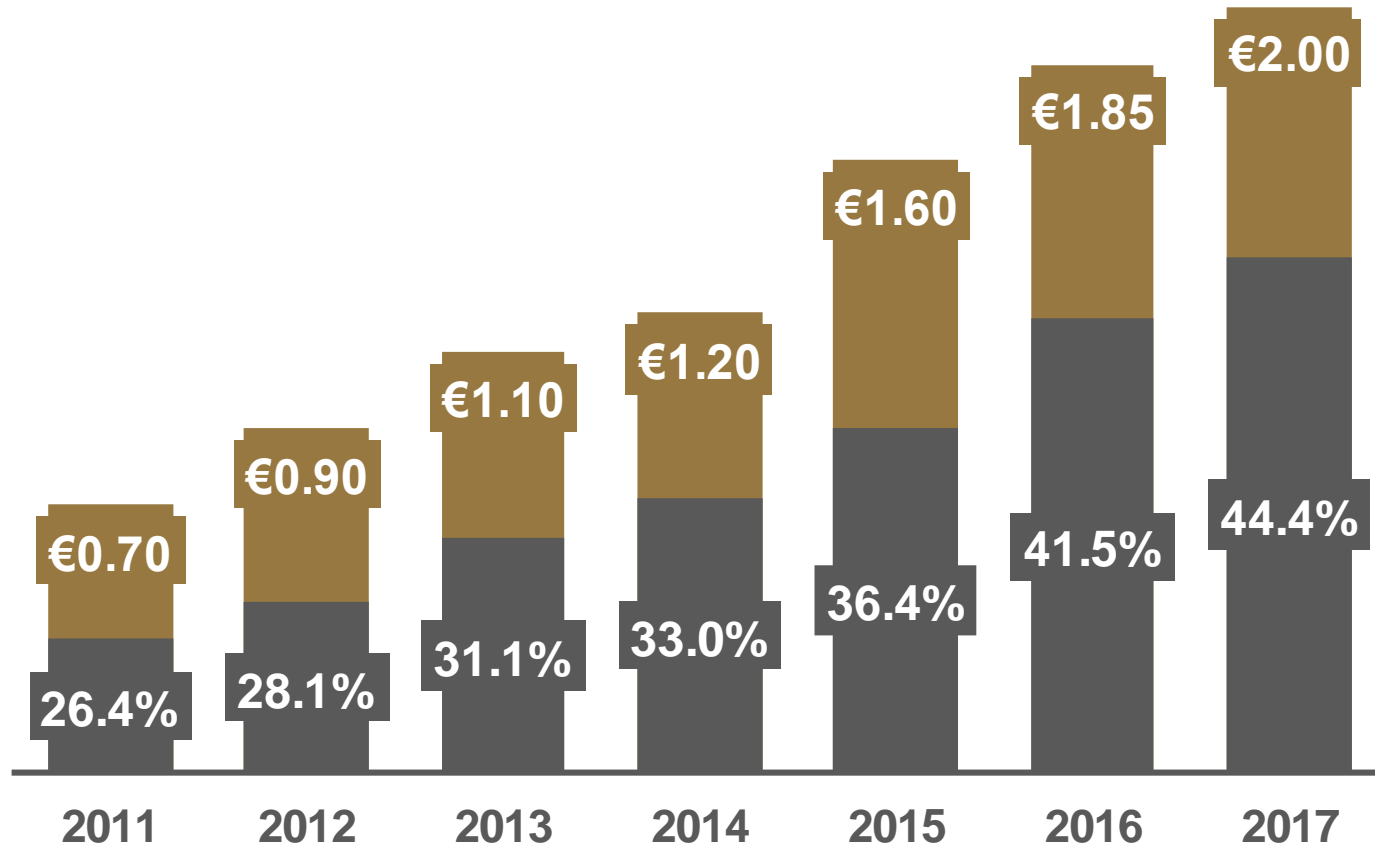
## PROPOSED DIVIDEND OF €2.00 PER SHARE



2017 dividend to be submitted to May 30, 2018 AGM's approval  
Option for dividend in cash or shares

(1) See definition in Supplemental Information

## PROPOSED DIVIDEND OF €2.00 IN 2017, LEADING TO 44.4% DIVIDEND PAY-OUT <sup>(1)</sup> <sup>(2)</sup>



**Sustained  
increase in  
dividend and  
pay-out ratio**

(1) To be approved by the AGM of May 30, 2018  
 (2) See definition in Supplemental Information

## FREE CASH FLOW

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>	<b>2017 vs. 2016</b>
EBITDA <sup>(1)</sup>	1,666	1,682	
Interest paid	(38)	(66)	
Tax paid	(264)	(257)	
Other items	54	68	
<b>Cash flows from operations before change in WCR</b>	<b>1,418</b>	<b>1,427</b>	
Capex, net of disposals <sup>(1)</sup>	(131)	(166)	
<b>Free Cash Flow before change in WCR</b>	<b>1,287</b>	<b>1,261</b>	<b>+2.1%</b>

(1) See definition in Supplemental Information

## USE OF CASH

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>
<b>Free Cash Flow before change in WCR</b>	<b>1,287</b>	<b>1,261</b>
Change in WCR	69	(355)
Acquisitions (net of disposals)	(57)	(65)
Earn-out	(232)	(198)
Buy-out	(32)	(28)
Dividends paid	(180)	(213)
Share buy-back, net of sales	(337)	4
Sales of treasury shares due to exercise of stock options	37	14
Exercise of warrants	9	6
Non-cash impact on net debt	(47)	202
<b>Reduction (Increase) in net debt</b>	<b>517</b>	<b>628</b>

## BALANCE SHEET

<b>(EUR million)</b>	<b>Dec. 31, 2017</b>	<b>Dec. 31, 2016</b>
Goodwill and intangibles	9,574	10,495
Other fixed assets	824	910
Current and deferred tax	(400)	(494)
Working capital	(2,661)	(2,916)
Net assets held for sale	46	-
<b>TOTAL</b>	<b>7,383</b>	<b>7,995</b>
Group equity	5,956	6,055
Minority interests	2	10
<b>TOTAL EQUITY</b>	<b>5,958</b>	<b>6,065</b>
Provisions for risk & charges	698	686
Net debt (cash)	727	1,244
<b>TOTAL</b>	<b>7,383</b>	<b>7,995</b>

## NET DEBT / (NET CASH)

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Net Debt (Net Cash), average	<b>1,980</b>	2,385	2,429
Net Debt (Net Cash), at end of period	<b>727</b>	1,244	1,872



## FINANCIAL RATIOS

	2017	2016	Internal objectives
Average net debt / EBITDA <sup>(1)</sup>	1.2x	1.4x	< 1.5x
Net Debt / Shareholders' Equity	0.12x	0.21x	< 0.50x
Interest Cover <sup>(2)</sup>	33x	23x	> 7x

(1) See definitions in Supplemental Information

(2) EBITDA / Cost of Net Financial Debt

## LIQUIDITY AS OF DECEMBER 31, 2017

(EUR million)	TOTAL	DRAWN	AVAILABLE
<b>Committed Facilities</b>			
364-day revolving credit facilities	228	-	228
5-year revolving credit facility <sup>(1)</sup>	450	-	450
5-year syndicated facility (Club Deal) <sup>(2)</sup>	2,000	-	2,000
<b>Total Committed Facilities</b>	<b>2,678</b>	-	<b>2,678</b>
Cash and Marketable Securities	2,407	-	2,407
<b>Total liquidity</b>	<b>5,085</b>	-	<b>5,085</b>
<b>Group other uncommitted facilities</b>	249	22	227

(1) €300m maturing in 2018, €50m maturing in 2019 and €100m in 2022

(2) Maturing in 2020



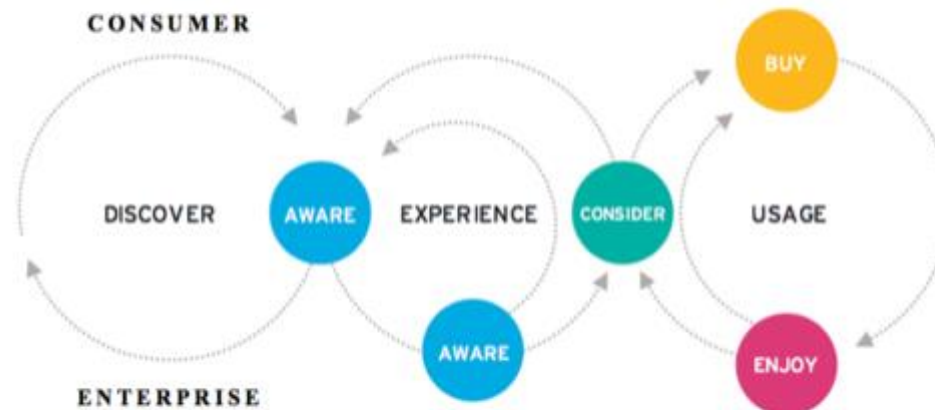
**2017:  
WE ARE  
TRANSFORMING**

# Our ambition : become the market leader in marketing and business transformation

Marketing Transformation



Champion Consumer Engagement



Digital Business Transformation



## **SHIFTING FROM A “HOLDING” TO A “PLATFORM”**

- ➔ Client centric
- ➔ Breaking down silos
- ➔ Data, Content and Technology at the core
- ➔ People first



## RENEWED MANAGEMENT BOARD

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**JEAN-MICHEL  
ETIENNE**

**Executive Vice President, CFO  
PUBLICIS GROUPE**



**ANNE-GABRIELLE  
HEILBRONNER**

**Secretary General  
PUBLICIS GROUPE**



**STEVE  
KING**

**CEO  
PUBLICIS MEDIA**



**ARTHUR  
SADOUN**

**Chairman & CEO  
PUBLICIS GROUPE**

# IMPLEMENTATION OF NEW MANAGEMENT STRUCTURES

## EXECUTIVE COMMITTEE



**JEAN-MICHEL  
ETIENNE**

**Executive Vice President, CFO  
PUBLICIS GROUPE**



**ANNE-GABRIELLE  
HEILBRONNER**

**Secretary General  
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**CEO  
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**ARTHUR  
SADOUN**

**Chairman & CEO  
PUBLICIS GROUPE**



**ALAN  
WEXLER**

**CEO  
PUBLICIS.SAPIENT**



**CARLA  
SERRANO**

**Chief Strategy Officer  
PUBLICIS GROUPE**



**NIGEL  
VAZ**

**DBT Lead CEO EMEA & APAC  
PUBLICIS.SAPIENT**



**VÉRONIQUE  
WEILL**

**General Manager  
PUBLICIS GROUPE**

# IMPLEMENTATION OF NEW MANAGEMENT STRUCTURES

## MANAGEMENT COMMITTEE



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PUBLICIS GROUPE



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HEILBRONNER**

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General Manager  
PUBLICIS GROUPE



**ALAN  
WEXLER**

CEO  
PUBLICIS.SAPIENT



**VALÉRIE  
BEAUCHAMP**

EVP Business Development  
PUBLICIS GROUPE



**JUSTIN  
BILLINGSLEY**

COO  
PUBLICIS COMMUNICATIONS



**AGATHE  
BOUSQUET**

President France  
PUBLICIS GROUPE



**GERRY  
BOYLE**

CEO APAC  
PUBLICIS MEDIA



**ANDREW  
BRUCE**

CEO North America  
PUBLICIS COMMUNICATIONS



**LISA  
DONOHUE**

CEO  
PUBLICIS SPINE



**LORIS  
NOLD**

CEO APAC  
PUBLICIS GROUPE



**RISHAD  
TOBACOWALA**

Chief Growth Officer  
PUBLICIS GROUPE



**ALEXANDRA  
VAN PLATO**

CEO  
PUBLICIS HEALTH



**JAREK  
ZIEBINSKI**

CEO  
PUBLICIS ONE



**NICK  
COLUCCI**

COO North America  
PUBLICIS COMMUNICATIONS



**EMMANUEL  
ANDRÉ**

Chief Talent Officer  
PUBLICIS GROUPE



**TIM  
JONES**

CEO North America  
PUBLICIS MEDIA





# **FIRST RESULTS: PUBLICIS GROUPE'S ATTRACTIVENESS**

## NEW TALENTS JOINING THE GROUP



ANNETTE KING



NICK LAW



VÉRONIQUE WEILL



EMMANUEL ANDRÉ



AGATHE BOUSQUET

## POSITIVE MOMENTUM WITH NEW NEW CLIENTS

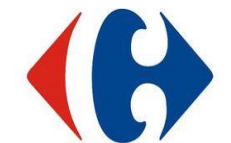
**LIONSGATE**



**Southwest**

**P&G**

**L'ORÉAL**



**Carrefour**

**DIESEL**

## PARTNERSHIP WITH CARREFOUR



Strategic partnership with Carrefour  
to accelerate its digital transformation

**Publicis Groupe is at the convergence  
of marketing transformation  
and digital business transformation**



# CONCLUSION



# INVESTOR DAY

LONDON 2018

Publicis Groupe Investor Day | 20 MARCH 2018





# Supplemental Information

## SUPPLEMENTAL INFORMATION

### REVENUE & ORGANIC GROWTH CALCULATION

(including impact of contracts in production and events treated on a gross basis) <sup>(3)</sup>

(EUR million)	Q1	Q2	Q3	Q4	2017	Currency impact			
2016 revenue	2,291	2,462	2,315	2,665	9,733	(EUR million)	2017	Q4	9 months 2017
Currency impact <sup>(2)</sup>	50	26	(93)	(151)	(168)	GBP <sup>(2)</sup>	(58)	(5)	(53)
2016 revenue at 2017 exchange rate (a)	2,341	2,488	2,222	2,514	9,565	USD <sup>(2)</sup>	(93)	(109)	16
2017 revenue before impact of acquisitions <sup>(1)</sup> (b)	2,314	2,507	2,248	2,570	9,639	Other	(17)	(37)	20
Revenue from acquisitions <sup>(1)</sup>	14	8	16	13	51	<b>Total</b>	<b>(168)</b>	<b>(151)</b>	<b>(17)</b>
<b>2017 revenue</b>	<b>2,328</b>	<b>2,515</b>	<b>2,264</b>	<b>2,583</b>	<b>9,690</b>				
<b>Organic growth <sup>(3)</sup> (b/a)</b>	<b>-1.2%</b>	<b>+0.8%</b>	<b>+1.2%</b>	<b>+2.2%</b>	<b>+0.8%</b>				

(1) Acquisitions (MercerBell, Vertiba, Seven Seconds, Insight Redéfini, Venus Communications, Arcade, Digitouch, PT Publicis Metro Indonesia, PT Indonesia Media Exchange, North Notch, Metadesign, Regicom, Ardent, The Abundancy, The Herd Agency, Ella Factory, SFR Studio, Translate Plus, Plowshare, Harbor & Village), net of disposals

(2) EUR = USD1.127 in 2017 vs. USD1.106 in 2016  
EUR = GBP0.876 in 2017 vs. GBP0.817 in 2016

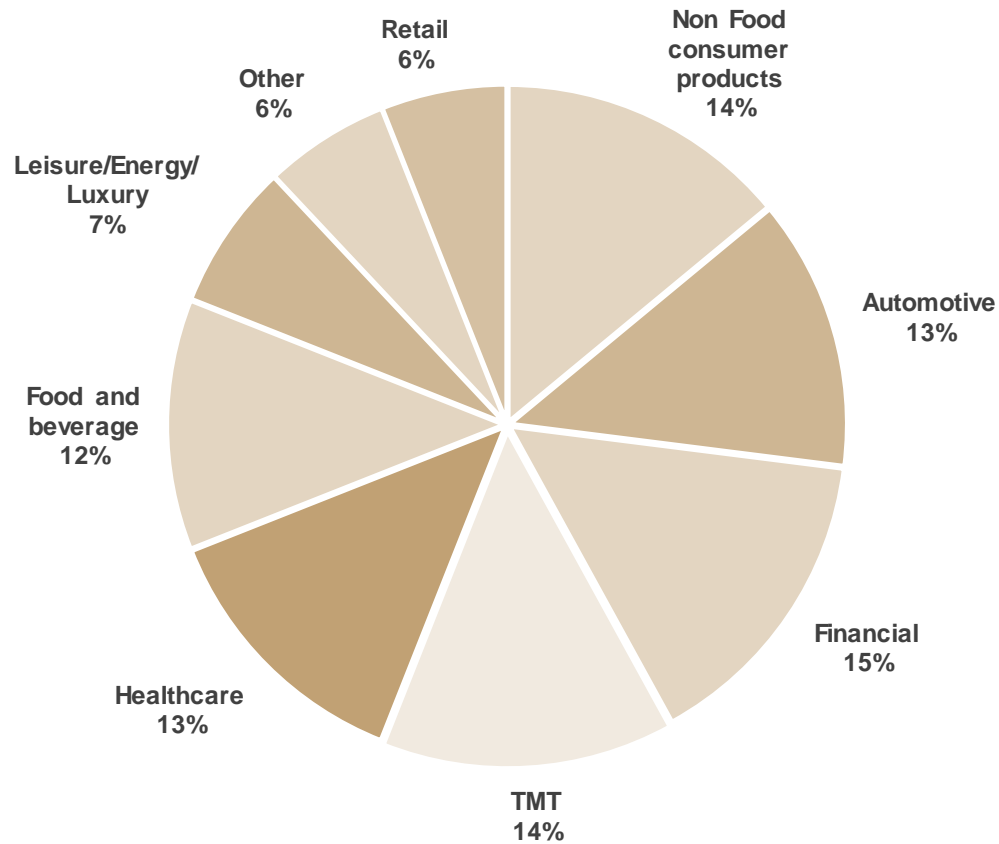
(3) Impact of contract reclassification in production and events on a gross basis vs net previously:  
Q1: +90bps, Q2: +80bps, Q3: +70bps, Q4: -90bps, Full year: +40bps



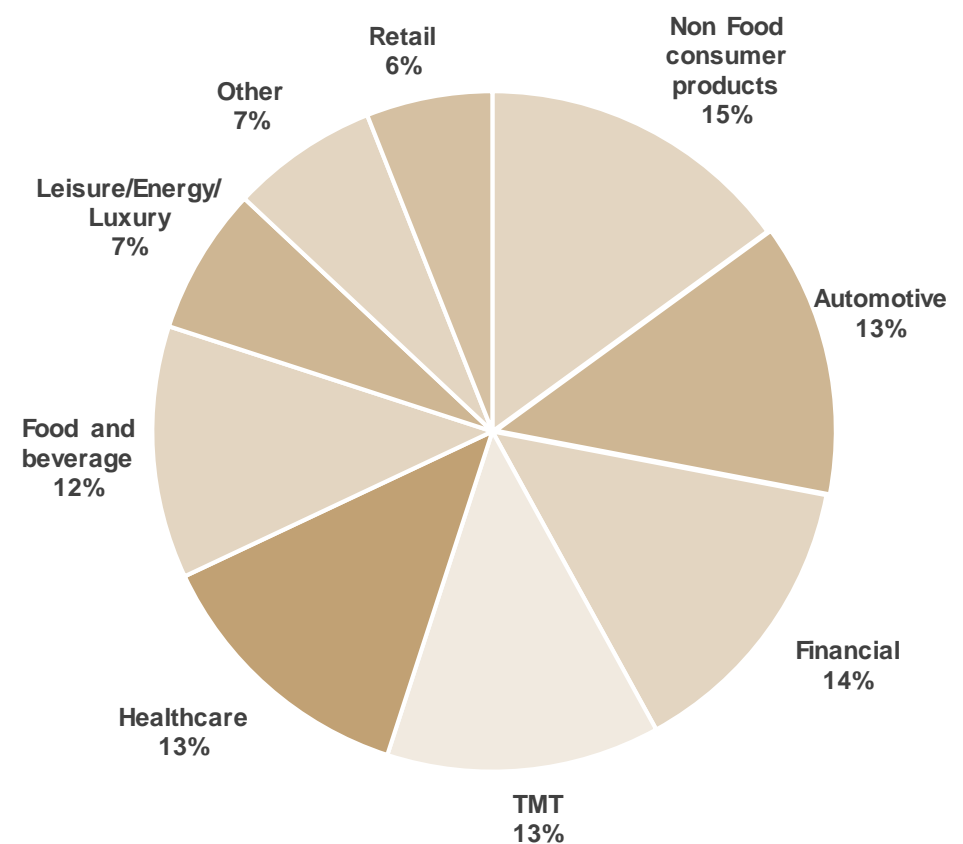
# SUPPLEMENTAL INFORMATION

## REVENUE BY SECTOR (1)

2017



2016



(1) Based on 3,233 clients representing 86% of Groupe revenue

## SUPPLEMENTAL INFORMATION

### Q4 2017 REVENUE BY GEOGRAPHY - (ALTERNATIVE BREAKDOWN)

(EUR million)	Q4 2017	Q4 2016	Reported growth	Organic growth
Europe <sup>(1)</sup>	733	745	-1.6%	-2.0%
North America	1,308	1,362	-4.0%	+4.4%
BRIC + MISSAT <sup>(2)</sup>	292	308	-5.2%	+0.9%
Rest of the world	250	250	+0.0%	+5.4%
<b>Total</b>	<b>2,583</b>	<b>2,665</b>	<b>-3.1%</b>	<b>+2.2%</b>

(1) Europe excluding Russia and Turkey

(2) BRIC = Brazil. Russia. India. China

MISSAT = Mexico. Indonesia. Singapore. South Africa. Turkey

## SUPPLEMENTAL INFORMATION

### 2017 REVENUE BY GEOGRAPHY - (ALTERNATIVE BREAKDOWN)

(EUR million)	2017	2016	Reported growth	Organic growth
Europe <sup>(1)</sup>	2,678	2,692	-0.5%	+0.9%
North America	5,187	5,236	-0.9%	+0.5%
BRIC + MISSAT <sup>(2)</sup>	1,013	1,011	+0.2%	+0.1%
Rest of the world	812	794	+2.3%	+2.9%
<b>Total</b>	<b>9,690</b>	<b>9,733</b>	<b>-0.4%</b>	<b>+0.8%</b>

(1) Europe excluding Russia and Turkey

(2) BRIC = Brazil. Russia. India. China

MISSAT = Mexico. Indonesia. Singapore. South Africa. Turkey

## CONSOLIDATED INCOME STATEMENT

<b>(EUR million)</b>	<b>2017</b>	<b>2016</b>
<b>Operating margin</b>	<b>1 505</b>	<b>1,516</b>
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Impairment	(115)	(1,440)
Non-current income and expense	(1)	12
<b>Operating income</b>	<b>1 316</b>	<b>9</b>
Net financial income (expenses)	(61)	(74)
Earn-out revaluation	(66)	(108)
Income taxes	(312)	(342)
Associates	(5)	(5)
Minority interests	(10)	(7)
<b>Group Net Income</b>	<b>862</b>	<b>(527)</b>

## SUPPLEMENTAL INFORMATION

### GROSS DEBT AS OF DECEMBER 31, 2017

#### Breakdown by MATURITY

(EUR million)	Total	2018	2019	2020	2021	2021 Onwards
Eurobond 2021 <sup>(1) (2)</sup>	703				703	
Eurobond 2023	493					493
Eurobond 2024 <sup>(1) (2)</sup>	586					586
Medium term loan	909	149	306	454	-	-
Earn out / Buy out	286	155	54	49	18	10
Other debt <sup>(1)</sup>	157	60	8			89
<b>Total gross debt</b>	<b>3,134</b>	<b>364</b>	<b>368</b>	<b>503</b>	<b>721</b>	<b>1,178</b>



**No covenants**

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

## SUPPLEMENTAL INFORMATION

### NET DEBT AS OF DECEMBER 31, 2017

#### Breakdown by CURRENCY

(EUR million)	Total	EUR	USD	GBP	Others
Eurobond 2021 <sup>(1)</sup> <sup>(2)</sup>	703		703		
Eurobond 2023	493	493			
Eurobond 2024 <sup>(1)</sup> <sup>(2)</sup>	586		586		
Medium term loan	909	446	463		
Earn out / Buy out	286	16	147	43	80
Other debt <sup>(1)</sup> <sup>(3)</sup>	157	35	100	6	16
Cash & marketable securities	(2,407)	(40)	(1,562)	(35)	(770)
<b>Net debt (cash)</b>	<b>727</b>	<b>950</b>	<b>437</b>	<b>14</b>	<b>(674)</b>

(1) Including fair values of associated derivatives

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

## SUPPLEMENTAL INFORMATION

### NET DEBT AS OF DECEMBER 31, 2017

#### Breakdown by RATE

(EUR million)	Total	Earn-out / Buy-out	Fixed rate	Floating rate
Eurobond 2021 <sup>(1)</sup> <sup>(2)</sup>	703		703	
Eurobond 2023	493		493	
Eurobond 2024 <sup>(1)</sup> <sup>(2)</sup>	586		586	
Medium term loan <sup>(3)</sup>	909		463	446
Other debt <sup>(1)</sup>	157		89	68
<b>Total gross debt ex. earn out/buy out</b>	<b>2,848</b>		<b>2,334</b>	<b>514</b>
Earn-out / Buy-out	286	286		
Cash & marketable securities	(2,407)			(2,407)
<b>Net debt (cash)</b>	<b>727</b>	<b>286</b>	<b>2,334</b>	<b>(1,893)</b>

(1) Including fair values of associated derivatives

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

(3) 555mUSD swapped in fixed rate in 2017



# DEFINITIONS

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**EBITDA:** operating margin before depreciation.

**Operating margin:** 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 revenue.

**Headline Group Net Income:** Group net income after elimination of impairment charges, amortization of intangibles arising from acquisitions, main capital gains (or losses) on disposals, effect of US tax reform and revaluation of earn-out payments

**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):** Group net income after elimination of impairment charges, amortization of intangibles arising from acquisitions, main capital gains (or losses) on disposals, effect of US tax reform and revaluation of earn-out payments, 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 before changes in working capital requirements:** Net cash flow from operating activities before 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.

**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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