(Free Translation from French)

PUBLICIS GROUPE

REPORT OF THE SUPERVISORY BOARD

The strength of our commercial and financial performance in 2005 established the viability of the strategic decisions made by the Group over the preceding years, the efficiency of our teams, the diversity of our activities and services, the optimal geographic distribution of our network and the quality of our clientele. In 2006 our focus was essentially prospective: on one level, to consider the strategy to be implemented in order to exceed our clients' expectations, enhance our competitiveness and preserve our leading role in the industry in terms of our profitability, and on another level, to adapt our strategy as quickly and significantly as possible in order to ride the growing digital trend.

Advertisers expect us to predict society's progress and developments on an on-going basis, and to continue to provide efficient, creative, innovative, and economical solutions to the challenges that it faces.

In order to accomplish this, in 2006, the 100th year anniversary of the birth of our founder, Marcel Bleustein-Blanchet, the Group undertook to "Reinvent its future" by implementing an original and participatory process of "collective brainstorming" that brought together 150 of our top managers. Many ideas, proposals for the streamlining of our organizations and development objectives were discussed in a constructive and enthusiastic manner at this meeting, suggesting a shared confidence in the Group's future. The conclusions reached during this process have since become very useful tools for the Board of Directors in structuring its development projects.

The other strategic turning point in 2006 was the decision to acquire Digitas Inc. so that the Publicis Group would enter the digital and interactive market in a significant way, and also to provide the Group with the skill platform in this domain that is a prerequisite for any future acquisitions, recruitment or training. The integration of Digitas, which has been ongoing since the end of January 2007, provides the Group with a clear advantage in this market thanks to the synergy created by the two companies.

In parallel, financial growth and revenues were again in evidence in 2006 and the Board was able to pursue its work with respect to growth, productivity, and the improvement of the efficiency of the organizations within the Group. The progress of the operating margin underscores the profitability objectives on the horizon for 2008, despite the inclusion of Digitas that has a lower profit margin than the Publicis Group.

I would therefore like to thank the employees and the managers of the Publicis Group gathered around the Chairman of the Board of Directors. I want them to know that their efforts are recognized and that they have our support in their endeavors. We have absolute confidence in the success of the Group, as well as in its ability to achieve the best performance and to assure strong future growth.

With respect to corporate governance, in 2006 the Group pursued the improvement of its practices and incorporated what were deemed to be the most pertinent evolutions in this area.

We met seven times in 2006, and our attendance rate was 82% for meetings that lasted on average three hours. The various control organisms participated efficiently, and in a spirit of total cooperation.

The Nomination and Compensation Committee met three times in 2006. At the end of 2006, upon the recommendation of the Committee, the Supervisory Board decided to transfer the duties of the committee into two distinct and specialized ones, one (presided over by Mrs. Elisabeth Badinter) for nomination related matters, and the other (presided over by Mr. Michel Cicurel) for matters relating to compensation. The Internal Rules of the Supervisory Board were amended accordingly.

The membership of the Audit Committee was not changed in any way and met seven times. It worked in particular, as in 2005, on the follow-up of the improvements to our internal control system and to bring these procedures into conformity with the Sarbanes Oxley law. In this area, the process of conforming our procedures was pursued and accelerated by a team of over 50 people in order to meet the 2007 deadlines. We should emphasize that the constraints imposed by the Sarbanes Oxley law are in fact opportunities for the Group to improve its internal control systems, and to render its tools coherent and compatible with other Group entities.

In February 2007, the Supervisory Committee conducted an evaluation of its work, the conclusions of which it reviewed and from which it gleaned some instruction.
During this same meeting, the Supervisory Board decided to modify and enlarge the membership of the two Committees, by the election of two new directors. The current membership is as follows:

- Nomination Committee: Mrs. Elisabeth Badinter as President, Mrs. Léone Meyer, Mr. Michel Cicurel, Mr. Henri-Calixte Suaudeau;

- Compensation Committee: Mr. Michel Cicurel as President, Mrs. Elisabeth Badinter, Mr. Amaury de Seze.

Pursuant to article L 225-68 of the Commercial Code concerning commercial companies, we received the results and the consolidated corporate accounts for the 2006 exercise, along with the management report of the Board of Directors. We have no particular comments regarding these documents and we have received all of the information that seemed to us to be pertinent.

As representatives of the shareholders, we accept the Board's proposal to raise the dividend payment to €0,50 per €0,40 nominal share, versus €0,36 last year.

We propose that you renew Mr. Felix Rohatyn as Member of the Supervisory Board for a six year term.

We also propose that you appoint Ernst & Young and Others as Principal Statutory Auditors and Auditex as Deputy Statutory Auditors for a term of six exercises.

We have given our consent to the Board of Directors concerning the proposed requests for authorizations at the Meeting.

We invite you to approve the resolutions that are proposed at this General Mixed, Ordinary and Extraordinary General Meeting.

The Supervisory Board