This document is a free translation of the French Document de Référence *("*Reference Document*") which was registered under n°D.09-0120 by the French* Autorité des Marchés Financiers *("AMF") on March 19, 2010. It is to be used for information purposes only. In the event of any inconsistencies between this translation and the "*Reference Document*", the "*Reference Document*" shall prevail.*

PUBLICIS GROUPE

REFERENCE DOCUMENT

Fiscal Year 2009

This Document was filed with the AMF on March 19, 2010, in accordance with Article 212-23 of the AMF Regulations. This Document may be used in connection with a financial transaction only if supplemented by a Transaction Note certified by the AMF.
It has been prepared by the Company, and the signing parties are responsible for its content.
Copies of this Reference Document are available at Publicis Groupe S.A., 133, avenue des Champs-Elysées, 75008 Paris, on the Publicis Groupe SA website at www.publicisgroupe.com and on the AMF website at www.amf-france.org.

Pursuant to Article 28 of EU Regulation No. 809/2004, the following information is incorporated by reference into this Document:
- the consolidated financial statements of Publicis Groupe for fiscal years 2008 and 2007, prepared in accordance with International Financial Reporting Standards (IFRS), Management's Discussion and Analysis thereof, together with the corresponding reports of the statutory auditors, as well as the statutory accounts of Publicis Groupe S.A., for the fiscal years 2008 and 2007 prepared in accordance with French accounting standards, the corresponding reports of the statutory auditors included in the Reference Documents (Chapters 4, 5, 6, 7, 9, 10, 12, 18 and 20) filed with the AMF on March 13, 2009 under number D.09-120, and on March 19, 2008 under number D.08-132.
- the reports of the statutory auditors on the information concerning the agreements with related parties covered by Article L. 225-86 of the French *Code de Commerce* concluded by Publicis Groupe S.A., which are included in the Company's Reference Documents for 2008 and 2007 filed with the AMF on March 13, 2009, under number D.09-0120 and on March 19, 2008 under number D.08-132, respectively.

The other information contained in the documents described above is not incorporated by reference herein.

Publicis Groupe S.A. - Corporation with both Management Board and Supervisory Board and share capital of 79,033,245 euros.
Registered office: 133 avenue des Champs Elysées, 75008 Paris - 542 080 601 RCS Paris

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Cautionary statement concerning forward-looking statements

In this Reference Document, the term “Company” refers to Publicis Groupe S.A., and the terms “Publicis”, “Group” and “Publicis Groupe” refer to the Company and its consolidated subsidiaries collectively.

References to “EUR” or “€” used herein are to euros; references to “$” are to US dollars.

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PERSONS RESPONSIBLE

1.1 PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT

Mr. Maurice Lévy, Chairman of the Management Board of Publicis Groupe S.A. (hereafter the "Company").

1.2 CERTIFICATE OF PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT

I hereby certify, having taken every reasonable step therefor, that, to the best of my knowledge, the information in this Reference Document is true and does not contain any material omissions.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and provide a fair depiction of the Company's property, financial situation and results, as well as that of the entities included in the consolidation, and that the management report (see Chapters 4, 9, 10, 18.3, 20 and 21) provides a fair representation of the business evolution, results and financial situation of the Company and all of the entities included in the consolidation, as well as a description of the main risks and uncertainties that they face.

I have obtained from the statutory auditors an end-of-engagement letter (*lettre de fin de travaux*), in which they state that they have verified the financial condition and financial statements included in this Reference Document, and have reviewed this Reference Document. The general report of the statutory auditors concerning the financial statements for fiscal year 2009 (which appear in Chapter 20.3 hereof) contains a statement on the application, starting January 1, 2009, of the revised IAS 1 standards (presentation of financial statements) and of IFRS 8 (operating segments).

The financial information presented in this document was the subject of reports by statutory auditors:

The general report of the statutory auditors concerning the Company's consolidated financial statements for fiscal year 2008 included in the Reference Document filed with the AMF on March 13, 2009, under number D.09-0120, does not contain any qualifying comments.

The general report of the statutory auditors concerning the Company's consolidated financial statements for fiscal year 2007 included in the Reference Document filed with the AMF on March 19, 2008, under number D.08-132, contains comments regarding the treatment of the accounts for the years 2005 and 2006 following a change in accounting methods during that period relating to the classification of costs from advertising space provided and not yet billed.

Paris, March 19, 2010

Maurice Lévy,

Chairman of the Management Board

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STATUTORY AUDITORS

2.1 PRINCIPAL STATUTORY AUDITORS

ERNST & YOUNG et Autres

Represented by Mr. Jean Bouquot and Mrs. Valérie Desclève

41, rue Ybry, 92576 Neuilly-sur-Seine Cedex

Appointed at the general shareholders' meeting on June 4, 2007, as a replacement for Ernst & Young Audit, for a term of 6 years, expiring at the general shareholders' meeting that will be called to approve the financial statements for the fiscal year ending December 31, 2012.

MAZARS

Represented by Mr. Philippe Castagnac

61, rue Henri Régnault, Tour Exaltis, 92400 Courbevoie

Appointed at the general shareholders' meeting on June 25, 1981, and whose term was renewed by the general shareholders' meeting of June 1, 2005 for a term of 6 fiscal years, expiring at the general shareholders' meeting that will be called to approve the financial statements for the fiscal year ending December 31, 2010.

2.2 DEPUTY STATUTORY AUDITORS

AUDITEX

Represented by Ms. Béatrice Huet

11, allée de l'Arche Faubourg de l'Arche 92400 Courbevoie

Appointed at the general shareholders' meeting on June 4, 2007, as a replacement for Mr. Denis Thibon, for a term of 6 years, expiring at the general shareholders' meeting that will be called to approve the financial statements for the fiscal year ending December 31, 2012.

Mr. Patrick de Cambourg

61, rue Henri Régnault, Tour Exaltis, 92400 Courbevoie

Appointed at the general shareholders' meeting on June 25, 1998, and whose term was renewed by the general shareholders' meeting of June 8, 2004 for a term of 6 fiscal years, expiring at the general shareholders' meeting that will be called to approve the financial statements for the fiscal year ending December 31, 2009.

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SELECTED FINANCIAL INFORMATION

Pursuant to Regulation (EC) number 1606/2002 of the eurospean Parliament and of the Council of July 19, 2002, and Regulation (EC) number 1725/2003 of the eurospean Commission of September 29, 2003, Publicis Groupe S.A.'s consolidated financial statements, beginning with the year ended December 31, 2005, have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the eurospean Union.

The tables below present selected consolidated financial data for Publicis Groupe. The selected financial data, as of and for the years ended December 31, 2007, 2008 and 2009, are derived from Publicis' consolidated financial statements included in this Reference Document , which have been prepared in accordance with IFRS. These accounts were audited by the statutory auditors of Publicis Groupe, Mazars and Ernst & Young et Autres.

Key figures

In millions of euros, except for percentages and per-share data (in euros)	***2009***	***2008***	***2007***
IFRS income statement data			
Revenue	4,524	4,704	4,671
Operating margin before depreciation and amortization	772	889	888
As % of revenue	*17.1%*	18.9%	19.0%
Operating margin	680	785	779
As % of revenue	*15.0%*	16.7%	16.7%
Operating income	629	751	746
Net earnings attributable to Publicis Groupe	403	447	452
Earnings per share (1)	1.99	2.21	2.18
Earnings per share, diluted (2)	1.90	2.12	2.02
Dividends per share (3)	0.60	0.60	0.60
IFRS balance sheet data	**December 31, 2009**	**December 31, 2008**	**December 31, 2007**
Total Assets	12,730	11,860	12,244
Shareholders' Equity	2,813	2,320	2,198

(1) The average number of shares used for calculation of net earnings per share was 202.3 million shares for 2009, 202.5 million shares for 2008 and 207.6 million shares for 2007.

(2) The average number of shares used for calculation of net earnings per share, diluted, was 220.9 million shares for 2009, 220.7 million shares for 2008 and 239.4 million shares for 2007. This includes share warrants, stock options, free shares and convertible bonds that have a dilutive effect. In 2009, the dilutive instruments were the OCÉANEs, free shares and certain segments of stock options whose exercise price is lower than the average price during the period; it must be remembered that the 2008 OCÉANE is only used in the calculation of the diluted earnings per share for the period from January 1 –July 17, 2008 as a result of its complete reimbursement at maturity on July 17, 2008. Likewise, the OCÉANE 2014 issued on June 24, 2009 is only used in the calculation of the diluted earnings per share for the period from June 24 - December 31, 2009.

(3) The proposed dividend for the year 2009 will be submitted for approval to the combined Ordinary and Extraordinary Shareholders' Meeting of June 1, 2010.

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RISK FACTORS

The risk factors described below, together with the other information concerning Publicis Groupe and its consolidated financial statements included in this Reference Document, should be carefully considered before making an investment in the shares or other securities of Publicis Groupe. Each of the risk factors described below may have a negative impact on the Group's earnings, financial condition and share price. Other risks and uncertainties of which Publicis is not aware or which are not currently considered to be significant could also have a negative impact on the Group. Publicis Groupe is not currently aware of any governmental, economic, budgetary, monetary or political strategies or factors that have affected or may in the future affect, directly or indirectly, its operations.

4.1 RISK FACTORS RELATED TO THE ADVERTISING AND COMMUNICATION SECTORS

Unfavorable economic conditions may adversely affect the Group's operations

The advertising and communications industry can be significantly affected by downturns in general economic conditions (such as the current period of worldwide economic recession). It is also subject to changes in clients' underlying businesses, and reductions of marketing budgets, as shown during 2009. Downturns in general economic conditions can have a more severe impact on the advertising and communications industry than on other industries, in part because clients may respond to economic downturns by reducing their advertising and communications budgets in order to meet their earnings goals. In addition, the collection of outstanding receivables of fees from customers in bankruptcy or insolvency proceedings may prove difficult if not impossible. For this reason, the Group's business prospects, financial condition, and earnings may be materially adversely affected by a downturn in general economic conditions in one or more markets, and a reduction in client budgets for advertising and communications.

A highly competitive industry

The advertising and communications industry is highly competitive and is expected to remain so. The Group's competitors range from large multinational companies to smaller agencies that operate in local or regional markets. New participants also include systems integrators, database marketing and modeling companies, telemarketers and internet companies offering technological solutions to marketing and communications challenges faced by clients. The Group must compete with these companies and agencies in order to maintain existing client relationships and to obtain new clients and assignments. Increased competition could have a negative impact on the Group's income and earnings.

Publicis' contracts may be terminated by its clients on short notice

The loyalty of a client to its communications agency is limited, and a client may choose to terminate a client-agency contract either on relatively short notice, generally between three and six months, or on the anniversary of the signing of the contract. Some clients solicit competitive bids for their advertising and communications contracts at regular intervals. In addition, there is a general tendency for advertisers to reduce the number of agencies with which they work in order to concentrate their spending on a limited number of leading agencies. This state of affairs increases both competition among advertising agencies and the risk of losing a client. Finally, the recent trend towards consolidation of clients around the world increases the risk that a client will be lost following a merger and/or an acquisition.

In order to limit this risk, winning new advertising accounts is a priority for all the Group's agencies. In 2009 new business wins totaled 6 billion dollars, net of losses, placing the Group ahead of all its competitors (rankings by Nomura, Goldman Sachs and JP Morgan).

A significant percentage of Publicis' revenues is generated by a small number of large advertisers

The Group's top twenty clients represented approximately 43% of its consolidated revenue in 2009. One or several of these large clients may, at any time and for any reason, decide to switch advertising and communications agencies, or to reduce or even curtail its spending on advertising. A substantial decline in the advertising and communications spending of a major client, or the loss of any of these accounts, could have a negative impact on Publicis' business and earnings.

Working with the Group's senior management, the management of the Group's networks continually analyzes the risks related to the loss of major contracts.

See Chapter 6.2.3 of this document for a list of the main clients of the Group's major networks in 2009. Publicis Groupe provides advertising and communications services to a diversified customer portfolio that is representative of the global economy. It has a significant number of clients that are either national, global or industry leaders. Revenues from, and contracts with, different clients vary from year to year. Therefore, a significant share of Publicis Groupe's revenue comes from faithful clients that have been with the company for years. Its average retention rate for its 10 biggest clients is 45 years.

Conflicts of interest between Publicis' clients competing within the same business sector may negatively impact its business development

The Group has several different agency networks, thus limiting potential conflicts of interest. However, without a client's consent, an agency may not offer its services to a competitor of that client or to an advertiser perceived as such. This restriction could limit the Group's growth and have a negative impact on its income and earnings.

Working with the Group's senior management, the management of the Group's networks continually analyzes the risks related to conflicts of interest.

Publicis' business depends greatly on the services of its management and employees

The advertising and communications industry is known for high mobility among its professionals. If the Group loses the services of certain members of management and other employees, its business and earnings could be negatively affected. Publicis' success is highly dependent on the skills of its creative, sales and media personnel, as well as on their relationships with the Group's clients. If the Group were no longer able to attract and retain additional key personnel, or if it were unable to retain and motivate its existing key personnel, its prospects, business, results of operations and financial condition could be adversely affected.

The human resources department regularly transmits to senior management its analyses of the attraction and retention of talent and the risks related to the possible loss of key senior managers.

4.2 LEGAL AND/OR REGULATORY RISKS

Laws, regulations or voluntary practices that apply to the sectors in which Publicis operates may have a negative impact on its business

The communications sector in which Publicis operates is subject to legislation, regulation and voluntary codes of conduct. Governments, regulatory authorities and consumer groups often impose prohibitions or restrictions on the advertising of certain products and services, or regulations on certain business activities conducted by the Group. Examples include the *Loi Sapin* in France, which prohibits agencies from buying advertising space for resale to their clients, and, in most countries, regulations which tend to restrict alcohol and tobacco advertising. The application of such regulations could have a negative impact on the Group's business and earnings.

In order to limit this risk, the Group has implemented, in its main markets, procedures intented to ensure that its advertising campaigns are in compliance with regulations by means of a legal clearance procedure performed by legal departments whose role is to support the creative teams.

Publicis may be exposed to liabilities if certain of its clients' advertising claims are found to be false or misleading, or if its clients' products are defective

Publicis may be named or joined as a defendant in litigation brought against its clients by third parties, its clients' competitors, governmental or regulatory authorities, or a consumer association. These actions could involve claims alleging, among other things, that:

- advertising claims used in promoting its clients' products or services are false, deceptive or misleading;
- its clients' products are defective or may be harmful to others; or
- marketing, communications, or advertising materials created for its clients infringe on the intellectual property rights of third parties, since client-agency contracts generally provide that the agency will indemnify the client against claims for infringement of intellectual or industrial property rights.

The damages, costs, expenses and attorneys' fees arising from any of these claims could have an adverse effect on the Group's prospects, business, income and financial condition if it is not adequately insured against such risks or indemnified by its clients. In any event, Publicis' reputation could be negatively affected by such allegations.

See Chapter 20.5 of this document on legal and arbitration proceedings. The Group has no knowledge of any legal or arbitration proceedings, initiated in the last 12 months, which could have a significant effect on the financial situation and/or profitability of the Company and/or the Group.

4.3 RISKS RELATED TO ACQUISITIONS

Publicis' strategy of development through acquisitions and investments may be risky

Publicis' business strategy includes, among other things, broadening the range of its existing advertising and communications services. The Group has made a number of acquisitions and other investments in furtherance of this strategy, and may continue to do so in the future. The identification of acquisition and investment candidates is difficult, and the Group may incorrectly assess the risks related to a given acquisition or investment. In addition, acquisitions may be concluded on terms that are less favorable than anticipated, and/or the newly acquired companies may either fail to be successfully integrated into Publicis' existing operations, or be integrated in a manner that fails to produce the synergies or other benefits that were expected to be achieved. Such a situation could adversely affect the Group's earnings. A description of the main acquisitions carried out by the Group during 2009 can be found in Chapter 5.3.1.

The risks related to the external growth policy are monitored by the Finance Department, together with senior management.

Goodwill on acquisitions and intangible assets, including brands and client relationships, accounted for on the balance sheets of acquired companies may be subject to impairment

Publicis has recorded a significant amount of goodwill on its balance sheet. Given the nature of its business, the Group's most important assets are intangible, and are accounted for as such. The Group conducts annual assessments of goodwill in order to determine whether its value has been impaired. The assumptions used to estimate future earnings and cash flows for these valuations may prove to be inaccurate, and actual results may differ. Were Publicis to recognize such value impairments, the resulting loss in book value could have a negative impact on its earnings and financial condition.

4.4 RISKS RELATED TO THE GROUP'S INTERNATIONAL PRESENCE

Publicis is exposed to a number of risks from operating in developing countries

Publicis conducts business in a number of developing countries around the world. The risks associated with conducting business in developing countries can include nationalization, social, political and economic instability, increased currency exchange risk, and currency repatriation restrictions and slower payment of invoices. The Group may not be able to insure or hedge against these risks. In addition, commercial laws and regulations in many of these countries may be vague, arbitrary, contradictory, inconsistently administered and retroactively applied. It is, therefore, difficult to consistently and clearly determine the exact requirements of such laws and regulations. Non-compliance – actual or alleged – with applicable laws in developing countries could have a negative impact on Publicis' prospects, business, results of operations, and financial condition.

Working with the Group's senior management, the management of the Group's networks continually analyzes the risks related to the Group's exposure through its business in developing countries.

Revenue coming from emerging economies represents 22.5% of the Group's total revenue for 2009, not taking into account the Razorfish acquisition.

See Chapter 6.2.1 in this document regarding the Group's revenue contribution by geographical zone for 2007, 2008 and 2009.

Internal controls may be difficult to implement

Publicis operates on a decentralized basis with a large number of legal entities operating independently of one another, most often to accommodate sales and client relationships. As a result, reliable, standardized procedures throughout our operations may take longer to implement than in other companies or in other sectors. The inability to implement reliable, standardized internal control procedures in a timely manner could affect the Group's ability to record, process, summarize and report financial information within the time periods specified by the market authorities, which could have a material adverse impact on the Group's business, financial condition, and the market value of its securities.

In order to confront this risk, the internal audit department has prepared an audit plan taking into account past events, risk analyses, the assessment of internal control procedures and specific requests made by senior management. As part of the audit plan, as approved by the Audit Committee, an internal audit is performed in order to ensure the monitoring of the relevance and effectiveness of the internal control implemented by the Group.

4.5 FINANCIAL RISKS

Exposure to liquidity risk

To manage liquidity risk, Publicis has at its disposal significant cash and cash equivalents (amounting to 1,580 million euros as of December 31, 2009) and unused credit lines (amounting to 2,388 million euros as of December 31, 2009, of which 2,155 million euros in credit are confirmed and 233 million euros are not confirmed). The main credit line is a multi-currency syndicated facility in the amount of 1,500 million euros, which expires in 2012 with the option of an extension of until July 2014, with the banks' approval.

These amounts, which are available or can be made available almost immediately, are more than sufficient to allow the Group to meet its current financial debt obligations (including commitments to minority shareholders) and possible prepayment in January 2010 of the 2018 OCÉANE.

The means established to manage the Group's capital resources are described in Chapter 10.3 of this document.

Please see Note 22 of the consolidated financial statements in Chapter 20.1 of this document.

Downgrades of credit ratings could adversely affect Publicis' business

Since 2005, Publicis Groupe S.A. has been publicly rated. Its rating has remained unchanged, with a BBB+ rating by Standard & Poor's, and a Baa2 rating by Moody's Investors Service. A rating downgrade by either of these agencies may adversely affect the Group's ability to raise funds under the same terms as the current ones, and would likely result in the application of higher interest rates to any future indebtedness.

Exposure to market risks

Please see Note 26 of the consolidated financial statements in Chapter 20.1 of this document which describes exposure to the following risks:

- exchange rate and interest rate risks,
- client counterparty risk,
- bank counterparty risk,
- stock market risk.

These risks are monitored by the Group's Finance Department, together with senior management.

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INFORMATION CONCERNING THE ISSUER

5.1 HISTORY AND DEVELOPMENT OF THE COMPANY

5.1.1 LEGAL NAME AND COMMERCIAL NAME

Publicis Groupe S.A. (the "Company") does business under the trade name Publicis.

5.1.2 REGISTRATION NUMBER AND LOCATION

542 080 601 RCS Paris; Code APE - NAF 7010Z

5.1.3 DATE AND DURATION OF INCORPORATION

Incorporated: October 4, 1938.

Expires: October 3, 2037, unless extended.

5.1.4 REGISTERED OFFICE, LEGAL STRUCTURE, APPLICABLE LEGISLATION, JURISDICTION, ADDRESS AND TELEPHONE NUMBER OF COMPANY HEADQUARTERS

Publicis Groupe S.A. is a French corporation with a Management Board and a Supervisory Board, governed by articles L. 225-57 through L. 225-93 of the French *Code de Commerce*.

The Company's registered office is located at 133, avenue des Champs-Elysées, 75008 Paris, France. The telephone number of the company headquarters is +33 (0) 1 44 43 70 00.

5.2 HISTORICAL BACKGROUND

Founded in 1926 by Marcel Bleustein-Blanchet, the Company's name comes from the combination of "Publi", for "Publicité", which means advertising in French, and "six" for 1926. The founder's objective was to transform advertising into a true profession by creating value for society, applying strict codes of ethics and methodology, and in so doing making his company a "pioneer in new technologies".

The Company quickly won widespread recognition. In the early 1930s, Marcel Bleustein-Blanchet was the first to recognize the power of radio broadcasting, a new form of media at the time, to establish brands. Publicis became the exclusive representative for the sale of advertising time on the government-owned public broadcasting system in France.

However, in 1934 advertising was banned on government-owned public radio stations. Marcel Bleustein-Blanchet decided to create “Radio Cité”, the country’s first private radio station. In 1935, he joined forces with the chairman of Havas to form a company named “Cinéma et Publicité”, which was the first French company specialized in the sale of advertising time in movie theaters. Three years later he launched “Régie Presse”, an independent subsidiary dedicated to the sale of advertising space in newspapers and magazines.

After having ceased operations during the Second World War, Marcel Bleustein-Blanchet reopened Publicis in 1946, and not only renewed his relationships with pre-war clients but went on to win major new accounts: Colgate-Palmolive, Shell and Sopad-Nestlé. Recognizing the value of qualitative research in 1948 he made Publicis the first French marketing agency to conclude an agreement with the survey specialist IFOP. Later, he created an in-house market research unit. At the end of 1957, Publicis relocated its offices to the former Hotel Astoria at the top of the Champs Elysées. In 1958, it opened the Drugstore on the first floor, which has since become a Paris landmark. In 1959, Publicis set up its “Industrial Information” department, the forerunner of modern corporate communications.

From 1960 to 1975, Publicis posted rapid growth, benefiting in particular from the beginnings of advertising on French television in 1968. The campaign for Boursin cheese inaugurated this new medium: this was the first TV-based market launch in France, and its slogan soon became familiar to everyone in France: “Du pain, du vin, du Boursin” (bread, wine and Boursin). A few months later, Publicis advised Saint Gobain in its successful defense against a new kind of battle: a hostile takeover bid from BSN, the first in France’s history, further establishing Publicis as an effective innovator. Publicis was admitted to the Paris stock exchange in June 1970, 44 years after its foundation.

However, on September 27, 1972, Publicis’ headquarters were destroyed by fire, and a new building was built on the same site. The Company began pursuing a strategy of expansion in eurospe through acquisitions the same year, including the Intermarco network in the Netherlands (1972), followed by the Farner network in Switzerland in 1973; this resulted in the creation of the Intermarco-Farner network to support the expansion of major French advertisers in other parts of eurospe. In 1977, Maurice Lévy was appointed Chief Executive Officer of Publicis Conseil, the Group’s main French business.

In 1978, Publicis moved into the U.K. with the acquisition of McCormick, and by 1984 it had established 23 operations around the world.

In 1987, Marcel Bleustein-Blanchet decided to reorganize the governance structures of the Group by forming a Supervisory Board and Management Board to replace the Board of Directors. He became Chairman of the Supervisory Board, and Maurice Lévy was named Chairman of the Management Board. Since then, the strategy for Publicis has been defined by the Management Board and submitted to the Supervisory Board for approval; all operational decisions are made at the Management Board level.

In 1988, Publicis formed a worldwide alliance with Foote, Cone & Belding Communications (“FCB”), a US group that merged with Publicis’ eurospean network. A growing international presence, which had benefited from the association with FCB, raised the Company's profile with U.S. advertisers.

Growth accelerated in the 1990s: France's number four communications network, FCA!, was acquired in 1993, followed by the merger of FCA! with BMZ to form a second eurospean network under the name FCA! BMZ. In 1995, Publicis' alliance with FCB was terminated.

On April 11, 1996, Publicis' founder died. His daughter, Elisabeth Badinter, replaced him as Chairperson of the Supervisory Board. Maurice Lévy increased the Company's efforts to build an international network and offer the Group's clients the broadest presence possible in markets around the world. Publicis accelerated its acquisition program with global expansion that included Latin America and Canada, and subsequently the Asia Pacific region, India, the Middle East and Africa. The U.S. was a prime focus from 1998 on, due to the Company's strategic commitment to build its presence in the world's largest advertising market. Acquisitions included Hal Riney, the Evans Group, Frankel & Co. (relationship marketing), Fallon McElligott (advertising and new media), DeWitt Media (media buying), Winner & Associates (public relations) and Nelson Communications (health care communications).

In 2000, Publicis acquired Saatchi & Saatchi, a business with a global reputation for its talent and creativity as well as a tumultuous history. This acquisition was a major milestone in the Company's expansion in both eurospe and the U.S. In September 2000, Publicis was listed on the New York Stock Exchange.

In 2001, Publicis Groupe formed ZenithOptimedia, a major international player in media buying and planning, by combining its Optimedia subsidiary with Zenith Media, which was previously equally owned by Saatchi & Saatchi and the Cordiant group.

In March 2002, Publicis Groupe announced its surprise acquisition of the U.S. group Bcom3, which controlled Leo Burnett, D'Arcy Masius Benton & Bowles, Manning Selvage & Lee, Starcom MediaVest Group and Medicus, and held a 49% interest in Bartle Bogle Hegarty. Through this transaction, Publicis Groupe also established a strategic partnership with Dentsu, the leading communications group in the Japanese market and a founding shareholder of Bcom3. As a result of this acquisition, Publicis Groupe established its position in the top tier of the advertising and communications industry, ranking fourth worldwide based on reported revenues, with operations in 104 countries and over five continents.

Between 2002 to 2006, Publicis Groupe successfully completed the integration of the BCom3 and Saatchi & Saatchi acquisitions, reorganized many of its entities, and at the same time conducted acquisitions in order to build a coherent range of services to respond to advertisers' needs and expectations. In particular, Publicis acquired agencies that offered a variety of marketing services and operated in emerging markets. In late 2005, the Group obtained its first official rating ("investment grade") from the two major international rating agencies, Standard & Poor's and Moody's. In late December 2006, Publicis Groupe launched a friendly tender offer for Digitas Inc., a leader in the digital and interactive communications sector in the United States. This transaction, which was completed in January 2007, was the first step in the Group's remarkable advances in the digital field. The profound change in the world of media due to the influence of digital advances was correctly assessed at that time, and the Group, with the acquisition of Digitas, immediately positioned itself as a market leader. With the launch of the *The Human Digital Agency* project, the Group clearly signals its intention to go digital in its core business.

In 2007, the Group decided no longer to be listed on the New York Stock Exchange. In 2007 and 2008, Publicis Groupe began a deep shift in structure and mode of operation, moving towards digital media. It added digital services to its well-known holistic offering while at the same time strengthening its position in fast-growing economies, two very important areas for the coming years. In 2007, the Group integrated Digitas Inc. This fast, successful integration ushered in a series of further acquisitions in the digital arena, with certain new entities being immediately united by Digitas for its global deployment. The acquisition of CCG, China's number-one digital and interactive media agency, marked the arrival of Publicis in China under the brand Digitas Greater China. In addition, the listed company Business Interactif, France's leading independent digital and interactive communication group, joined the Group under the brand Digitas France. The acquisitions of Wcube and PhoneValley in France enriched Publicis Groupe’s digital offering in what is widely held to be a very promising market: mobile communications. Publicis Groupe has also expanded its presence in Italy's digital healthcare communications through the acquisition of specialized agencies. In 2007, with its formula of mixing know-how with fast-growing countries, Publicis Groupe continued its development in China, notably by taking a majority stake in the top marketing agency Yong Yang. Also in 2007, Publicis Groupe significantly expanded its presence in India with the acquisition of Capital Advertising and Hanmer & Partners.

2008 and 2009 were devoted to developing the business segments of digital communications and developing countries, which Publicis Groupe has made priorities.

On January 22, 2008, Publicis Groupe and Google publicly announced a collaborative project. This collaboration, which began in 2007, is founded on a shared vision of using new technologies to develop the advertising business. The arrangement is not exclusive and is expected to complement other established partnerships with leaders in interactive media. This unique approach should also lead to remarkable progress in identifying and measuring the impact of advertising campaigns and help provide more precise responses to the specific needs of advertisers through, among other things, more refined consumer profiles.

In keeping with this strategy, the Group made acquisitions in digital marketing in China, Korea, the United States and even Brazil. Amid brisk growth in the digital arena, the most visible sign of the Group's transformation was undoubtedly the launch of VivaKi, a new initiative aimed at optimizing the performance of advertiser investments and maximizing increases in Publicis Groupe's market share. Simultaneously, as part of the VivaKi Nerve Center, the Group created a new technology platform, the largest "Audience on Demand" in existence. It is built on technology from Microsoft, Google, Yahoo! and Platform-A, and offers advertisers a chance to reach precisely defined audiences with a single campaign through multiple networks.

Over the past two years, Publicis Groupe has also made acquisitions to reinforce its service network throughout the world: corporate communications in the United States, media in

Italy and the US, sustainable development consulting, and strategic and financial consulting.

The depth of the global economic crisis in 2009 saw numerous economies enter a period of recession and worldwide trade fall by 12%. Despite its historic importance, the crisis has not hindered the development of Publicis Groupe's strategy. The acquisition of Razorfish –the number two interactive agency in the world after Digitas - from Microsoft on October 13, 2009, brings new strengths to digital activities, notably e-commerce, interactive marketing, search engines, strategy and planning, social network marketing, or even the resolution of technological architecture and integration issues. With this acquisition, Publicis Groupe and Microsoft concluded a strategic alliance permitting, on the one hand, the development of Microsoft offers, and on the other hand, new opportunities for the clients of Publicis Groupe. Razorfish joined the VivaKi network together with Starcom MediaVest, ZenithOptimedia, Denuo and Digitas. Through the VivaKi Nerve Center technological platform, this ensemble has access to Microsoft, Google, Yahoo! and PlatformA technologies.

During 2009, Publicis Groupe and Microsoft entered into a worldwide collaboration agreement aimed at three core objectives tied to the development of digital media. Teams from Microsoft and VivaKi will give additional value-added services and effectiveness in all the digital domains:

- **Content**: content creation, production and distribution through all available digital services, tools and devices.
- **Performance**: technologies, methods and innovations focused on new-generation technologies for on-line advertising, especially "*search*" and "*ad serving*", in order to boost performance.
- **Audience**: on-demand audience definition, targeting and measuring responding to the precise, specific requirements of each client.

All this bears witness to the ability of Publicis Groupe to anticipate market developments in order to meet new customer requirements, provide the answers expected by consumers and insure the Group's continued growth.

Thus, Publicis Groupe was able to weather the crisis in advertising markets, and in 2009, it became third in the global ranking of large communication groups, ahead of its competitor IPG.

5.3 INVESTMENTS

5.3.1 PRINCIPAL INVESTMENTS IN THE PAST THREE YEARS

Historically, the Group's principal investments have involved the acquisition of other advertising and communications firms in furtherance of a global expansion strategy. In the years after the acquisition of Bcom3 in 2002, Publicis concentrated on the acquisition of small and mid-sized agencies specialized in different areas of marketing services or operating in emerging markets. At the end of 2006, it made a friendly takeover bid for

Digitas Inc., a listed company based in Boston and a leader in digital and interactive communication in the United States.

2007 was a particularly active year in terms of external growth. The acquisition of Digitas in particular was an important milestone in the Group's expansion, furthering its founder's ambition for the Group to be "a pioneer of new technology", and transforming Publicis into a world leader in digital communications.

On January 29, 2007, Publicis Groupe announced the success of its friendly tender offer for Digitas Inc., the world's leading interactive communications agency.

On March 7, 2007, Publicis Groupe announced the acquisition of Pharmagistics, a communications agency in the health sector based in New Jersey and specializing in direct marketing and sales subject to the PDMA (Prescription Drug Marketing Act), as well as the provision of logistical services between pharmaceutical and biotechnology companies and practitioners.

On April 2, 2007, Publicis Groupe acquired a majority stake in Yong Yang, an agency based in Chengdu, China, and a leader in the field of logistics and retail and promotional marketing. Yong Yang was founded in 1995 as an independent agency and has 29 offices across China, notably in the center of the country.

On April 11, 2007, Publicis Groupe announced the acquisition of The McGinn Group, a leading U.S. corporate communications firm based in Arlington, Virginia. This firm is specialized in corporate communications, risk management, crisis management, and legal communications and advocacy.

On June 14, 2007, Publicis Groupe announced its intent to acquire Business Interactif, a French company listed on the euroslist of eurosnext Paris market. Following the successful completion of the purchase, Publicis Groupe proceeded with a squeeze-out procedure that was completed in November 2007. Founded in 1996, Business Interactif, the leading independent French digital and interactive communications group, was integrated into the Digitas Network. This acquisition was a critical step in Publicis Groupe's strategic international expansion plan within the digital communications sector.

On June 29, 2007, Publicis Groupe completed the launch, announced on April 20, 2007, of a joint venture in the global events field: PublicisLive, which focuses exclusively on the most prestigious international and corporate conference events around the world.

On July 3, 2007, Publicis Groupe announced that it had reached an agreement for the acquisition of Muraglia, Calzolari & Associati (M,C&A), the largest independent specialized media agency in Italy. This company, which was renamed M,C&A MediaVest, strengthens the Group's presence in Italy.

On July 31, 2007, Publicis Groupe acquired Communication Central Group (CCG), the largest independent interactive marketing agency in China, with 200 employees in Shanghai, Beijing and Shenzhen. CCG was integrated into the Digitas network and renamed Digitas Greater China.

On September 6, 2007, Publicis Groupe expanded its mobile marketing services through the acquisition of Phonevalley, a eurospean agency founded in 2006 and based in Paris.

Phonevalley has become the mobile communication platform of the Publicis Groupe Media network.

On September 12, 2007, Publicis Groupe acquired Wcube, a leading interactive agency in France founded in 1995. Wcube joined the Publicis Network and was renamed Publicis Modem France.

On September 19, 2007, Publicis Groupe became a shareholder of Delhi-based Capital Advertising, the largest and most reputable independent advertising agency in India.

On September 24, 2007, Publicis Groupe announced the acquisition of the SAS agency in the United Kingdom. With the collaboration of SAS, Publicis Consultants UK will expand its range of services in the public relations, design, corporate, financial, and internal communications sectors.

On October 11, 2007, Publicis Groupe acquired Healthware Spa in Italy, a highly innovative agency specialized in digital communications, and Multimedia Healthcare Communications S.r.l., one of the leading independent market development and public relations agencies.

On October 31, 2007, Publicis Groupe became the majority shareholder of Hanmer & Partners, present in 42 cities in India, and specialized in public relations.

These acquisitions and agreements are clearly consistent with Publicis Groupe’s strategy of simultaneously promoting rapid growth in the digital business, pursuing the expansion of marketing services (SAMS) and activities related to the purchase of advertising space, and developing in emerging markets with high growth rates.

The total cost of company acquisitions that were consolidated during the 2007 fiscal year (excluding acquired cash) was 916 million euros. 52 million euros for earn-out payments and 38 million euros for minority interest buy-outs should be added to this total.

In 2007, the Group purchased 6,396,490 of its own shares (excluding the liquidity contract), representing 3.2% of its capital and a total amount of 202 million euros.

During 2008, Publicis Groupe made several acquisitions. These acquisitions were all in line with the Group's defined strategy of favoring the development of digital business, positions in countries with rapidly growing economies and, when necessary, service activities.

On January 31, 2008, Publicis Groupe acquired Act Now, a pioneer sustainable development consultancy firm based in San Francisco. Act Now joined the Saatchi & Saatchi network.

In February 2008, Publicis Groupe announced the acquisition of La Vie Est Belle, an agency with business offerings in advertising, public relations, events marketing and online communications. The merger between La Vie Est Belle and Paname gave birth to a new agency, called Full Player.

In March 2008, Publicis Groupe reached a new strategic stage with the international deployment of the Digitas network: Solutions, the Group marketing-services branch in India and Singapore, took on the name Solutions Digitas. The new organization combines the marketing services expertise in the Indian market of Solutions with the international digital-business experience of Digitas. The new organization has also spurred development of the offering of Digitas’ digital production company: Prodigious.

In May 2008, Publicis Groupe announced the acquisition of digital marketing agency EmporioAsia, based in Shanghai and now called EmporioAsia Leo Burnett. Ranked as China's best interactive marketing agency, and as one of the Asia-Pacific's best specialists, EmporioAsia provides services in strategy (analysis, research) and online creation (websites, rich media, eDM).

In China, Publicis Groupe launched Saatchi & Saatchi Energy Source Integrated Interactive Solutions, a strategic joint venture combining Saatchi & Saatchi's global advertising network with the Chinese leader in interactive solutions, Energy Source. The new entity is based in Shanghai and Guangzhou and specializes in integrated digital solutions, marketing centered on customer relations, and public relations.

In early July 2008, Publicis Groupe announced the acquisition of Kekst & Company Incorporated, the top agency in financial and strategic consulting, based in New York. Kekst and Company joined the Publicis Groupe network of specialized agencies and marketing services (SAMS).

In July 2008, Publicis Groupe announced the acquisition of Portfolio, a first-tier Korean agency with a complete offering of digital marketing services. Portfolio is a pioneer in integrated digital services, known for its great creativity on the Internet. Founded in 1998, Portfolio boasts a vast array of services that includes website development, maintenance and marketing, online advertising, research, database management and marketing as well as digital-campaign analysis and optimization.

In September 2008, Publicis Groupe announced the acquisition of PBJS, a top agency in digital marketing and strategic communications in the United States. The agency is specialized in events marketing, strategic communications and interactive media as well as in branded entertainment.

On September 10, 2008, Publicis Groupe announced the closing of the acquisition of Performics Search Marketing Business, which until then had belonged to Google. Based in Chicago, Performics is a leader in *search marketing* whose methods make online advertising campaigns substantially more effective and optimize advertisers' digital media buying.

On November 19, 2008, Publicis Groupe announced the acquisition of Tribal, an agency specialized in the digital medium and based in São Paulo. Tribal was one of Brazil's first independent digital agencies. Now it has joined the global Digitas network.

In early December 2008, Publicis Groupe announced the acquisition of W & K Communications, based in China. With its integration into the Leo Burnett Greater China network, W & K Communications took the new name of Leo Burnett W & K Beijing Advertising Co. W & K Communications was founded in 2004 and employs nearly 100 specialists in advertising, promotion, television production and media buying. It is present in Beijing and Guangzhou.

These growth transactions and various agreements are all in line with a clear strategy of rapid Group expansion in the digital business and in countries with sharp economic growth. In keeping with this strategy, Publicis Groupe has reaffirmed its goal of earning 25% of its revenues in the digital business and 25% in emerging economies by 2010. The

Group is simultaneously continuing to bolster its service activities (SAMS – specialized agencies and marketing services) worldwide when necessary.

Total acquisition costs for entities integrated during the 2008 financial year (excluding transferred cash) come to 127 million euros. This total does not include 31 million euros for earn-out payments and 14 million euros for buy-out payments.

In 2008, the Group bought back 8,047,583 shares, liquidity contracts excluded, representing 4% of share capital, for a total of 196 million euros. Publicis Groupe S.A. also cancelled 8 million shares in February 2008.

2009 was the year Publicis acquired Razorfish, the world's second interactive agency. This squarely places the Group at the forefront of digital services.

The acquisition of Yong Yang in China received the approval of the Chinese authorities, who authorized the closing of the transaction. The required license in China for the creation of a co-enterprise between Saatchi & Saatchi and Energy Source was obtained during the first quarter of 2009; the company is already established.

In early April 2009, the Group purchased Nemos, one of Switzerland's leading agencies in interactive communications. Established in 2002, Nemos is based in Zurich and considered one of the premier agencies in Flash programming and multimedia.

On May 19, 2009, Publicis Groupe announced the acquisition of Bulgarian Publicis MARC, an integrated communications agency based in Sofia.

On September 1, 2009, Publicis Groupe announced an agreement for the purchase of Unilever's "Pour Tout Vous Dire", one of the four main multi-brand CRM platforms within France's fast-moving consumer goods (FMCG) sector.

On September 3, 2009, Publicis Groupe announced it had taken a majority stake in the company that organizes the "Women's Forum for the Economy and Society ". Founded in 2005 by Aude Zieseniss de Thuin, the "Women's Forum for the Economy and Society" is an independent global forum of feminine inspiration.

On October 14, 2009, Publicis Groupe announced that the acquisition of Razorfish (jointly announced with Microsoft Corporation on August 9, 2009) had been concluded. Razorfish is one of the main global companies specialized in interactive marketing technologies and services. Based in the United States, Razorfish is the world's number two interactive agency after Digitas. Its acquisition cements the Group's position as the leader in interactive communication, both in terms of market positioning and the additional strengths in e-commerce and web site activities.

Total acquisition costs for entities integrated during the 2009 financial year (excluding transferred cash) come to 210 million euros. This amount only includes the portion of Razorfish's acquisition price paid in cash; there is an additional amount of 173 million euros in treasury shares held in portfolio. This total does not include 71 million euros for earn-out payments and 23 million euros for buy-out payments.

In 2009, the Group bought back 31,040 shares, liquidity contracts excluded, representing 0.02% of share capital, for a total of less than 1 million euros.

5.3.2 PRINCIPAL CURRENT INVESTMENTS

"The Pool" is an initiative that was made public in early 2009 by Starcom and developed within the VivaKi framework. The objective of this project is to develop a new format of video advertising with the potential to become the new standard in online advertising. This initiative features contributions from the largest online video suppliers (AOL, Broadband Enterprises, CBS, Discovery, Hulu, Microsoft, and Yahoo!). Also participating are numerous customers of Publicis Groupe agencies. After a successful development phase in 2009, "The Pool" will pursue the second phase ("Lane Two") of this project in 2010, including test periods.

On February 5, 2010, Publicis Groupe and Lov Groupe announced they were in exclusive negotiations to release 70% of the capital of France Télévisions Publicité (FTP), the advertising arm of France Télevisions. If the negotiation is successful, the acquisition will be made by Lov-Publicis, a company whith 60% of the shares held by Lov Groupe - Stéphane Courbit's holding company - and 40% by Publicis Groupe.

5.3.3 FUTURE CAPITAL EXPENDITURES AND DIVESTITURES

The Group intends to focus its future investments on selectively expanding either its service offerings, in particular its digital services, or its geographic scope by focusing on markets with high growth rates. In 2008, the Group reaffirmed its priorities for growth in two sectors -digital business and countries with fast-growing economies – which together could account for 60% of total revenues in the future. The Group also aims to take advantage of any opportunities to increase its business in the sectors, services, and countries where it is already present.

The main priorities in terms of its business expansion are digital and interactive communications, specialized communications, in particular in direct marketing, public relations, events marketing, Customer Relationship Management (CRM), and health communications. Such acquisitions on the primary global markets should allow the Group to increase its holistic offer to its clients. The Group will also seek selective acquisitions in rapidly developing regions such as China, India and other Asian countries, Russia and certain countries in Latin America.

Finally, as of December 31, 2009, the Group also has commitments with respect to earn-out payments of 105 million euros and minority interest acquisitions of 115 million euros, for a total of 220 million euros, 85 million euros of which is to be paid within less than one year.

6
BUSINESS OVERVIEW

6.1 MAIN BUSINESS

6.1.1 INTRODUCTION

Ever since its acquisition of Bcom3 in 2002, in 2008 Publicis Groupe has ranked fourth among communications groups worldwide, behind Omnicom, WPP and Interpublic Group (IPG) (American, English and American groups, respectively). In 2009 the Group ranked third, overtaking IPG (ranking based on reported revenue, source: annual reports of the companies) not taking into account, on a full-year basis, the acquisition of Razorfish, number two interactive communications agency worldwide.

To date, Publicis Groupe currently operates in more than 200 cities in over 100 countries spanning five continents, with a workforce of almost 45,000 employees. Publicis Groupe is not only the third largest group worldwide, but is also a leader in each of the world’s fifteen largest advertising markets, except Japan. Overall, the Group is one of the top communications groups in eurospe, North America, the Middle East, Latin America and Asia, ranking number one in the media business (purchase of advertising space) in the United States and China, and number two worldwide. In Japan, Publicis’ access to the Japanese market is assured through a strategic partnership with Dentsu, which was established in 2002.

Although the internal management, reporting and compensation systems are not organized by business line, Publicis Groupe does provide the financial markets with information concerning the relative importance of each of the different business lines for the sole purpose of allowing comparisons by sector. The Group's principal business is traditional advertising (which accounted for 35% of Group revenues in 2009, compared with 38% in 2008), specialized agencies and marketing services ("SAMS,” which in 2009 accounted for 44% of Group revenues, including all digital activities), and media services (which accounted for 21% of Group revenues in 2009).

With the creation of the VivaKi technological platform in June 2008 -a strategic initiative including Starcom MediaVest, ZenithOptimedia, Digitas and Denuo-, and the purchase in October 2009 of Microsoft’s Razorfish, number two interactive agency in the world after Digitas, Publicis Groupe has consolidated its position as digital leader: 22.4% of the Group’s revenue comes from digital and interactive communications, or 25.6% on a full-year basis after Razorfish’s pre-consolidation adjustment.

Currently digital activities are managed either by specialized, dedicated independent organizations like Digitas and Razorfish, or by structures fully integrated into networks, such as Leo Burnett, Publicis Worldwide and Saatchi & Saatchi, as well as MS&L and Publicis Healthcare Communications Group. In addition, the horizontality of the VivaKi Nerve Center, which hosts and develops new technologies required by its clients, making available all its strengths and abilities to the rest of the Group's structures. It gives the Group's clients access to the best technology solutions, assured performance for the advertising campaigns, management of platforms (MSN, Google, Yahoo!) or social networks (for example, MySpace, Facebook,etc.), arranges integrated media solutions and tools for optimized data analysis, and the productivity of online advertising campaigns.

Razorfish, number two worldwide network after Digitas, brings new digital strengths to the table, especially for e-commerce, marketing in social networks, and even technological architecture and integration. It also enriches the portfolio of the Group's prestigious clients.

This development reflects Publicis Groupe's view for the future: in addition to strong development in everything digital, the need to provide integrated solutions to advertisers that bring together digital and analog where both performance and return on investment can be analyzed.

6.1.2 STRATEGY

Publicis Groupe has always tried to anticipate the needs of its clients, the evolution of the market and consumer behavior in order to be in a position to consistently provide clients with quality service and to ensure that they benefit, along with the Group, from strategic moves that result in progress and growth. Since the 1990s, it has been able to anticipate two major trends that still influence its sector: globalization and holistic communications. About twenty years later, Publicis Groupe, taking into account its strategy and market developments – especially the quick fragmentation of media and consumers – is increasing investments in new information technologies, and making important acquisitions in important interactive communication agencies: Digitas in 2007, then more recently Razorfish, the number one and number two worldwide interactive communication agencies worldwide, respectively. At the same time, the Group has invested in numerous organizations working in these domains around the world, whether in Eurospe, the United States or emerging markets.

The Group's first international acquisitions in the late 1990s and early 2000s lent credibility to the strategic decision to globalize in order to accompany clients in their efforts to develop their brand, client base, and network internationally.

The anticipation of advertisers' needs in terms of integrated or holistic communications allowed Publicis Groupe to create new, more horizontally integrated, multidisciplinary and comprehensive working methods. As a pioneer of these communications techniques, since the mid-1990s it has been able to develop its own specific approach for its clients.

Gradually, with organic growth, the establishment of agencies and acquisitions, Publicis Groupe has constructed a substantial offering in Specialized Agencies and Marketing Services (SAMS), giving the Group a very interesting growth potential today.

Since 2003, Publicis has focused on consolidating the entities acquired and simplifying its financial structure. A strategy of increasing liquidity and decreasing leverage allowed it to receive "investment grade" ratings from Moody's and Standard & Poor's in 2005.

At the same time, Publicis implemented various initiatives with the goal of reducing operating expenses. These entailed sharing resources among operating units, centralizing back-office functions in shared service centers, and introducing a policy of centralized purchasing. These actions resulted in the successful integration of acquired companies, the creation of significant synergies, and a strengthening and simplification of the Group's balance sheet. These optimization operations are pursued within the Group's strategy of offering its clients the best services at the best cost. From this perspective, Publicis Groupe has now started with the regionalization of its shared resource centers, in addition to important investments to install an ERP in order to implement a single, horizontal, worldwide system.

Simultaneously, the Group has embraced the changes in the media landscape, which has been completely transformed by the splitting and fragmentation of its audiences, the proliferation of screens, and the extraordinary development of digital technology under the influence of interactive and mobile communications, as well as new forms of social networks resulting from these technological innovations.

The Group's strategic analysis has again allowed it to be ahead of the competition and maintain key positions ensuring innovation, growth and a long-term perspective: the acquisition of Digitas, then Razorfish, significantly increased revenues generated in the digital sector and through new technology offerings, securing a leading position in this key segment of the communications market that is essential for the future.

Today, strengthened by its presence in 100 countries, a diverse client portfolio including worldwide and national industry leaders, financial stability, and a leading position in certain segments and disciplines, Publicis Groupe is ranked among the top communications and marketing services groups, with the profile of an innovator, and a number of well-known features:

- a Group which is strongly focused on the performance and growth of its clients marketing investments;
- clearly ahead in terms of creation, according to various rankings —in particular, the Gunn Report according to which, since 2004, Publicis Groupe has ranked number one for creativity— thus demonstrating its constant efforts to provide its clients with the ideas they need in order to build images and brands and form essential ties with the consumer on an emotional level;
- equipped with the best analysis and research tools, allowing it to be consistently on the cutting edge of innovation in terms of media purchasing, and to provide its customers with the most favorable returns (ROIs = Return On Investment; Return On Involvement). The Group's media agencies (Starcom MediaVest, ZenithOptimedia) benefit from unmatched market expertise (repeatedly named "Agency of the Year"), double-digit growth, and an impressive list of achievements in terms of new business;
- a significant capacity for innovation and experimentation, e.g., the creation of VivaKi and VivaKi Nerve Center, which have allowed it to remain ahead of demand;

- supported by its large creative agencies, which are also among the best on the market. Saatchi & Saatchi, Leo Burnett or Publicis may be cited as an example, with its spectacular profits and exemplary growth which are a testament to the intellectual and creative quality of its teams and the strength of its client relations;
- a unique digital ability that relies both on specialized digital agencies such as Digitas or Razorfish and the digital strentghs integrated into the networks - Leo Burnett, Publicis Worldwide, Saatchi& Saatchi, MS&L and even PHCG. Publicis Groupe has a unique offering that responds to all the new technological requirements, and meets all the needs of the Group's clients' needs, who benefit from all the developments and partnerships generated by the VivaKi Nerve Center.

These features offer advantages to the Group in a changing world where the traditional models of communication must be revised due to the pressure created by changes in the sociological, technological and media realms.

The Group intends to remain at the forefront of innovation in all these domains, constantly giving its customers the best solutions and in order to bring in new customers and ensure tomorrow's growth.

The Group's basic strategy is the following:

- to remove boundaries between certain structures (to the extent that the management of client conflicts allows);
- to create horizontally integrated, multidisciplinary teams working under the same leadership for those clients who desire a holistic, coordinated communications approach;
- create tools, models and organizations allowing clients to access the complex digital world, and to interact with their targets in an optimal manner and at the lowest possible cost.

The most visible application of this new model was launched in June 2008 with the creation of VivaKi and VivaKi Nerve Center, pooling the resources of ZenithOptimedia, Starcom MediaVest Group and Digitas. This organization leverages economies of scale and talent for the benefit of the Group's clients. After this successful experience, Publicis shifted into a higher gear. This is the reason for Razorfish's acquisition and its consolidation within VivaKi.

Simultaneously, as part of the VivaKi Nerve Center, the Group created a new technology platform, the largest "Audience on Demand", which is built on technology from Microsoft, Google, and Yahoo!, as well as Platform-A, offering advertisers a chance to reach precisely defined audiences with a single advertising campaign through multiple networks.

This innovative project blends seamlessly with Publicis Groupe strategic objectives:

- access to new standards;
- remaining open to all forms of collaboration with media owners and our clients;
- leveraging scale and creating new standards for our clients that take better account of the consumer;

- provide our clients with solutions that improve performance while reducing costs.

As the lynchpin of Group strategy, this creation makes it possible for the Group to:

- better respond to advertiser needs by offering solutions that integrate all their communications needs including fast, up-to-date, results-oriented methods, without resorting to silos. Publicis Groupe clients will have access to the future before their competitors;
- to focus market study and research resources, tools and talents (rare in this arena) at the VivaKi Nerve Center, and to make the most advanced digital solutions available to all Group units;
- encourage partnerships with the major internet portals, thanks to VivaKi's scale. The agreement with Google in 2008 was born of a shared vision of the use of new technologies to develop advertising. Many other partnerships followed with members of the digital "big leagues," precluding the need for massive investments in ephemeral technologies and providing advances that could be passed along to clients:
    - "Audience on Demand" with Yahoo! Microsoft and PlatformA (AOL);
    - "Mobile Communication" with Yahoo! and PhoneValley, a subsidiary of Publicis Groupe;
    - "The Pool" for the search of a video standard in advertising.

The Group's aim has always been to be the best partner to its clients by providing them with ideas that ensure their growth, and the technologies and organization that will favor the immediate and optimized implementation of their strategy in all communication media. The Group's development will occur through the taking of central positions in the digital sector and within emerging markets, and by pursuing strategic goals such as:

- continuing the development of its Specialized Agencies and Marketing Services (SAMS);
- accelerating the Group's growth in targeted emerging economies. Publicis intends to develop its presence in emerging markets largely through acquisitions. The Company believes that these markets are experiencing faster growth and have potential that is superior to the world's average;
- pursuing external growth supported by a sound financial policy. The Group's acquisitions must satisfy profitability and financial stability criteria. Publicis intends to seek targets with significant potential for synergies or improvement in operating margin, which also present a good fit with its corporate culture and values;
- encouraging the most promising employees (about 1,000) to meet these criteria, by linking their annual compensation and their bonuses over the long term to achieving growth in results and margins. Therefore, in 2009, Publicis Groupe encouraged the participation of numerous company managers to create a dedicated structure, LionLead, in which 136 of the key Group managers have invested.

Value creation strategy

In recent years, the evolution of media, with the emergence, then explosion of the Internet, Google, Microsoft, with the rising of social networks – Facebook, YouTube, MySpace, Twitter –, the development of digital TV and the multiplication of channels, as well as changes in consumption patterns and in the consumer, growing fragmentation and complexity due to the interaction of the different players, has all led to the implementation of the first stage of Publicis' strategy. Since 2006, the Group has focused on the development of digital business, whose revenue contribution went from 7% overall in 2006 to a bit over 22% in 2009. The Group has also expanded its presence in emerging economies, which today represent 22% of revenue. This strategic orientation is to be pursued within the Group's objective to get 60% of its revenue from these two growing segments – digital and emerging economies in the future.

This new complexity in the media landscape, interactivity with consumers, and the multiplication of the number of advertisers with the arrival of new players from emerging economies or permitted by new technologies, all reinforces Publicis' chosen strategy and drives it to take the Group from the status position of "service provider" to the one of "value creator". The new challenges faced by its customers (whether they are looking for value, brand power, how to rise to the challenge represented by store brands, "*hard discounts*", the Net, e-commerce, and new competition from emerging markets) are opportunities for Publicis to evolve towards a better recognition of created value.

Publicis Groupe's strategy of being the best demands that we help customers use the growing quantity of available data and technologies. A growing population discovers what it wants and when it wants it. The media are available upon request, and this will only be accelerated with new routers, networks and tools. The VivaKi Nerve Center provides its strengths to media agencies in order to help them target audiences directly (*Audience on Demand*), build new models by comparing client data with data on what people read or search for (*Data on Demand*), and to help understand the reality of the brand and of the sales with the aim of constantly fine-tuning the advertising campaigns (*Insight on Demand*).

All future investments will be within the framework of a chosen strategy whose goal is to create a Group that is the best value creator for its customers, leveraging the strongest combination of creativity, data science and technology. Today, the Group's clients are looking for the most creative and catchy ideas to be able to express themselves in a world of fragmented, cluttered communications; in addition, the Group's clients need access to the strongest skills in the use of data and technology so that their ideas grab the attention of their intended targets.

This strategy development will be accompanied by investments in talent, technology and emerging economies. Talent is sought to increase our digital expertise and creative excellence in order to enrich content, strengthen the strategic teams, and drive innovation and new service offerings. In digital technologies, pursuing international business development, strengthening our agencies, and developing strategic alliances and initiatives with major Internet players, will allow Publicis Groupe to remain at the forefront and anticipate the changes and evolution experienced by the communications industry. In emerging economies, the investments strengthen the presence of all entities belonging to Publicis Groupe.

Publicis Groupe makes sure all its units are able to provide both creativity and technology to create value for its clients. Thanks to the centralization of support functions, the Group can release resources that can be reinvested in creativity. Creativity is core to the Group's strategy, and discussed at all management meetings. It is an incontrovertible vector, allowing Publicis Groupe to lead the pack in the acquisition of new business.

In order to bring about this ambitious endeavor, Publicis Groupe must lean toward new partnership and compensation models with its clients. The service provider is paid as a function of time spent, whereas a value creator is paid according to the wealth generated and shared with its clients. The aim of Publicis Groupe, based on the strength of its leadership in creative ideas, new businesses and digital, is to achieve better recognition of its contribution to the success of its clients, taking an innovative approach to partnership models focused on a strategy of sharing the created value. This also requires caution in the investments made, searching for partnerships with the biggest technological platforms like Google, Microsoft, Yahoo! and mobile operators.

Finally, along with its clients, the Company's employees constitute a strategic asset for which the Group has very clear objectives. The Group wishes to provide its most talented employees with a professional framework that will best encourage their development, and to be the leading employer in the sector by offering top career and training opportunities, maintaining the ethical principles and human approach that have always been Publicis' trademark, so that its employees may feel confident, give their best, and be in harmony with the Group's fundamental values.

Sustainable Development (or CSR - Corporate Social Responsibility)

In 2009, Publicis Groupe engaged in a broader, more structured approach regarding Sustainable Development. This is the result of an approach made in previous years that awarded priority to locally-based actions and initiatives in various areas, including an inventory of best practices, in order to prepare a strategy aligned with the Group's business.

The Group has defined four pillars for its vision in terms of social responsibility, which are summarized as follows:

- company: what we do for our employees, with the focus of our commitment to increasing their strengths;
- citizenship: what we do within the community and civil society stakeholders, focusing our commitment on becoming an active economic and social player;
- governance/economy: structure a pool of internal initiatives with the objective of improving the organizations and their operations;
- environment: participating, on a proportionate scale, in the preservation of the environment, with the focus of our commitment being responsible consumption ("consume less").

2009 is also a milestone year, on the one hand with the preparation of the Group's first Carbon Balance Sheet, which will help fine-tune the Group's environmental policy, and on the other hand, with the publication of the first CSR report in accordance with international GRI standards.

6.1.3 SERVICES AND BUSINESS STRUCTURE

Publicis provides a full range of advertising and communications services, designing a customized package of services to meet each client's particular needs through a holistic and global approach. These services fall into three major categories: traditional advertising, SAMS, which include digital services, media consulting and media buying services.

Traditional advertising

"Think global, act local" may seem like a cliché, but it is our reality, as evidenced by our clients' brands which are increasingly global in scope.

For this reason, and beyond the creative production of advertising agencies we discover every day through billboards, TV, radio or newspapers, advertising networks today play an essential role in accompanying their clients in the global development of their brands.

The first mission of advertising agencies and networks is to find ideas that are, at the same time, sufficiently universal to bridge borders and customized enough for local markets, so consumers can easily and effectively receive these ideas conveyed.

Publicis Groupe has three main advertising networks worldwide: Leo Burnett, Publicis and Saatchi & Saatchi. Each of these networks has its own culture and philosophy, and each has been able to build long-lasting partnerships with its clients in all sectors.

Besides these three networks, Publicis offers an array of independent agencies that are renowned for their creative excellence, like Fallon in Minneapolis and London, Kaplan Thaler in New York, Marcel in Paris and Bartle Bogle Hegarty (49% stake) in London, New York, Singapore and São Paulo.

In each agency and each network, the teams' strategic, creative expertise makes it possible to find the best ideas to serve customers either at a local and/or international level. These ideas lead to advertising campaigns that can be made available via traditional media or the Internet, even interactive media, according to the best solution provided to each client.

The partnership between an advertising agency and its clients is often a long-term partnership, where there is an actual dialogue based on the knowledge the client has about its own company and brands and the agency's expertise in terms of creativity and consumer understanding.

The most successful brands around the world have been the result of this partnership, and the agencies from Publicis Groupe are proud to be managing a good number of these brands.

Publicis Groupe networks

- ***Publicis Worldwide:*** This network, headquartered in Paris, operates in 84 countries around the world, especially eurospe and the United States, and includes the agencies Duval Guillaume, Marcel and Publicis & Hal Riney. It also includes Publicis Dialog, which has operations in 44 countries, and Publicis Modem, present in 40 countries, in order to provide a comprehensive services offering.
- ***Leo Burnett*:** Headquartered in Chicago, the network operates in 76 countries around the world. It also possesses the international network Arc Worldwide for marketing services (SAMS), which focuses primarily on direct and interactive marketing and sales promotion. Furthermore, the Group makes use of other independent advertising agencies or entities, which generally operate on a more local or regional level and are specifically positioned (due to their structure and creative styles, in particular) to respond to the specific needs of certain clients.
- ***Saatchi & Saatchi:*** Headquartered in New York, this network is present in 80 and 5 continents. It consists principally of Saatchi & Saatchi agencies (such as Team One and Conill in the US), as well as the Saatchi & Saatchi X network, specialized in point-of-sale marketing (shopper's marketing). Saatchi & Saatchi S, network created in 2008 after the acquisition of Act Now, a sustainable development consultancy of renowned expertise in the United States, gives clients expert advice with respect to, and a solid understanding of, the major issues concerning sustainable development at the economic, social and environmental level.
- ***Fallon:*** This network is headquartered in Minneapolis and has regional offices in London, Tokyo and Singapore.

"SSF," regroups the Saatchi & Saatchi and Fallon agencies.

- ***Bartle Bogle Hegarty (BBH):*** This U.K.-based network, in which the Group has a 49% interest, is located in London and has regional offices in Singapore, Tokyo, New York, Shanghai and São Paulo.
- ***Others:*** The Kaplan Thaler Group in New York, a global communications agency renowned for its talent in the creation of powerful work in many different fields;

Specialized Agencies and Marketing Services (SAMS)

The full range of specialized communications services offered by the Group complements or replaces its traditional advertising activities within a given communications campaign, or provides a means of communication for specific targets or products (in particular, healthcare communications and multicultural communications). These specialized communications services are generally provided in conjunction with traditional advertising services. Specialized Agencies and Marketing Services (SAMS) offer the following services:

- ***Interactive communications:*** Digital communication activities are carried out by "fully digital" agencies like Digitas and Razorfish within VivaKi and by the different agencies integrated in the Group's advertising and media networks.

By digital activities we primarily refer to the creation of corporate or commercial web sites, Intranet sites, direct marketing consulting through the Internet, e-commerce, search engine optimization, Internet ads (especially banners and windows) and any other communication via the Internet or mobile channels.

- ***Direct marketing and Customer Relationship Management (CRM):*** The objective is building client relationships with individual customers, with the goal of developing customer loyalty through the use of different communication channels and direct marketing techniques (such as mail, internet, telephone), as opposed to traditional mass communications-style advertising. Through its CRM operations, Publicis assists clients in creating programs that reach individual customers and enhance brand loyalty. In addition, Publicis provides the appropriate tools and database support to maximize the efficiency of those programs.
- ***Sales promotion and point-of-sale marketing:*** Consulting whose aim is to determine the most effective means for communicating with consumers at the point-of-sale locations, and to increase sales either directly through point-of-sale promotions, or through coupon programs and similar means.
- ***Health care communications:*** This segment is of interest for the pharmaceutical industry, learned societies, hospitals, insurers and consumer goods companies articulated on the preservation of health and well-being. It must reach health care professionals, public authorities and the general public. Health care communications includes a large number of services that cover the entire life cycle of the product, from consulting prior to the release on the market, communication tools (advertising, direct marketing, digital, phoning), medical training, to public relations, to sales personnel recruitment and training.
- Since 2009, activities regarding Public Relations, communication, corporate and financial communication, and events marketing, have been regrouped within the MS&L Group:

  - ***Public Relations:*** The objective of these operations is to help clients establish effective ongoing relations with the press, specialized audiences and the general public on commercial or corporate topics, client identity or products or services, and to develop an image that is consistent with the strategy. These services include: (i) strategic message and identity development to help clients position themselves in their markets and differentiate themselves from their competitors, (ii) product and company launch or re-launch services, which aim to create awareness of, and position, a product or company with customers, (iii) media relations services, which help clients enhance their brand recognition and image, (iv) composing messages, organization of contacts or events, and (v) creating documents or objects illustrating this strategy and these messages.
  - ***Corporate and financial communications:*** it encompasses all initiatives to help clients enhance a company's image and deliver their message to

investors, employees and public authorities. In particular, it deals with financial communications (especially during initial public offerings – IPOs – or other financial transactions), listings into the stock market, transfer, proxy contests and similar matters. Publicis also provides services aimed at helping clients address the communications and public relations aspects of publicized crises and other major events.

- ***Events marketing:*** Publicis organizes events for its clients, such as sales force conventions and business events (trade shows, meetings, exhibitions and opening ceremonies) in order to promote a corporate image that is consistent with the client's strategic objectives.

- ***Multicultural and ethnic communications:*** Essentially circumscribed to the U.S. market, the Group has developed expertise in creating advertising and communications services aimed at specific ethnic groups, particularly African-Americans and Hispanics.

Media

Publicis' media services include the use of media analysis to ensure the use of the most effective media for communications campaigns and the purchase on behalf of clients of the most suitable advertising space for its clients.

Media planning and purchase activities are carried out by the VivaKi organizations: Starcom MediaVest Group, ZenithOptimedia.

The following services are offered:

- ***Media-planning:*** Publicis uses computer software and data analysis related to consumer behavior and audience analysis of different media in order to build the most effective plan to implement an advertising or communications strategy, tailored to the marketing objectives, the target audience and the budget of its clients.
- ***Media buying:*** Purchase of media space for its clients (including television, print, radio, Internet, and cell-phones) needed to implement its clients' strategies, using its experience and buying power to obtain favorable rates and terms and conditions for our clients. Publicis Groupe is ranked second worldwide for its media businesses and number one in the United States and China.

The operating structure is based on two independent organizations that manage media planning and buying:

- ZenithOptimedia, based in London, operates in 70 countries around the world and has a strong presence in the U.K., the U.S., Germany, France and Spain; and
- Starcom MediaVest Group, based in Chicago, operates in 73 countries around the world, with a particularly strong presence in the U.S. Denuo is an agency specialized in consulting on, and monitoring, new technologies (such as internet, video games, mobile phones, iPods).

VivaKi, which since June 2008 groups Starcom MediaVest Group, Zenith Optimedia, Denuo and Digitas, allows the new structure to better respond to advertiser needs by offering customized solutions. It pools all market study and research resources, tools and talents within the VivaKi Nerve Center, in order to make the most advanced digital solutions available to all Group units.

Among others, the Group still maintains a business line it has engaged in from the start, especially in

France: the sale of advertising time and/or space in newspapers, cinema, billboards and radio, carried out by Médias & Régies eurospe.

Médias & Régies eurospe includes Métrobus (billboard/poster advertising in France), Régie 1 (radio in France), Mediavision (cinema, mainly in France) and Médiavista (screens inside shopping centers or malls).

Headquarters

Publicis Groupe S.A. is the Group's holding company whose main purpose is to provide advisory services to Group companies. The cost of such services rendered by the Company and certain of its subsidiaries amounted to approximately 50 million euros in 2008, which was allocated to the operating entities of the Group on the basis of the relative cost of services received. In addition, the parent Company received dividends from subsidiaries amounting to 207 million euros in 2009.

Finally, the parent Company holds the medium- and long-term debt of the Group.

6.2 MAIN MARKETS

6.2.1 MARKETS BY GEOGRAPHIC ZONE

Publicis Groupe currently operates in more than 200 cities in over 100 countries around the world. Its primary markets are the U.S., eurospe and the Asia Pacific region. The following table shows contribution by geographic zone to the Group's revenue for the years ended December 31, 2007, 2008 and 2009 (in millions of euros):

GEOGRAPHIC ZONE	*2009*	*2008*	*2007*
eurospe	1,579	1,805	1,799
North America	2,094	2,008	2,016
Asia-Pacific	498	519	502
Latin-America	218	238	237
Africa and the Middle East	135	134	117
Total	**4,524**	**4,704**	**4,671**

The information by geographic zone is presented in note 27 to the consolidated financial statements in Chapter 20.1 of this document.

6.2.2 Information by Activity Sector

Publicis has not identified any distinctive sector of business activity (see note 27 to the consolidated financial statements in Chapter 20.1 of this document).

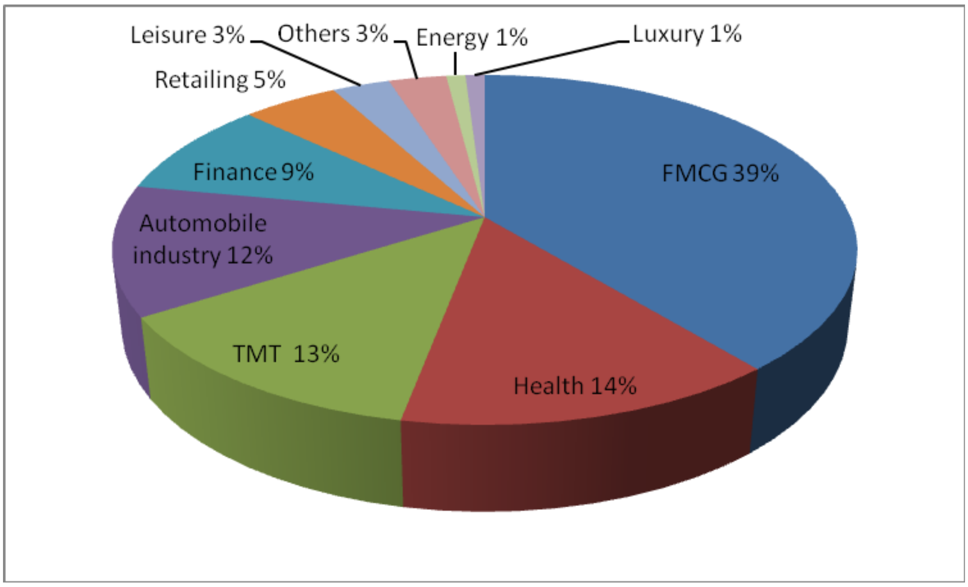
6.2.3 Main customers

Publicis Groupe provides advertising and communications services to a diversified customer portfolio that is representative of the global economy. It has a significant number of clients that are both national and global leaders in their industries, and approximately half of its revenues are generated by international clients, i.e. clients whose accounts are managed in more than five countries. The Group's top twenty clients represented approximately 43% of its consolidated revenue. Payment terms are consistent with general market practices and the regulations in force in each of the countries in which the Group operates. Revenues from, and contracts with, different clients vary from year to year. Therefore, a significant share of Publicis Groupe's revenue comes from faithful clients that have been with the company for years. On average, its retention rate of the 10 biggest clients is 45 years.

The Group's largest clients in 2009 were the following:

- ***Publicis:*** BNP Paribas, Citigroup, Carrefour, Deutsche Telekom/T-Mobile, France-Telecom/Orange, Hewlett-Packard, LG Electronics, L'Oréal, Nestlé, Pernod Ricard, Procter & Gamble, Qantas, Renault, sanofi-aventis, Siemens, Zurich;
- ***Leo Burnett:*** Allstate, Coca-Cola, Diageo, Dubai Telecom, Fiat, General Motors, Kellogg's, McDonald's, Philip Morris USA, Philip Morris International, Procter & Gamble, RIM-Blackberry, SAB-Miller, Samsung, Whirlpool;
- ***Saatchi & Saatchi:*** Bristol Myers Squibb, Cadbury, Claro, Deutsche Telekom/T-Mobile, General Mills, JC Penney, Nestlé, Novartis, France-Telecom/Orange, Procter & Gamble, Sony, St Paul Travelers, Toyota/Lexus, Visa eurospe, Wal-Mart / ASDA;
- ***Starcom MediaVest Group:*** Allstate, Bank of America, Coca-Cola, Comcast, Disney, General Motors, Kellogg's, Kraft, Mars, Oracle, Procter & Gamble, RIM-Blackberry, Samsung, Wal-Mart;
- ***ZenithOptimedia:*** AstraZeneca, Deutsche Telekom/T-Mobile, General Mills, JP Morgan Chase, L'Oréal, LVMH, Mars, Merck & Co, Nestlé, Puma, Procter & Gamble, Reckitt Benckiser, Richemont Group, sanofi-aventis, Telefonica/O2, Toyota/Lexus, Verizon, 20th Century Fox;
- ***Publicis Healthcare Communications Group:*** Astellas, AstraZeneca, Biovail, Boehringer Ingelheim, Bristol-Myers Squibb, Novartis, Pfizer/Wyeth, Merck & Co/Schering Plough, sanofi-aventis, Takeda Pharmaceutical.

For 2009, total Group revenues break down by client business sector as follows:



The breakdown of revenues by key client business sectors reflects all major economic players, with the portfolio structure aligned with the worldwide investment structure. More than 50% of this customer portfolio is relatively resistant to fluctuations in the economy.

6.2.4 Seasonality

Clients' advertising and communications expenditures fluctuate, often in response to actual or expected changes in consumer spending. Because consumer spending in many of the Group's markets is typically lower in the beginning of the year, following the holiday season, and in July and August, the most popular vacation months in eurospe and North America, than at other times of the year, advertising and communications expenditures have been historically lower during these periods as well. Thus, advertising and communication expenditures are less significant in these periods. Accordingly, the Group's results of operations have historically often been stronger in the second and fourth quarters of the year than they have been in the first and third quarters.

6.2.5 Competition

Ever since its acquisition of Bcom3 in 2002 and until 2008, Publicis Groupe was ranked fourth among communications groups worldwide, behind Omnicom, WPP and Interpublic Group (IPG) (American, English and American groups, respectively). In 2009, the Group climbed to number four in the rankings, overtaking IPG (ranking based on reported revenue, source: annual reports of the companies).

The table below shows the revenue published by each of the four main groups for 2009:

	Omnicom *(US GAAP)*	***WPP*** *(IFRS)*	***Interpublic*** *(US GAAP)*	***Publicis Groupe*** *(IFRS)*
Figures published in local currency	**11,721** *(million USD)*	**8,684** *(million GBP)*	**6,028** *(million USD)*	**4,524** *(million EUR)*
Figures published in US dollars	**11,721**	**13,598***	**6,028**	**6,287****

* Source: WPP Press Release. Average quarterly and annual rates. December 31, 2009: 1 GBP = 1.5667 USD
** Average quarterly and annual rates. December 31, 2009: 1 USD = 0.71951 EUR

The reader should note that the figures above are those published by the groups concerned, in the currency and according to the accounting reference used by each of them.

The Group also competes with a number of independent local advertising agencies in markets around the world, offering services through its specialized agencies (SAMS).

Advertising and communications markets are generally highly competitive, and Publicis is in constant competition for business with national and international agencies. Publicis expects that competition will continue to increase as a result of multinational clients' continuing consolidation of their advertising accounts among an increasingly limited number of agencies.

6.2.6 Governmental Regulations

The Group's business is subject to government regulation in France, the U.S. and elsewhere.

In France, media buying activities are subject to the *Loi Sapin,* a law requiring transparency in media buying transactions. Pursuant to the *Loi Sapin* an advertising agency may not purchase advertising space from media companies and then resell the space to clients on different terms. Instead, the agency must act exclusively as the agent of its clients when purchasing advertising space. The *Loi Sapin* applies to advertising activities in France when both the media company and the client or the advertising agency are French or located in France.

In many countries, the advertisement and marketing of certain products, including tobacco, alcohol, pharmaceutical products and food products, is subject to strict government regulation and self-regulatory standards. New regulations or standards imposed on the advertisement or marketing of such products could have an adverse impact on the Group's operations.

6.3 EXCEPTIONAL EVENTS

There is currently no exceptional event, which may have or has in the recent past had a significant impact on the business of the Publicis Groupe.

6.4 BASIS FOR THE COMPANY'S FINANCIAL STATEMENTS REGARDING ITS COMPETITIVE POSITION

The sources for the Company's disclosure regarding its competitive position are indicated herein (see chapters 6.1, 6.2.1 and 6.2.5).

6.5 INSURANCE AND RISK COVERAGE

The Company's policy regarding insurance aims to insure all subsidiaries and all companies in which it holds 50% or more of the voting rights, directly or indirectly, or for which it assumes the management or administrative control or the responsibility for insurance coverage without holding 50% or more of the voting rights.

Insurance coverage is achieved through complementary centralized and local insurance programs. The insurance programs cover the full range of insurable risks.

Centralized programs

These are programs with an international scope, such as third-party professional liability, personal liability of management and those related to corporate relations. A worldwide "umbrella" coverage also exists, which applies in the case of differences in conditions or limits of local programs, particularly for property damage insurance and operating loss insurance, as well as automobile and employer's third-party liability insurance.

Local programs

These are insurance contracts for general and employer's third-party liability, property damage and operating loss, automobile contracts, and other general risks. These contracts are entered into locally in order to comply with local practices and regulations and to respond to applicable risks.

The coverage generally includes the following:

- Property damage and loss from operations: up to 160 million euros;
- Civil liability: from 20 to 95 million US dollars, depending on the risks.

Terrorism risks are covered in the United States, France and the United Kingdom, in accordance with the legal requirements in each country.

These contracts are established through brokers from large international insurance companies, such as AIG, Chubb, Zurich and Generali, among others.

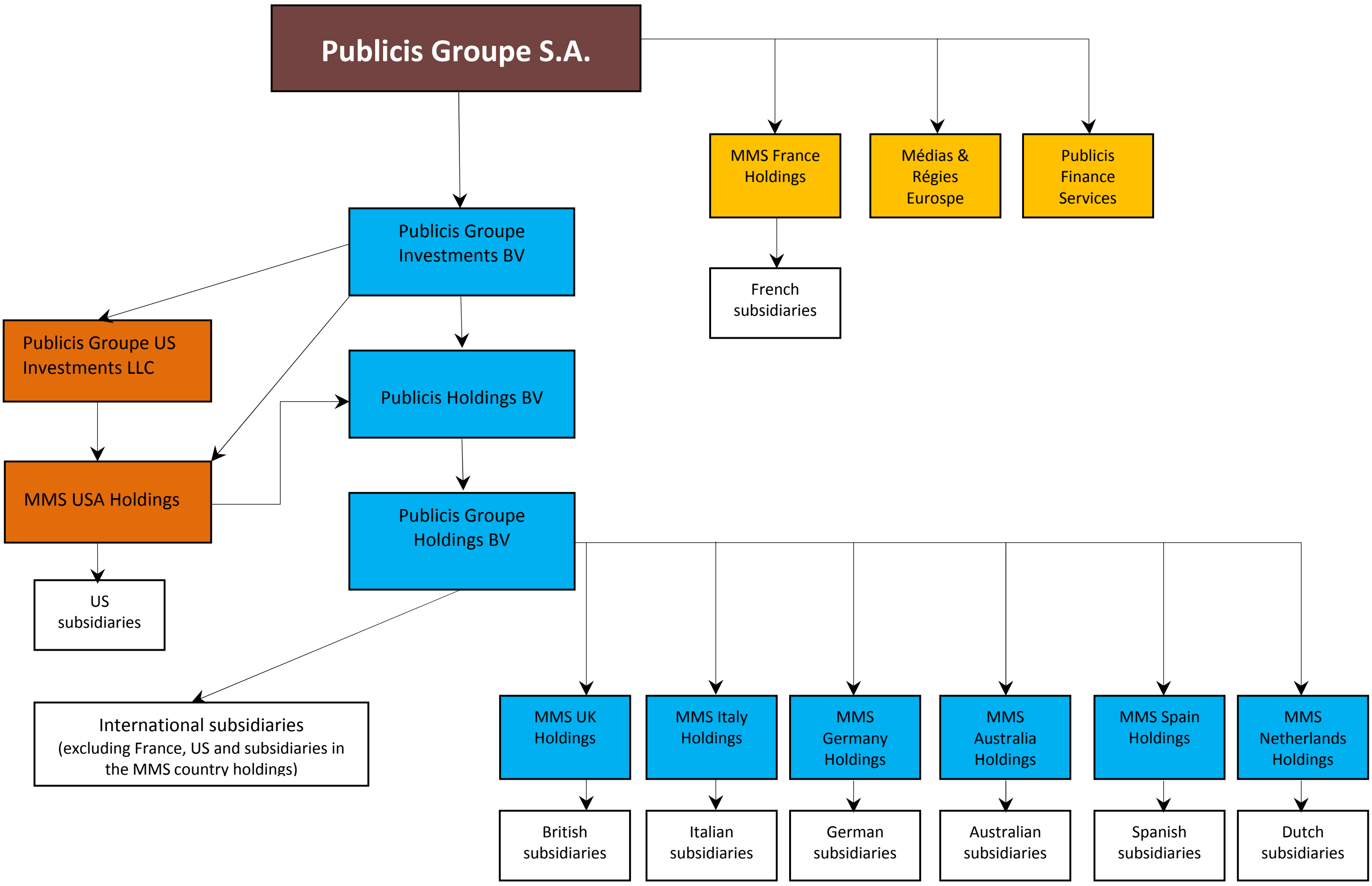
Non-life premiums paid worldwide amounted to approximately 15 million euros in 2009.

7

ORGANIZATIONAL STRUCTURE

7.1 DESCRIPTION OF THE GROUP

SIMPLIFIED STRUCTURE CHART AT DECEMBER 31, 2009 [(1)]



[(1)] All companies that are individually named are held by the Group at more than 99%.

The members of the Management Board of the parent Company are sometimes on the boards of, or hold executive offices in the subsidiaries (see the list of positions held by members of the Management Board in Chapter 14.1 - Members of the Management Board and Supervisory Board).

7.2 PRINCIPAL CONSOLIDATED SUBSIDIARIES

Information concerning Publicis' principal consolidated subsidiaries as of December 31, 2009, is provided in Note 32 to its consolidated financial statements in Chapter 20.1 of the current document.

None of the Company's subsidiaries accounts for more than 10% of its consolidated income.

None of the companies represented in the list of principal companies consolidated as of December 31, 2009 has been sold at the date of the current document.

The majority of the Group's subsidiaries are at least 90% owned by Publicis Groupe. Nevertheless, certain subsidiaries may be jointly held with minority owners whose interest may be substantial (up to 49%) and may be subject to shareholders' agreements. However, these subsidiaries do not hold important assets and are not intended to hold any significant debt or financing. The debt and financing of the Group are 100% held and controlled by Publicis Groupe.

During fiscal year 2009, Publicis Groupe S.A. took no significant stake in any company headquartered in France.

8

PROPERTY, PLANTS AND EQUIPMENT

8.1 MAJOR CURRENT FIXED ASSETS OR PROJECTED CAPITAL EXPENDITURES AND MAJOR RELATED CHARGES

The Group conducts operations in over 200 cities around the world. Except as stated below, it leases, rather than owns, the offices it occupies in most of the cities where it operates. As of December 31, 2009, it owned real property assets with a net book value of 182 million euros. Publicis' main asset is the building it owns and uses as its headquarters at 133 avenue des Champs-Elysées in Paris. This 7-story building includes approximately 12,000 square meters of office space in the building occupied by the Group's companies, and approximately 1,500 square meters of commercial property occupied by the Publicis Drugstore and two public cinemas.

Publicis Groupe chose to reassess this building at its fair value after IFRS was implemented, and to consider this value as the agreed cost on the date of the transition to IRFS accounting standards. On this date, the fair value of the building was 164 million euros, representing an adjustment, at the time, of 159 million euros in comparison with its value in accordance with previous accounting standards. The valuation was performed by an independent expert using the rent capitalization method.

The Group owns six floors of the building at 15 rue du Dôme in Boulogne.

The main asset held under a finance lease, the net value of which is 55 million euros as recorded in the Group's consolidated financial statements as of December 31, 2009, is the Leo Burnett office building located at 35 West Wacker Drive in Chicago, Illinois, United States (whose 74 million euros gross value as of December 31, 2009 is depreciable over 30 years).

The Group has access to important IT systems that help in the advertising creation process, the management of media buying, and administrative functions.

As of December 31, 2009, the Company has no planned capital expenditures with respect to tangible or intangible assets, other than investments made in the regular course of business.

8.2 ENVIRONMENTAL QUESTIONS WHICH MAY INFLUENCE THE GROUP'S USE OF ITS TANGIBLE ASSETS

The business sector in which the Group operates does not present any environmental risks, and does not require the creation of an ad hoc committee.

9

ANALYSIS OF THE FINANCIAL POSITION AND RESULTS

The discussion below as well as in Chapter 10 are the principal elements of the management report mentioned in section I of article L. 451-1-2 of the Monetary and Financial Code and in article 222-3 of the General Regulations of the AMF, which must include the information mentioned in articles L. 225-100, L. 225-100-2, L. 225-100-3 and in paragraph 2 of article L. 225-211 of the French *Code de Commerce*.

Other information required to be included in the management report is to be found in Chapters 4, 5, 6, 7, 18.3, 20 and 21.

The following discussion should be read in conjunction with the consolidated financial statements and related notes. It contains forward-looking statements that involve risks and uncertainties, including, in particular, those described in Chapter 4, Risk Factors.

9.1 INTRODUCTION

Within an economic climate marked by recession until the third quarter, compounded instability and a very real credit crisis, Publicis Groupe has had good results compared to the market and the competition. Organic growth, despite a decrease of 6.5%, must be examined from the perspective of a severely slowed advertising market whose estimated drop was over 10% (estimate by ZenithOptimedia in December 2009). Publicis Groupe illustrated the merits of its chosen strategy, as well as the dynamism and talent shown by its teams.

The operating margin for the year was 15.0%, which is high when taking into account the significant drop experienced by advertising in most countries and a 3.8% decrease in the Group's revenues for the period. This protection of the Group's operating margin was possible thanks to a long tradition of cost management, and thanks as well to the impressive efforts of our employees around the world during this difficult period.

The Group's net income amounted to 403 million euros.

Headline diluted earnings per share were 1.97 euros. Diluted earnings per share was 1.90 euros.

As of December 31, 2009, net debt was 393 million euros, decreasing by 283 million euros compared to December 31, 2008. Given the liquidity crisis, and taking care to preserve the Company's solidity and financial capacity, on June 24, 2009 Publicis Groupe S.A. issued convertible bonds for 719 million euros; these securities mature in July 2014. In addition, in December 2009 the Company launched an exchange offer for its Eurobonds maturing in 2012 in order to issue new bonds maturing in March 2015. These two transactions aimed to extend the maturity of the resources held by the Company.

In summary, within the context of a significant slowdown in the world economy, as well as very difficult market conditions, (especially in the United States, epicenter of the crisis, which saw several companies disappear and one of the most spectacular bankruptcies, that of General Motors, the Group was able to obtain good operating results, finishing the year in much better shape than its competition within the advertising market.

In 2009, our collaborators in Publicis Groupe were under a particularly strong pressure to face the drop in advertising expenditures and its effect on revenue. The Group was forced to reduce its staff by over 3,000 employees (on a comparable basis), mainly by not offsetting attrition -and, when necessary, by limited downsizing actions. Confronting this new, unheard-of situation of fast drop in revenue, the Group implemented a salary and hiring freeze, managing on a case-by-case basis those unavoidable exceptions due to local and sector-based dynamics. The Group's transformation has also led to staff recruiting and training efforts in the digital domain, within VivaKi as well as the network of media, creative and specialized agencies. Talent management thus becomes critical in a crisis situation since the slowdown limits the flexibility of management, forcing management to have diverse and distinct reward and loyalty policies.

Paradoxically, 2009 was a very good year for New Business acquisitions, which amounted to 6 billion US dollars taking into account losses. This figure does not come from financial reports but is rather an estimate of year-to-date investments in advertising and media for the new business acquired (taking into account losses) from new or existing clients. This success highlights the relevance and competitiveness of Publicis Groupe's offering, placing the Group squarely at the forefront of the competition according to the rankings of different bodies (Nomura, Goldman Sachs and JPMorgan). Among the new business accounts earned, we note Carrefour, Bristol-Myers Squibb, Chrysler, Telefonica, Wrigley, Wendy's and even TGI Friday's.

In the creative services areas, Publicis Groupe has strengthened its position by achieving similar results compared to previous years.

During 2009, Publicis made numerous acquisitions that bear witness to its ability to anticipate market developments in order to meet new customer requirements, provide the answers expected by consumers and insure the Group's continued growth.

Among the Group's highlights during 2009, the Chapter 11 filing by General Motors on June 11 deserves special mention, since it is one of Publicis Groupe's oldest and largest clients. After the Chapter 11 filing, the "Old GM" signed commercial agreements with other agencies belonging to the Group and transferred certain existing contracts with the Group's agencies to the "New GM". The Group was paid the principal receivables existing on the date of the insolvency proceedings, the balance being paid out during the second semester according to the commitments made by General Motors.

9.2 ORGANIC GROWTH

When comparing its performance between years, Publicis measures the impact of changes in foreign currency exchange rates, acquisitions and disposals, and organic growth on reported revenue. Organic growth, which represents the increase in revenue at constant parameters and exchange rates, is calculated as follows:

- the revenue of the previous year is recalculated applying the average current exchange rate;
- the revenue from acquisitions (net of revenue from any divested activities) is subtracted from the current year revenue, in order to neutralize the impact of changes of parameters on growth.

The difference between the revenue for the current year, after subtraction of the revenue from acquisitions (net of that of the divested activities) and the revenue of the previous year (converted at the current exchange rate) is compared with the revenue generated in the prior period to determine the percentage of organic growth.

The Group's management believes that the analysis of organic growth provides a better understanding of its revenue performance and trends than reported revenue because it allows for more meaningful comparisons of current period revenue to that of prior periods. In addition, revenue, determined using constant parameters and currency exchange rates, is generally used in the industry as a key performance indicator.

Organic growth is unaudited and is not a measurement of performance under IFRS and may not be comparable to similarly titled financial data of other companies.

(in millions of euros)	***Total***
2008 revenue	**4,704**
Impact of exchange rates	**28**
2008 revenue at 2009 exchange rate (a)	**4,732**
2009 revenue with impact of acquisitions [(1)] (b)	**4,426**
Revenue from acquisitions [(1)]	**98**
2009 revenue	**4,524**
Organic growth (b-a) /a	**-6.5%**

[(1)] Net of divestitures

Organic growth was -6.5% for 2009, which in itself is a relatively solid performance in light of the significant worldwide economic slowdown and a drop in advertising expenditures of over 10% -according to estimates made ZenithOptimedia in December 2009.

Quarterly, organic growth was -4.4% in the first, -8.6% in the second, -7.4% in the third, and –5.4% in the fourth, respectively.

This sequence of growth rates reflects the continuous deterioration of the advertising market observed since the summer of 2008, which bottomed out in the second quarter of

2009. After this second quarter we observe that the market's descent slowed down, then stopped. The fourth quarter saw an improvement, confirming the start of the recovery.

9.3 COMMENTS AND ANALYSIS OF ANNUAL CONSOLIDATED RESULTS FOR FISCAL YEARS 2008 AND 2009

9.3.1 REVENUE

Consolidated revenue for 2009 was 4,524 million euros, compared to 4,704 million euros in 2008, a 3.8% decrease (negative exchange rate effects amounted to 28 million euros).

Organic growth was -6.5%. We note that, excluding General Motors, organic growth would have been -5.3%.

The growth of digital business, which represents 22.4% of the total revenue (25.6% of the total revenue after taking into account Razorfish of a full-year basis), continued, with 7.1% organic growth despite a global advertising market drop of over 10%. If we excluded the negative effect of General Motors, this growth would reach 11.9%. Revenue coming from emerging economies represented 22.5% of the Group's total revenue for 2009, excluding the Razorfish acquisition.

Revenue by business line

The following table shows the percentage of Group revenues for each of the three main business lines in 2008 and 2009:

	2009	*2008*
Traditional advertising	35%	38%
Specialized Agencies and Marketing Services (SAMS)*	44%	36%
Media	21%	26%

* (100% including digital)

Revenue by geographic zone

The following table shows the allocation of the Group's revenue by region in 2008 and 2009:

(in millions of euros)	*2009*	*2008*	*Variation* *Global*	*Organic*
eurospe	1,579	1,805	-12.5%	-9.9%
North America	2,094	2,008	+4.3%	-4.2%
Asia-Pacific	498	519	-3.9%	-7.7%
Latin America	218	238	-8.4%	-0.6%
Africa and the Middle East	135	134	-	-4.0%
Total	**4,524**	**4,704**	**-3.8%**	**-6.5%**

All regions, without exception, experienced the shock of the economic crisis, which was already perceptible in the last quarter of 2008 and gradually gained momentum until it peaked in the second quarter of 2009. eurospe was hit hard, especially Southern eurospe, where revenue dropped over 15%.

At -4.2% North America showed significant resistance, in part due to the extent of digital activities that represented 34.6% of revenue for this region. General Motors's Chapter 11 filing had a significant negative effect on growth for 2009 (not taking it into account would improve North America's growth rate to -1.2%). Only the digital business showed positive organic growth to the tune of 15.3%, excluding General Motors.

Asia-Pacific also experienced a significant business downturn, even if per-country performances are quite different; business started picking up during the third quarter. Latin America got out of a tight spot mainly thanks to Brazil. Finally, Africa and the Middle East were unduly affected by the financial crisis that affects Dubai.

9.3.2 OPERATING MARGIN AND OPERATING INCOME

Global operating margin

The operating margin before depreciation and amortization was 17.1% of revenue or 772 million eurosin 2009, compared to 889 million euros in 2008. It dropped 13.2%.

The operating margin was 680 million euros, a 13.4% decrease compared to 2008.

Personnel expenses were 2,812 million euros compared to 2,852 million euros in 2008, which is a 1.4% YTD decrease and 62.2% of total consolidated revenue. Important efforts have been made during this downturn period; it should be noted that, after eliminating the effects of acquisitions, staff compensation in 2009 compared to 2008 (at 2009 exchange rates) decreased 4.9%.

Other operating expenses were 940 million euros, decreased 2.4% compared to 2008, in spite of an increase in the proportion of costs attributable to occupancy rates, thanks to the optimization of operations costs. Thus, with the exception of acquisitions, total operating costs for 2009 compared to 2008 (at 2009 exchange rates) decreased by 5.1%, or 201 million euros.

The 2009 operating margin was 15.0%. These rates, lower compared to 2008, reflect the effect of the adjustment and restructuring actions carried out in 2009, whether they are adjustments made in response to this contraction in operating revenue or longer-term structural operations. Restructuring charges for 2009 only were 80 million euros, or a 29 million euros increase compared to 2008.

Continued efforts in cost control for the entire Group enabled both the integration costs of various acquisitions and the accelerated deployment of digital activities worldwide to be absorbed.

The optimization of different operating costs and the management of investments helped the Group maintain its operating margin. It is not an exaggeration to view this margin as a truly exceptional performance, taking into account its context.

Depreciation expenses for the 2009 fiscal year were 92 million euros compared to 104 million euros in 2008, which reflects the good management of investment expenditures during the period.

Operating income

Amortization of intangibles arising from acquisitions was stable compared to the previous year (30 million euros in 2009 compared to 29 million euros in 2008).

An impairment loss of 28 million euros, mainly corresponding to impairment of goodwill (mainly Publicis Welcomm Korea, Guillaume Duval, Publicis Betterway, BMZ and More) were recognized as of December 31, 2009, compared to impairment losses of 13 million euros in 2008.

Other operating income was 7 million euros, mostly capital gains from the disposal of a building in the United Kingdom.

Operating income was 629 million euros in 2009, compared to 751 million euros in 2008.

9.3.3 OTHER INCOME STATEMENT ITEMS

The Groupe's Net financial expense (cost of Net financial debt and Other financial income and expenses) was €70 million for 2009, down from a Net financial expense of €79 million in 2008. The cost of Net financial debt was €61 million, i.e. a €20 million improvement on 2008 made possible by the softening of interest rates, the refinancing of the 2008 OCÉANE convertible bonds on July 17, 2009 at a lower rate and the average net debt decrease by €173 million Year on Year.

The income tax charge for the year was €146 million, i.e. an effective tax rate of 28.9% (after factoring out the exceptional €23 million tax credit stemming from the IFRS treatment of the 2014 OCÉANE bonds) compared with €196 million in 2008, representing an effective tax rate of 29.2%.

The share of profit of Associates (i.e. entities accounted for by the equity method) was €4 million compared with €2 million for the previous period.

Minority interests totaled €14 million, compared with €31 million in 2008.

Net income attributable to the Groupe stood at €403 million, down 9.8% from the €447 million achieved in 2008.

Headline earnings per share or EPS (as defined in Note 9 to the Consolidated accounts) was €2.07, with fully-diluted headline EPS at €1.97, both figures down 11% on the previous period. Earnings per share was €1.99 with fully-diluted earnings per share at €1.90, representing decreases of 10% in both cases.

9.3.4 PUBLICIS GROUPE S.A. (PARENT COMPANY OF THE GROUP)

Publicis Groupe S.A.'s revenue consists exclusively of building rentals and management fees for services rendered to subsidiaries of the Groupe. Its operating revenues totaled €36 million in 2009, up from €22 million in 2008. This includes reinvoicing of the Groupe's entities for their portion of the 2009 free share attribution under the co-investment program.

Financial income reached €486 million, up sharply from €353 million in 2008 due to the reversal of the entire €132 million provision for Treasury shares. This write-back was due to the increase in the share price between December 2008 and December 2009.

Operating expenses totaled €43 million, compared with €24 million in 2008. The 2009 operating expenses included a €22 million provision for risks and charges relating to Treasury shares, corresponding to the cost of the free-share and stock-option plans spread over the vesting period.

Financial expenses decreased from €381 million in 2008 to €195 million in 2009. This big drop was due to the fact that a €125 million provision had been booked in 2008 for the depreciation of Treasury shares (the then current share price had fallen below the cost of acquisition). No such provision was required in 2009 as the share price at December 2009 had risen above the cost of acquisition. Moreover, financial expenses were much lower as a result of lower interest rates.

Net income (loss) before exceptional items and taxes was €285 million, compared with a loss of €30 million in 2008.

After a capital gain of €4 million from the partial early redemption of the 2018 OCÉANE convertible bond issue, and a positive €30-million tax effect (tax credit) arising from tax consolidation in France, Publicis Groupe, the parent company of Publicis Groupe S.A., posted net income of €320 million for 2009, up from €30 million in 2008.

In addition to approving the 2009 financial statements, the shareholders' meeting will be asked to appropriate profit for the 2009 fiscal year of 319,691,644 euros which, with previous retained earnings of 399,323,502 euros, represents distributable profit of 719,015,146 euros:

- distribution of 118,549,867 euros (based on 197,583,112 shares, including treasury stock as of December 31, 2009),
- appropriation to retained earnings for 600,465,279 euros.

Under the proposed appropriation, the net dividend would be 0.60 euros per share of 0.40 euros nominal.

9.4 USE OF ASSUMPTIONS AND ESTIMATIONS IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Please see Note 1.3 of the consolidated financial statements in Chapter 20.1 of this document.

10

CAPITAL RESOURCES AND INDEBTEDNESS

10.1 SOURCE AND AMOUNT OF THE GROUP'S CASH FLOWS AND DESCRIPTION OF THESE CASH FLOWS

Cash flows

Net cash flow generated by operations amounted to 642 million euros in 2009 compared to 715 million euros in 2008. The decrease resulted mainly from the YTD decrease in net income. Taxes paid in 2009 decreased over the previous year: 157 million euros paid in 2009 compared to 169 million euros in 2008. Interest paid amounted to 75 million euros compared to 89 million euros in 2008, mainly due to lower interest rates (resulting in 18 million euros less interest paid on Eurobond 2012, a fixed-rate loan exchanged for variable-rate obligations). However, the drop in interest rates had a negative impact on the interest received from cash and banks (16 million euros compared to 37 million euros the year before).

Net cash flow from investments includes purchases and sales of tangible and intangible assets, net acquisitions of financial assets and acquisitions and sales of subsidiaries. The net amount of cash used for investment activities was 351 million euros in 2009 compared to 237 million euros the previous year. Net investments in tangible assets amounted to 64 million euros in 2009, the same amount as in 2008. Acquisitions of subsidiaries and other financial assets, net of disposals, represented an investment of 287 million euros compared to 173 million euros in 2008. Of this, the largest portion of 2009 corresponds to the cash paid for Razorfish's acquisition (196 million euros), with the balance paid out to Microsoft with 6.5 million equity shares. Total *earn-outs* and *buy-outs* amounted to 94 million euros.

Net cash flow from financing activities includes dividends paid, changes in borrowings, buybacks of treasury shares and equity warrants issued by the Company. Financing operations resulted in a surplus of 508 million euros in 2009 compared to a deficit of 949 million euros in 2008. 2009's surplus basically corresponds to the issuance, in June 2009, of new convertible bonds (OCÉANE 2014) that collected 710 million euros, this income partially offset by the prepayment, in January 2009, of part of OCÉANE 2018 bonds still in circulation for 95 million euros. Cash needs for 2008 originated mainly from the reimbursement of OCÉANE 2008 for a principal amount of 672 million euros, and net share buybacks for 174 million euros. 2008 and 2009 recorded dividend amounts that were almost equivalent (107 million euros in 2009 compared to 106 million euros in 2008).

In total, the Group's cash position, net for bank credit balances, improved by 710 million euros at the close of 2009 compared to a deterioration amounting to 452 million euros in 2008.

Free cash flow

The Group's free cash flow, excluding changes in working capital requirements (WCR), decreased by 18% over the previous year, to reach an amount of 524 million euros.

Free cash flow is an indicator used by the Group to measure liquidity arising from operating activities after accounting for investments in fixed assets but before acquisitions or sales of subsidiaries and before financing activities (including financing of working capital requirements).

The following table shows the Group's free cash flow calculation (excluding changes in working capital requirement):

(in millions of euros)	***2009***	***2008***
Cash flow from operating activities	647	715
Investments in fixed assets (net)	(64)	(64)
Free cash flow	**583**	**651**
Effect of changes in WCR	(59)	(12)
Free cash flow excluding WCRs	**524**	**639**

10.2 INFORMATION ON THE GROUP'S DEBT

Consolidated shareholders' equity rose to 2,813 million euros as of December 31, 2009, compared to 2,320 million euros as of December 31, 2008, an increase of 493 million euros. This increase is due mainly to the income for the year (403 million euros), the impact of the remittance of treasury shares (173 million euros) as partial payment of Razorfish's acquisition, and the recording as equity of the optional portion of the new OCÉANE 2014. However, equity decreased by 107 million euros by the distribution of dividends by the parent company and the negative effect of exchange variations (62 million euros). Minority interests were 25 million euros compared to 30 million euros on December 31, 2008.

Net financial debt

(in millions of euros)	***December 31, 2009***	***December 31, 2008***
Financial debt (long and short term)	2,010	1,541
Fair value of derivatives covering exposure on Eurobond 2012 and 2015 [(1)]	(13)	(7)
Fair value of derivatives covering exposure on intergroup loans/borrowings [(1)]	(24)	9
Total financial debt including fair value of associated derivatives	1,973	1,543
Cash and cash equivalents	(1,580)	(867)
Net financial debt	**393**	**676**

[(1)] *See "Other receivables and current assets" and/or "Other creditors and current liabilities" in the consolidated financial statements.*

Net financial debt decreased by 283 million euros, from 676 million euros in 2008 to 393 million euros in 2009, due to the Group's efforts to reduce its debt, thanks to the maintenance of adequate cash flow from operations, and by the absence of share repurchases in 2009 (the buyback program accounted for 174 million euros in 2008).

This debt reduction enabled the Group to markedly improve the ratio of net debt to shareholders' equity, which fell from 0.29 as of December 31, 2008, to 0.14 on December 31, 2009, which is well under the threshold of 0.50 set by the Group. The Group's average net debt decreased by 173 million euros in 2009, going from 1,102 million euros in 2008 to 929 million euros in 2009.

The Group's gross consolidated debt was 2,010 million euros as of December 31, 2009, compared with 1,541 million euros on December 31, 2008. This debt consisted of maturities of greater than 12 months (89%) and maturities of greater than 5 years (17%); see note 22 to the consolidated financial statements on December 31, 2008, for a detailed maturity schedule of Group debt).

Financial debt, after interest rate swaps, includes fixed-rate borrowings (51% of gross consolidated debt, excluding debt relating to purchases of investment securities and minority buyout commitments at December 31, 2009) with an average interest rate of 5.8% in 2009 (this rate includes additional interest related to the stripping into debt and equity of the OCÉANE and ORANE convertible bonds). The average interest rate of floating-rate borrowings, which made up 49% of total debt at December 31, 2009, was 2.7% in 2009.

Further to the unwinding of a Eurobond currency swap entered into at the end of 2007, the majority of Group financial debt is now in euros (85% of gross debt). Debt breakdown by currency on December 31, 2009, was as follows: 1,708 million in euros, 139 million in US dollars, and 163 million euros in other currencies.

In December 2005, the Group established financial ratio targets meant to direct the Group's financial policy on such matters as acquisitions and dividends. These ratio targets were met at the end of the fiscal year, as the following table shows:

	optimal ratio	*December 31, 2009*	*December 31, 2008*
Average net debt/operating margin before depreciation	*< 1.50*	1.20	1.24
Net debt /equity	*< 0.5*	0.14	0.29
Coverage of interest on operating margin before depreciation/cost of net financial debt	*> 7*	13	11

10.3 INFORMATION ON BORROWINGS AND THE STRUCTURE OF THE GROUP'S FINANCING

To manage liquidity risk, Publicis has, on the one hand, significant cash and cash equivalents amounting to 1,580 million euros as of December 31, 2009, and on the other hand, and unused credit lines (amounting to 2,388 million euros as of December 31, 2009, of which 2,155 million euros in credit are confirmed and 233 million euros are not confirmed). The main credit line is a multi-currency syndicated facility in the amount of 1,500 million euros, which expires in 2012 with the option of an extension of until July 2014, with the bank's approval.

These amounts, which are available or can be made available almost immediately, were more than sufficient to allow the Group to meet its current financial debt obligations (including commitments to minority shareholders) and the prepayment, in January 2010, of the 2018 OCÉANE.

During the 2009 fiscal year, the Group achieved its objective of extending the average maturity of its financial resources. This objective was attained through:

- the issue of convertible bonds that can be exchanged for new or existing shares (OCÉANE) in the amount of 719 million euros with maturity in July 2014;
- the establishment of bilateral bank credit lines, which are confirmed with five top-tier banks, for a total of 450 million euros and maturity in 2014;
- a public exchange operation on bonds at 4.125% and maturity in 2012, which permitted the issuance of 253 million euros in bonds maturing in 2015 and the reduction of the amount in bonds maturing in 2012 from 750 million euros to 506 million euros.

The Group also has a payment schedule that is better distributed over time.

Cash management was optimized through creating domestic cash-pooling structures in the countries of the Group's main operations. Since 2006, an international cash pooling structure has been implemented with the goal of centralizing all cash for the Group as a whole.

Cash resources are for the most part held by subsidiaries in countries where funds can be freely transferred and centralized.

Since December 2005, the Group has been rated by the two leading international agencies – Standard & Poor's and Moody's. At the date of this document, the ratings were: BBB+ from Standard & Poor's and Baa2 from Moody's.

In June 2009, Standard & Poor's had placed the Group in "*credit watch*", which had negative implications that took into account the economic uncertainty that weighed on the advertising industry as a whole and the particular risk Publicis was exposed to given the Chapter 11 filing of General Motors.

In October 2009, Standard & Poor's lifted this "*credit watch*", maintaining its BBB+ rating for the Group and giving a neutral outlook to the company.

10.4 INFORMATION CONCERNING ALL RESTRICTIONS ON USE OF CAPITAL, WHICH CAN INFLUENCE, DIRECTLY OR INDIRECTLY, THE GROUP'S BUSINESS

At December 31, 2009, and on the date of the closing of the accounts, there were no rating triggers or financial covenants in short-term bank financing, syndicated facilities, confirmed medium-term bilateral bank credit lines or bond debt that could limit the Group's liquidity.

There are no legal or economic restrictions likely to limit or significantly restrict any transfers of funds to the parent Company in the near future.

10.5 INFORMATION CONCERNING EXPECTED SOURCES OF FINANCING THAT WILL BE NECESSARY TO SATISFY THE COMMITMENTS DISCUSSED IN CHAPTERS 5.2.3 AND 8.1

Taking into account the Group's available cash (1,580 million euros to December 31, 2009), on the one hand, and available credit lines in the amount of 2,388 million euros as of the same date, on the other hand, Publicis believes that it has enough liquidity to meet its operating requirements and its investment plan for the next 12 months, including the exercise in January 2010 of the prepayment option with respect to the OCÉANE 2018 bonds (see events after the closing date).

10.6 OFF-BALANCE SHEET ARRANGEMENTS

Most of the Group's off-balance-sheet commitments are related to operating leases in the amount of 1,396 million euros to December 31, 2009 (see Note 24 of the consolidated financial statements in Chapter 20.1 for a detailed description of the Group's commitments, including payment schedule).

10.7 CONTRACTUAL OBLIGATIONS

See note 22 in Chapter 20.1 of the consolidated financial statements, Financial Debt, Analysis by Maturity.

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RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

The various entities included in Publicis Groupe have developed different analysis and research methodologies, in particular concerning consumer behavior and sociological developments. They have also developed software and other tools to assist them in serving clients. Most of these tools concern the media planning businesses of ZenithOptimedia and Starcom MediaVest, and the identification of the most effective channels to reach their clients' target groups; others are integrated into the strategic planning of individual agencies, playing a key role in the unique brand positioning of each advertising brand. Finally, still others are used for the computerized processing of clients' marketing data, an activity conducted through its MarketForward entity. Several of these tools required significant investment in development or cooperation with outside suppliers. The Group's policy on this matter is described in Note 1.2 to the consolidated financial statements in Chapter 20.1.

- ***Publicis:*** FreeThinking, Conversation Monitoring, Ignition Day Workshops, IdeaAssessor, Brand 16, Talkmaster, Red Cloud, and Publicis Insider.
- ***Leo Burnett:*** Brand ProspectR Segmentation, BrandStockR Equity Metrics, BrandPersonnaSM Archetypes, BrandShelterSM Recession Analytics, What If Mapping, Red & Blue America, The New Shape of Luxury, InnerviewSM Motivation Analytics, HumanKind QuotientSM, HumanKind TerrainsSM, Behavioral Archetypes, Risk Reward Model of Advertising Effects, Acts Lift, Pinpoint Quick Quant, HumanKind Conversations, Multi-Channel Shopper, Brand Health, HumanKind Brand Purpose Workshop, Idea Spot, Trend Treck, Behavioral Currents, eConduit Pipeline, eConduit Marketer, eConduit Switchboard, eConduit Prospector, eConduit Warehouse, eConduit Insights, eConduit OnDemand, eConduit Snapshot, eConduit TouchPoint, i2i Dashboard, Path Explorer, Social Listening Platform, Conversation Diary, Ambassador Tracker, Social2Web, Behavior Trend, DigitalPerspectives, SearchPF, NextClick, TermReturn, SiteScan, InlindAudit, Return ePanel, Retail Transfer, MarketMix, Bandwidth, Clickstream, SMart, CurvFit, QuickPredict, PreFix, StatPack, EMax, InterAct, and ArcLight.
- ***Saatchi & Saatchi:*** Strategic Toolkit, Sisomo, Xploring, the Story Brief, Inside Lovemarks (in association with QiQ), Saatchi & Saatchi Ideas SuperStore, as well as Publicis Ideas IQ Protocol (developed by Saatchi & Saatchi for Publicis Groupe).

In media consultancy:

- ***ZenithOptimedia*** uses the Zoom and Touchpoints toolkits, including ROI Modeller, Budget Allocator, Frequency Planner, Competitive Profiler, Consumer Profiler, Innovations Database, Market Prioritisation Planner, Multi-Copy Planner, Seasonality, Response Planner, Touchpoints ROI Tracker, Wizard TV Planner, ZIPP and Zone;
- ***Starcom MediaVest*** uses, among others, Tardiis, Innovest, Media Pathways, BattleField, Market Contact Audit (under license from Integration), Passion Groups, Contact Destinations, Intent Tracker/Modeler, Captivation Blueprint, IPXact, Map, Beyond Demographics, Media in Motion (patent pending), Budget Allocator, Pearl, Ace, Brain Conquest, CVT (client targeting), SPACE ID, Truth Maps, Idea vet and Ideaweb, The Mic, Surveillance, Stardust, KPI Engine, BARometer, and StarcomEQ;
- ***Denuo*** has a new unit, Word of Mouth, which is taking the name Socialight. MarketForward offers customers the BrandGuard suite, BrandVault for marketing and creative resources management and sharing, BrandApproval for online annotation and approval, BrandBuilder for dynamic publishing, BrandTracker for managing the adaptation of communications campaigns, BrandProgression for marketing and communications project management, and BrandCaster for Dynamic POP displays in retailing networks;
- ***Digitas*** offers its clients, among other tools, Web.Digitas and DF.
- ***Razorfish*** provides Edge, RIAx, CookieCutter, Personified Segmentation, TrueLift, Feeds Manager, RankSource, Market Mapper, SEO Source, Segmenter, and Site Optimization to its clientele;
- Finally, ***VivaKi Nerve Center*** makes patented tools and methodologies available to Publicis Groupe agencies. These take the form of customizable platforms and interfaces for their global clients, as well as the execution of support for activities like media planning and buying, online purchasing, advertising campaign management, optimization, analytics, modeling, and predictive reporting. Our assets are integrated and easily accessible by mobile devices and computers via the Internet. These assets include Global Marketing Navigator (patent pending), Enterprise Dashboards, Foundational Dashboard Solutions, Edge Dashboard Solutions, Click2Sales (bid management platform), Benchtools (competitive SEO/SEM benchmarking platform), Digital Control Center (DCC), Campaign Manager, and Data Mart. VivaKi Nerve Center has established business relationships with outside companies in order to create unique personalization and execution formalities for Publicis Groupe agencies, including Social Listening Studio, REAL Social, Audience on Demand (AOD), AOD Premium, AOD Reach, AOD Performance, AOD Social, Social Performance Marketing and Messaging Solutions, VivaKi Ventures, and the Pool (with the objective of establishing new advertising models). Publicis Groupe agencies can thus concentrate on developing new advertising formats.

Publicis does not believe that it is materially dependent on patents, licenses and/or manufacturing processes. No asset required for the Group's business is held by members of the Management Board or Supervisory Board, or their families.

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OUTLOOK

The trends described below do not constitute forecasts or profit estimates, as defined by the eurospean Regulation 809/2004 of April 29, 2004, used in application of Directive 2003/71/00 of the eurospean Parliament and Council of November 4, 2003.

The economic and financial environment has evolved more these last few years than the century before. Growing imbalances within the financial sphere and real economics, the result of badly managed growth over the last ten years, reached a point of inflection in 2008 with the disappearance of Lehman Brothers, plunging mature economies into a recession. The "delinking" dream evoked in late 2008 -wishful thinking that the crisis would be confined to developed economies only- did not last long, leaving in its wake a generalized decline in growth -albeit with contrasting regions.

2009 would be marked by the astronomical amount of liquidity in our markets. Public debt exploded: worldwide debt rose, turning this new cycle into a cycle of debt and liquidity. This year also revealed that, from now on, the emerging economies have become major economic and financial partners. At the same time, innovation and new technologies have profoundly transformed the economy and how it operates: whether products or commercial transactions are involved, digital is surpassing physical (brick-and-mortar), especially in the financial world.

Within an economic context characterized by a lack of trust/confidence due to the absence of visibility, a persisting credit crisis despite the abundant liquidity, investment activities that stopped in developed economies and slowed down in emerging markets, all factors that led to a significant drop in advertising investments, Publicis Groupe was able to achieve good results in 2009.

The yearly organic growth rate performed well, reinforcing the choices made by the Group – especially the progress made in the digital business, which helped contain the drop in growth during the worst moments of the crisis.

In spite of a global context that remains difficult, where economic uncertainty persists, Publicis Groupe has shown improved figures since the summer of 2009, returning to fast growth in emerging economies. The restart of the developed economies has been slower but steady.

These trends should pick up speed by the middle of 2010.

If the strategy implemented these last years has allowed the Group to navigate the crisis much better than the sector, Publicis had made the vital decision for 2010 to obtain supplementary means in order to be better prepared for the future.

During the coming quarters, the Groups intend to pursue both growth and transformation, placing digital at the core of all its activities and investing in those activities and regions where growth and value can be found. Publicis will continue investing in talent while watching over development cost optimization, especially in shared service platforms, the deployment of a worldwide ERP and the reconfiguration of computer systems.

The Group has set a medium-term objective of growing its digital business and its position in emerging economies, with the aim of obtaining about 60% of its revenue from these two sources and returning to operating margins similar to those before the crisis, or even of setting new aims.

Publicis' financial situation remains quite solid, with enough liquidity to cover its future development.

The Group's new account wins over these past years, and in particular during 2009, attests to the dynamism and attractiveness of the Publicis Groupe and its commitment to its clients, which have allowed it to gain market share. They will allow Publicis Groupe to attain positive organic growth in 2010 above that forecasted for the advertising market.

The beginning of the current year has been fruitful in terms of new business acquisitions, notably Chrysler, Aviva, Turner Broadcasting and even Honda.

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FORECASTS OR EARNINGS FORECASTS

The Company does not publicly disclose forecasts or profit estimates.

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CORPORATE GOVERNANCE, MANAGEMENT AND SUPERVISORY BODIES, AND EXECUTIVE MANAGEMENT

14.1 MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The Company is a *société anonyme* with a Management Board (*Directoire*) and a Supervisory Board (*Conseil de surveillance*). The members of the Management Board and Supervisory Board are collectively referred to as “corporate officers” in this document.

Composition of the Management Board

Maurice Lévy	Chairman of the Management Board
Born on February 18, 1942 1st appointment: November 27, 1987 Expiration of current term: December 31, 2011 Publicis Groupe S.A. 133 avenue des Champs Elysées 75008 Paris - France	**Other offices and positions held within the Group** Chairman and CEO: Publicis Conseil SA (France) Member of the Supervisory Board: Médias & Régies eurospe SA (France) Member of the Executive Committee: Publicis Groupe (P12) Director: MMS USA Holdings, Inc. (United States), Zenith Optimedia Group Limited (United Kingdom), MMS USA Investments, Inc. (United States), MMS USA LLC Investments, Inc. (United States) Management Board Member: Publicis Groupe U.S Investments LLC (United States) **Main offices and positions held outside the Group** Member of the Supervisory Board: Deutsche Bank AG Member of the Board of Directors: Friends of the Quai Branly Museum, Arts décoratifs, and Brain and Spinal Chord Institute **Offices and positions held outside the Group in the last five years** Positions listed above

David Kenny	Member of the Management Board
Born on October 11, 1961. 1st appointment: December 4, 2007 (effective January 1, 2008) Expiration of current term: December 31, 2011 VivaKi, Inc. 33 Arch Street Boston, MA, 02110 USA	**Other offices and positions held within the Group** Chairman: VivaKi, Inc. (United States) Member of the Executive Committee: Publicis Groupe (P12) Managing Director: VivaKi Communications SA (France) Director: Communication Central Group Investment Ltd (British Virgin Islands), Communication Central Holding Ltd (Hong Kong), Communication Central Software Ltd (British Virgin Islands), Communication Central Software (HK) Ltd (Hong Kong), Digitas Limited (Hong Kong), Red Pepper Ltd (British Virgin Islands) **Main offices and positions held outside the Group** Member of the Board of Directors: Akamai Technologies, Inc. (United States), Ad Council (United States), Teach for America (United States),The Corporate Executive Board (United States) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following position: Member of the Board of Directors: Sentient Air (United States)

Jack Klues	Member of the Management Board
Born on December 8, 1954. 1st appointment: December 7, 2004 (effective January 1, 2005) Expiration of current term: December 31, 2011 VivaKi 35 West Wacker Drive Chicago, IL 60601 USA	**Other offices and positions held within the Group** Chairman: VivaKi, Inc. (United States) Member of the Executive Committee: Publicis Groupe (P12) Managing Director: Starcom Worldwide SA (France) * Director: Starcom MediaVest Group, Inc. (United States) *(* period ended during the 2009 fiscal year)* **Main offices and positions held outside the Group** None **Offices and positions held outside the Group in the last five years** None

Jean-Yves Naouri	Member of the Management Board

Born on November 19, 1959

1st appointment: December 4, 2007
(effective January 1, 2008)
Expiration of current term: December 31, 2011

Publicis Groupe S.A.
133 avenue des Champs Elysées
75008 Paris - France

Other offices and positions held within the Group

Executive Vice President-Operation : Publicis Groupe S.A.
Member of the Executive Committee: Publicis Groupe (P12)
Chairman: Re:Sources France SAS, Re:Sources 133 SAS
Chairman and CEO: Publicis Technology SA
Vice-chairman of the Supervisory Committee: Publicis Net SA
Managing Director: Re:Sources Germany GmbH (Germany)
Permanent representative of Publicis Groupe SA: Publicis Finance Services SA
Permanent representative of Re:Sources 133: Publicis et Nous SA, Loeb et Associés SA *
Representative of MMSFH at WEFCOS's Shareholders' Committee
Managing Director: VivaKi Communications SA, Vivaki Performance SA, Webformance SA *
Member of the Management Committee: Multi Market Services France Holdings SAS
Director: Lion Re:Sources UK Limited (United Kingdom), Lion Resources Iberia SL (Spain), Re:Sources Italy srl, Re:Sources Mexico SA de CV, Publicis Healthcare Communications Group, Inc. (United States), Lion Resources, SA (Costa Rica)
(period ended during the 2009 fiscal year)*

Main offices and positions held outside the Group

None

Offices and positions held outside the Group in the last five years

None

Kevin Roberts	Member of the Management Board

Born on October 20, 1949.

1st appointment: September 14, 2000
Expiration of current term: December 31, 2011

Saatchi & Saatchi
375 Hudson Street
New York
NY 10014-3620
USA

Other offices and positions held within the Group

Member of the Executive Committee: Publicis Groupe (P12)
Director: Fallon Group, Inc.

Main offices and positions held outside the Group

Director: Rowland Communications Worldwide, Inc. (United States), Red Rose Limited (New Zealand), Red Rose Charitable Services Limited (New Zealand), NZ Edge.com Holding Limited (New Zealand), USA Rugby (United States), Red Rose Music Limited (United Kingdom)

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:
Managing Director: Lion Nathan Plc, New Zealand Rugby Football Union, North Harbour Rugby Football Union

Composition of the Supervisory Board

Elisabeth Badinter	Chairperson of the Supervisory Board Chairperson of the Nomination Committee Member of the Compensation Committee
Born on March 5, 1944 1st appointment: 27 November 1987 Expiration of current term: June 30, 2012 Publicis Groupe S.A. 133 avenue des Champs Elysées 75008 Paris France	**Other offices and positions held within the Group** Chairperson of the Supervisory Board: Médias & Régies eurospe SA (France) **Main offices and positions held outside the Group** Author Chairperson of the Fondation Marcel Bleustein-Blanchet pour la Vocation **Offices and positions held outside the Group in the last five years** None
Sophie Dulac	**Vice-Chairperson of the Supervisory Board**
Born on December 26, 1957. 1st appointment: June 25, 1998 Expiration of current term: June 30, 2010 Les Ecrans de Paris 30, avenue Marceau 75008 Paris France	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** Chairperson of the Board of Directors: Les Ecrans de Paris SA (France) Manager: Sophie Dulac Productions SARL (France), Sophie Dulac Distributions SARL (France) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following positions: Vice-Chairperson of the Board of Directors: CIM de Montmartre SA. Chairperson of the Paris Tout Courts Association (end of 2008).
Simon Badinter	**Member of the Supervisory Board**
Born on June 23, 1968 1st appointment: June 17, 1999 Expiration of current term: June 30, 2011 Médias & Régies eurospe 1 rond-point Victor-Hugo 92137 Issy -les-Moulineaux cedex France	**Other offices and positions held within the Group** Chairman of the Management Board: Médias & Régies eurospe SA Chairman & CEO: Médias & Régies America, Inc. (United States) Chairman and CEO: Omni Media Cleveland, Inc. (United States) Chairman: Gestion Omni Media, Inc. (Canada) Chairman and CEO of the development bureau: Médias et Régies eurospe à Cleveland (United States) Managing Director: Médiavista SAS (France) Permanent representative of Médias & Régies eurospe in: R.P.T.P - Métrobus Publicité SA (France), Mediavision et Jean Mineur SA (France) Permanent representative of Média Rail in Média Transports Member of the Board: Onspot Digital (United States) * Co-General Manager: Onspot Digital Network (United States) * *(* period ended during the 2009 fiscal year)* **Main offices and positions held outside the Group** None **Offices and positions held outside the Group in the last five years** None

Monique Bercault	Member of the Supervisory Board

Born on January 13, 1931.

1st appointment: June 25, 1998
Expiration of current term: June 30, 2010

Médias & Régies europe
1 rond-point Victor-Hugo
92137 Issy-les-Moulineaux cedex
France

Other offices and positions held within the Group

Technical Advisor for the Chairman of the Management Board: Médias & Régies europe

Main offices and positions held outside the Group

None

Offices and positions held outside the Group in the last five years

None

Claudine Bienaimé	Member of the Supervisory Board Member of the Audit Committee Member of the Compensation Committee

Born on November 23, 1939.

1st appointment: June 3, 2008
Expiration of current term: June 30, 2014

Publicis Groupe S.A.
133 avenue des Champs Elysées
75008 Paris
France

Other offices and positions held within the Group

Permanent representative of Publicis Conseil in the Management Committee of Re:Sources 133 SAS (France)

Director: Publicis Groupe Investissements BV *, (The Netherlands), Publicis Holdings BV, (The Netherlands) *, Publicis Groupe Holdings BV (The Netherlands)*

(period ended during the 2009 fiscal year)*

Main offices and positions held outside the Group

Managing Director: Gévelot SA (France), P. C. M. SA (France), Gévelot Extrusion SA (France), Gurtner SA (France)

Chairperson and CEO: Société Immobilière du Boisdormant SA (France)

Deputy Managing Director: Rosclodan SA (France), Sopofam SA (France)

Chairperson of the Audit Committee: Gévelot SA (France)

Manager: SCI Presbourg Etoile (France)

Offices and positions held outside the Group in the last five years

Positions listed above

Michel Cicurel	Member of the Supervisory Board, Chairperson of the Compensation Committee, Member of the Nomination Committee

Born on September 5, 1947

1st appointment: June 17, 1999
Expiration of current term: June 30, 2010

Edmond de Rothschild Financial Company
47 rue du Faubourg St Honoré
75008 Paris
France

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Chairman of the Management Board: La Compagnie Financière Edmond de Rothschild Banque SA (France), Compagnie Financière Saint-Honoré SA (France)

Chairman of the Board of Directors: ERS SA (France), Edmond de Rothschild SGR Spa (Italy), Edmond de Rothschild SIM Spa (Italy)

Vice-chairman of the Supervisory Committee: Edmond de Rothschild Private Equity Partners SAS

Chairman of the Supervisory Board: Edmond de Rothschild Multi Management SAS (France) *

Member of the Supervisory Board: Edmond de Rothschild Corporate Finance SAS (France), SIACI Saint Honoré SA (France), Newstone Courtage SA

Managing Director: Banque Privée Edmond de Rothschild SA (Switzerland), Edmond de Rothschild Limited (United Kingdom), LCF Holding Benjamin et Edmond de Rothschild SA (Switzerland) *, Bouygues Telecom SA, Société Générale SA, Coe-Rexecode (Association)

Permanent representative of the Compagnie Financière Edmond de Rothschild Banque in: Edmond de Rothschild Asset Management SAS (France), Edmond de Rothschild Financial Services SA (France) devenue Edrim Solutions*, Equity Vision SA (France) *

Permanent representative of Compagnie Financière Saint-Honoré in Cogifrance SA (France)

Censeur de Paris-Orléans SA (France)

(period ended during the 2009 fiscal year)*

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:

Managing Director: Cir International (ended in 2005), La Compagnie Benjamin de Rothschild SA (Switzerland) (ended in 2008), CdB Web Tech (Italy) (ended in 2007)

Chairman of the Supervisory Board: Edmond de Rothschild Private Equity Partners SAS (ended in 2005)

Member of the Supervisory Board: Assurances et Conseils Saint Honoré SA (ended in 2008), SIACI SA (ended in 2008)

Permanent representative of the Compagnie Financière Edmond de Rothschild Banque in: Edmond de Rothschild Multi Management SAS (ended in 2005), Assurances et Conseils Saint Honoré (ended in 2007), Edmond de Rothschild Corporate Finance (ended in 2007)

Member of the Partners' Board of Rothschild & Compagnie Banque (ended in 2006)

Michel Halpérin	Member of the Supervisory Board

Born on October 27, 1948.

1st appointment: March 2, 2006
Expiration of current term: June 30, 2014

Ming Halpérin Burger Inaudi
5, avenue Léon-Gaud
1206 Genève
Switzerland

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Representative of the Great Council and Canton of Geneva*
Honorary Chairman: Human Rights Watch, Comité International de Genève
Chairman of Swiss Friends of the Ben Gurion University of the Neguev
Vice-chairman of the Board of Directors: BNP PARIBAS SA (Switzerland)
Member of the Board: Genève Place Financière Foundation
(period ended during the 2009 fiscal year)*

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:
Chairman and Vice-chairman of the Great Council and Canton of Geneva (ended in 2006)
Member of the Board at Marc Rich Holding & Co GmbH, Zoug (ended in 2007)

Tadashi Ishii	Member of the Supervisory Board

Born on March 10, 1951

1st appointment: March 10, 2009
Expiration of current term: June 30, 2014

Dentsu Inc.
1-8-1, Higashi-shimbashi
Minato-ku
Tokyo 105-7001
Japan

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Executive Vice President: Dentsu Inc.
Director: Nagano AD Bureau Inc.
Director (Non-executive): Frontage Inc.
Chairman: Transactions Efficiency Committee, Japan Advertising Agencies Association (JAAA)

Offices and positions held outside the Group in the last five years

Positions listed above

Hélène Ploix	Member of the Supervisory Board Member of the Audit Committee

Born on September 25, 1944

1st appointment: June 25, 1998
Expiration of current term: June 30, 2010

Pechel Industries
162, rue du Faubourg Saint-Honoré
75008 Paris
France

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Chairperson: Pechel Industries SAS (France), Pechel Industries Partenaires SAS (France)

Managing Director: Lafarge SA (France), BNP Paribas SA (France), Ferring SA (Suisse), Completel eurospe NV (The Netherlands)

Permanent representative of Pechel Industries Partenaires: Ypso Holding SA (Luxemburg)

Manager: Hélène Ploix SARL (France), Hélène Marie Joseph SARL (France), Sorepe société civile

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:
Chairperson: Pechel Services SAS

Managing Director: HRF 6 SA (France) (ended in 2007), Alliance Boots Plc (United Kingdom) (ended in 2007)

Permanent representative of Pechel Industries: IDM SA (ended in 2004), Holding Nelson SAS (ended in 2004), Créations Nelson SA (ended in 2004), Homerider Systems SA (ended in 2004), Xiring SA (ended in 2006), Quinette Gallay SA (France) (ended in 2007), CVBG-Dourthe Kressman SA (France) (ended in 2007)

Permanent representative of Pechel Industries Partenaires in SVP Management et Participations SA (France) (ended in 2007)

Felix G. Rohatyn	Member of the Supervisory Board

Born on March 29, 1928

1st appointment: June 14, 2001
Expiration of current term: June 30, 2013

FGR Associate LLC
280 Park Avenue
27th Floor
New York, NY 10017
USA

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Chairman of FGR Associates LLC (United States)

Managing Director: LVMH Moët Hennessy Louis Vuitton SA (France), French American Foundation (United States)

Honorary Trustee: Carnegie Hall (United States)

Trustee: Center for Strategic and International Studies (CSIS) (United States)

Honorary Trustee Board: Middlebury College (United States)

Member Council on: Foreign Relations (United States)

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:

Member of the Supervisory Board: Lagardère Groupe SA (France) (ended in 2008)

Vice-chairman: Lehman Brothers (United States) (ended in 2008)

Managing Director: Suez SA (ended in 2004), Rothschilds Continuation Holdings AG (ended in 2006)

Amaury de Seze	**Member of the Supervisory Board** **Member of the Compensation Committee**

Born on March 7, 1946

1st appointment: June 25, 1998
Expiration of current term: June 30, 2010

PGB
1 rond-point des Champs Elysées
75008 Paris
France

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Chairman of the Board of Directors: Carrefour SA (France)

Vice-chairman: Power Corporation du Canada Ltd

Managing Director: Groupe Industriel Marcel Dassault SAS (France), Imerys (France), Suez Environnement (France), BW Group, Groupe Bruxelles Lambert SA (Belgium), Erbe SA (Belgium), Thales SA (France)

Member of the Supervisory Board: Gras Savoye SCA (France)

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:

Chairman of the Supervisory Board: PAI Partners SAS (France) (ended in 2007)

Chairman: PAI Partners UK Ltd (United Kingdom) (ended in 2007), Financière P.A.I. SAS (France) (ended in 2005), Financière PAI Partners SAS (France) (ended in 2005), PAI Partners SAS (France) (ended in 2005)

Vice-chairman of the Supervisory Board: Carrefour SA (ended in 2007)

Managing Director: Eiffage SA (ended in 2007), PAI europe III General Partner NC (Guernsey) (ended in 2007), PAI europe IV General Partner NC (Guernsey) (ended in 2007), PAI eurosp IV UK General Partner Ltd (United Kingdom) (ended in 2007), PAI europe V General Partner NC (Guernsey) (ended in 2007), PAI Partners Srl (Italy) (ended in 2007), Saeco SpA (Italy) (ended in 2007), Power Corporation du Canada (Canada) (ended in 2007), Gepeco SA (Belgium) (ended in 2006), Novalis SAS (France) (ended in 2006), Novasaur SAS (France) (ended in 2006), Vivarte SA (France) (ended in 2006)

Henri-Calixte Suaudeau	**Member of the Supervisory Board** **Member of the Nomination Committee**

Born on February 4, 1936

1st appointment: 27 November 1987
Expiration of current term: June 30, 2012

Publicis Groupe S.A.
133 avenue des Champs Elysées
75008 Paris
France

Other offices and positions held within the Group

Managing Director: Publicis Conseil SA

Main offices and positions held outside the Group

Managing Director: Fondation Marcel Bleustein-Blanchet pour la Vocation

Offices and positions held outside the Group in the last five years

None

Tatsuyoshi Takashima	Member of the Supervisory Board
Born on January 1, 1944. 1st appointment: June 3, 2008 Expiration of current term: June 30, 2014 Dentsu Inc. 1-8-1, Higashi-shimbashi Minato-ku Tokyo 105-7001 Japan	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** Chairman and CEO: Dentsu, Inc., Director of J-Wave, Inc., Executive Director: Japan Marketing Association, Tempory Committee Member: Information Economy Committee, Industrial Structure Council, Ministry of Economy, Trade and Industry of Japan Member of the Foundation Board of the International Institute for Management Development (since January 2010) **Offices and positions held outside the Group in the last five years** Positions listed above

Gérard Worms	Member of the Supervisory Board Member of the Audit Committee
Born on August 1, 1936 1st appointment: June 25, 1998 Expiration of current term: June 30, 2010 Rothschild & Cie Bank 23 bis, avenue de Messine 75008 Paris France	**Other offices and positions held within the Group** Member of the Supervisory Board: Médias & Régies europe SA (France) **Main offices and positions held outside the Group** Vice-chairman: Rothschild europe (Netherlands) Senior Advisor: Rothschild & Cie Managing Director: Editions Atlas SAS (France) * Member of the Supervisory Board: Métropole Télévision SA (France) Observer: SIACI Saint-Honoré SA (France), Degrémont SA (France) *(* period ended during the 2009 fiscal year)* **Offices and positions held outside the Group in the last five years** Positions listed opposite, as well as the following positions: Associate Manager: Rothschild & Cie Banque (ended in 2007) Associate Managing Partner: Rothschild & Cie (ended in 2007) Chairman: SGIM SA (ended in 2007) Managing Director: Cofide SA (Italy) (ended in 2008) Member of the Supervisory Board: Paris-Orléans SA (France) (ended in 2008)

Members of the Supervisory Boards whose positions ended in 2009

Léone Meyer	Member of the Supervisory Board, Member of the Nomination Committee

1st appointment: June 7, 2006
Expiration of current term: June 30, 2012
Early end of term: November 13, 2009

Phison Capital
39, Quai d'Orsay
75007 Paris
France

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Chairperson: Phison Capital, financial and investment company

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:
Chairperson and member of the Supervisory Board: Galeries Lafayette SA
Chairperson: Sogefin
Member of the Supervisory Board: BHV
Managing Director: Cofinoga, Lafayette Services-Laser, Monoprix
Member of the Supervisory Board: Casino

Tateo Mataki	Member of the Supervisory Board

1st appointment: September 9, 2004
Expiration of current term: March 10, 2009

Dentsu Inc.
1-8-1, Higashi-shimbashi
Minato-ku
Tokyo 105-7001
Japan

Other offices and positions held within the Group

None

Main offices and positions held outside the Group

Senior Corporate Advisor: Dentsu, Inc.
Chairman & CEO : Dentsu Inc. (until June 26, 2009)
Chairman: Japan Advertising Agencies Association, International Advertising Association Japan Chapter
Vice-chairman: Japan Marketing Association
Member of the Nippon Academy Award Association, Chamber of Commerce and Industry of Tokyo
Director: Tokyo Broadcasting System Television, Inc. (until June 26, 2009)
Corporate Advisor: Broadcasting System of Niigata, Inc. (until June 26, 2009)
Advisory Director: Television Nishinippon Corporation (until June 26, 2009)

Offices and positions held outside the Group in the last five years

Positions listed above, as well as the following positions:
Vice-chairman of the Organizing Committee for the World IAAF Championship in Athletics in 2007 (until March 31, 2008)
Corporate Advisor: Shinetsu Broadcasting Corporation Ltd. (until June 26, 2009)
Senior Corporate Advisor: Iwate Broadcasting Co., Ltd. (until June 25, 2009)

Cooptation in the 2009 fiscal year

During its meeting of March 10, 2009, the Supervisory Board appointed Tadashi Ishii by cooptation as the replacement for Tateo Mataki for the remainder of his term, i.e., until the ordinary general shareholders' meeting asked to approve the financial statements for the 2013 fiscal year. The ordinary general shareholders' meeting of June 9, 2009, ratified this cooptation.

To the best of the Company's knowledge, there are no existing family ties between the corporate executives of the Company, except between Elisabeth Badinter, daughter of the founder of Publicis Groupe Marcel Bleustein-Blanchet, her son Simon Badinter, and her niece Sophie Dulac.

No member was designated as an employee representative and no Censor was appointed.

To the best of the Company's knowledge, over the past five years:

- no member of the Management Board or the Supervisory Board of Publicis Groupe has been sentenced for fraud;
- no member of the Management Board or the Supervisory Board has filed for bankruptcy, or been subject to a sequestration or liquidation;
- no member has been incriminated or had an official public sanction imposed against him or her by statutory or regulatory authorities or by professional organizations;
- no member of the Management Board or the Supervisory Board has been prevented by a court of law from acting as member of the administrative, steering or supervisory board of the Company, nor to take part in the business management or operation of one of the companies.

14.2 CONFLICTS OF INTEREST WITHIN GENERAL MANAGEMENT AND SUPERVISORY DIVISIONS

The Supervisory Board has 14 members as of December 31, 2009, the list of which appears below (see Chapter 14.1). The rules of corporate governance and the independence criteria adopted by the Company for the members of the Supervisory Board are discussed in Chapter 16.3.1.

Internal guidelines are based on the independence criteria defined by the Supervisory Board on March 9, 2004. In view of the separation of the management and supervisory tasks within the Company and the capital structure, the Supervisory Board accordingly adopted the following characteristics as independence criteria:

- refrain from serving as an employee or a member of the Supervisory Board or the Management Board, or manager in the parent company or a consolidated company, during at least the last five years;
- refrain from serving as a member of the Supervisory Board or the Management Board of a company in which the Group holds, directly or indirectly, a management position, or where a salaried employee or

designated member of the Supervisory Board or the Management Board (currently or in the last five years) holds a management position;

- refrain from being a client, provider, business banker or investment banker: that is significant to the Company or Group, or for which the Company or Group represents a significant part of its business;
- not to be a close relative of a member of the Supervisory Board or the Management Board;
- not having been an auditor of the Company during the previous five years.

Except as noted above or in Chapter 19, there are no family relationships between any of the members of the Company's Supervisory Board or the Management Board, nor any potential conflicts of interest between the members of its Supervisory Board or the Management Board. It has no agreements with any of the members of its Supervisory Board or the Management Board providing for benefits to be paid upon termination of employment, nor do any of its subsidiaries have any such agreements, except as described in Chapters 15.1 and 19. Except as described in Chapter 19, none of the members of the Supervisory Board or the Management Board was selected pursuant to arrangements or understandings with major shareholders, customers, suppliers or others.

14.3 INFORMATION ON THE EXECUTIVE COMMITTEE ("P12")

The Group has an Executive Committee that meets five times a year for a one-day meeting. During 2009, it met in February, April, June, September and November.

The Executive Committee is chaired by Maurice Lévy; to December 31, 2009, it was composed of the following people:

- Tom Bernardin, Chairman et CEO, Leo Burnett Worldwide
- Laura Desmond, CEO, Starcom MediaVest Group
- Mathias Emmerich, Senior VP, General Secretary, Publicis Groupe
- Jean-Michel Etienne, Executive VP Finance, Publicis Groupe
- Olivier Fleurost, Executive CEO, MS&L Group
- David Kenny, Managing partner Vivaki, member of the Management Board
- Steve King, CEO ZenithOptimedia Worldwide
- Jack Klues, Managing partner Vivaki, member of the Management Board
- Laura Lang, CEO Digitas
- Jean-Yves Naouri, Executive VP Operations Publicis Groupe, member of the Management Board
- Richard Pinder, COO, Publicis Worldwide
- Kevin Roberts, CEO Saatchi & Saatchi Worldwide, member of the Management Board

The Executive Committee is the body that discusses and prepares the Group's policies and strategies, making it possible to ensure information flow between the different brands and networks and to implement the Group's motto, "No silos, no solos".

It also watches over creative quality, beginning all its meetings with a review of the most memorable creations.

The committee discusses the implementation of the Group's important structural policies:

- Group strategy;
- Group's competitive position;
- definition of commercial and financial objectives;
- follow-up on the Group's performance and that of each of its networks;
- policy for talent allocation, retention, compensation and management;
- investment policy, especially in technology.

The Executive Committee is a critical body allowing Publicis Groupe to guarantee the Group's performance by:

- gathering the Group's managers around jointly made decisions in addition to the individual responsibilities assigned to them;
- guaranteeing a permanent exchange of information allowing the implementation of collaboration efforts and common approaches regarding big clients and market developments;
- providing a place for reflection and sharing, to define the Group's strategy and adapt it almost in real time.

15

COMPENSATION AND BENEFITS OF MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

For the purposes of the law of July 3, 2008, which transposes Directive 2006/46/EC of June 14, 2006, Publicis Groupe declares that the AFEP-MEDEF code as amended shall be its reference in preparing the report provided for in article L. 225-68 of the French *Code de Commerce* as from the 2008 fiscal year.

At its meeting of December 2, 2008, the Supervisory Board of Publicis Groupe S.A. examined the AFEP-MEDEF recommendations dated October 6, 2008, concerning the compensation of executive directors of listed companies.

The Board considers that these recommendations are in line with the corporate governance principles of the Group and notes that existing commitments with the members of the Management Board already comply with these recommendations.

15.1 COMPENSATION AND BENEFITS

The following table sets forth the total compensation and benefits that were paid to the members of its Supervisory Board and the Management Board, either by the Company itself or by any of its controlled subsidiaries as defined by Article L. 233-3 of the French *Code de Commerce*. For certain members of the Supervisory Board and the Management Board, this compensation includes both a fixed salary and a variable bonus. Global compensation is expressed in euros. The amounts indicated are gross amounts and do not reflect deductions relating to taxes or social charges.

The recommendation on the compensation for upper management and corporate officers of publicly traded companies in a market regulated by AFEP-MEDEF in October 2008 suggests a standardized presentation of the compensation for such upper management and corporate officers. The table below summarizes this compensation; the annex contains other tables showing the various elements of this compensation.

Compensation (in euros) paid in 2009 (gross total before social charges and taxes)

	Total gross compensation paid in 2009	*Base compensation*	*Variable compensation*[5]	*Attendance fees*	*Benefits in kind* [7]	*Total gross compensation paid in 2008*	*Base compensation*
Management Board							
Maurice Lévy	3,600,000	900,000	2,700,000	-	-	3,400,000	900,000
Jack Klues [1]	2,023,194	719,510	1,295,118	-	8,566	1,917,204	681,740
Kevin Roberts [1] [2]	3,580,259	719,510	2,838,626	-	22,123	3,210,896	681,740
David Kenny [1] [3]	2,304,013	611,584	1,688,975	-	3,454	1,705,684	579,479
Jean-Yves Naouri	990,000	550,000	440,000	-	-	732,600	550,000
Supervisory Board							
Elisabeth Badinter	237,939	182,939	-	55,000		242,939	182,939
Sophie Dulac	25,000	-	-	25,000	-	20,000	-
Henri-Calixte Suaudeau	35,000	-	-	35,000		60,000	-
Monique Bercault	30,000	-	-	30,000	-	25,000	-
Hélène Ploix	55,000	-	-	55,000	-	60,000	-
Gérard Worms	55,000	-	-	55,000	-	60,000	-
Amaury de Seze	50,000	-	-	50,000	-	25,000	-
Simon Badinter [4] [13]	279,806	188,512	51,349	30,000	9,945	401,402	178,616
Michel Cicurel	50,000	-	-	50,000	-	55,000	-
Felix G. Rohatyn	25,000	-	-	25,000	-	25,000	-
Michel Halpérin	30,000	-	-	30,000	-	25,000	-
Tatsuyoshi Takashima [10]	10,000	-	-	10,000	-	-	-
Claudine Bienaimé [10]	45,000			45,000			
Tateo Mataki [9]	15,000	-	-	15,000	-	15,000	-
Tadashi Ishii [11]	-	-		-			
Léone Meyer [9]	30,000	-	-	30,000	-	50,000	-
Michel David-Weill [12]	5,000	-	-	5,000	-	20,000	-
Yutaka Narita [12]	5,000	-	-	5,000	-	25,000	-
TOTAL	**13,480,211**	**3,872,055**	**9,014,068**	**550,000**	**44,088**	**13,123,725**	**3,754,514**

(1) *Compensation defined and paid in U.S. dollars. The conversion into euros was made at an average rate of 1 US dollar = 0.71951 euros in 2009 and 1 US dollar = 0.68174 euros in 2008.*

(2) *Variable compensation includes an annual pension disbursement and deferred bonuses for the 2003-2008 period according to the contract.*

(3) *Variable compensation includes a retention bonus according to the contract.*

(4) *Principal criteria for the variable compensation: growth of operating income of Médias & Régies eurospe as measured by targets and the qualitative objectives reached.*

(5) *Amount paid in 2009 for the 2008 fiscal year (subject to notes 2 and 3).*

(7) *Benefits in kind relating to the use of a company car are not mentioned when they do not constitute a material amount.*

(9) *Expiration of term in 2009 (Mr. Tateo Mataki on March 10, 2009, and Mrs. Léone Meyer on November 13, 2009).*

(10) *Appointment to the Supervisory Board on June 3, 2008.*

(11) *Appointment to the Supervisory Board starting March 10, 2009.*

(12) *Expiration of term on June 3, 2008.*

(13) *Simon Badinter, member of the Supervisory Board and Chairman of the Management Board of Médias & Régies eurospe, has a work contract with the Company.*

Following the renewal of the mandates of Maurice Lévy, Kevin Roberts and Jack Klues, and the appointment -from January 1, 2008- of David Kenny and Jean-Yves Naouri, on March 17, 2008, Supervisory Board examined and either renewed or established their compensation. The employment conditions of Management Board members as set by the Supervisory Board are based on guidelines from the Compensation Committee. Yearly compensation for members of the Management Board includes a fixed component (salary and benefits) and a variable component, which is defined in relation to the base salary. The amount of the variable component (the bonus) is based on the year's performance and on the extent to which quantitative and qualitative goals have been reached. At the end of the fiscal year the Compensation Committee determines the extent to which such goals were reached. The variable portion of compensation relating to the fiscal year is determined and paid in the following fiscal year. The main criteria used to determine the variable component paid to Management Board members were:

For fiscal years 2008 and 2009:

- Maurice Lévy: organic growth of revenue and the Group net income margin compared with the three leading worldwide communications groups; the consolidation of management structures and the continuation of the Group's roll-out, for a maximum of 300% of his base compensation;
- Kevin Roberts: growth in Saatchi & Saatchi revenue and operating margin relative to objectives, for a maximum of 240% of his base compensation; In addition to the yearly bonus, Publicis paid a yearly pension allocation pursuant to commitments made for the Saatchi & Saatchi acquisition, which were mentioned in the contract described below;
- Jack Klues: growth in VivaKi revenue and operating margin relative to objectives, for a maximum of 180% of his base compensation;
- David Kenny: growth in VivaKi revenue and operating margin relative to objectives, for a maximum of 200% of his base compensation; In addition to the annual compensation, there is a retention bonus pursuant to the contract described below;
- Jean-Yves Naouri: the achievement of qualitative goals of his duties (Group operations). As well as revenue and operating margin growth for PHCG according to objectives, for a maximum of 80% of his base compensation.

In accordance with the total maximum amount for attendance fees as approved by the shareholders' meeting, each member of the Supervisory Board received 5,000 euros in 2009 for each meeting attended in 2008. Each member of the Audit Committee, Nomination Committee and Compensation Committee received 5,000 euros for each meeting attended in 2008.

Total compensation due for fiscal year 2008

On March 16, 2010, after reviewing the guidelines of the Compensation Committee, the Supervisory Board determined the following variable compensation to be paid in 2010 to Management Board members for fiscal year 2009: Maurice Lévy: 2,700,000 euros, David Kenny: 900,000 US dollars (plus contractual retention bonus: 647,396 US dollars); Jack Klues: 900,000 dollars; Jean-Yves Naouri: 350,000 euros; Kevin Roberts: 300,000 US dollars (plus contractual pension allocation: 1,154,000 US dollars).

Individually, each member of the Management Board decided to give up his variable compensation for 2009. Although Publicis Groupe has just been ranked as the number three communications group in the world, and results for the year were excellent – both in absolute and relative terms – and better than the competition (for all criteria: growth, operating margin, net margin), the members of the Management Board made this decision in solidarity with the Group's employees.

Employees made considerable efforts throughout 2009 to help their clients overcome the crisis, despite the Group having set up a salary and hiring freeze and despite the fact that most employees saw their variable compensation cut.

Maurice Lévy decided to waive his performance-based variable compensation of 2,700,000 euros earned during 2009.

David Kenny and Jack Klues decided, individually, to waive their performance-based variable compensation of 900,000 US dollars earned during 2009.

Jean-Yves Naouri decided to waive his performance-based variable compensation of 350,000 euros earned during 2009.

Kevin Roberts decided to waive his performance-based variable compensation of 300,000 US dollars earned during 2009.

The Supervisory Board welcomed these exceptional gestures, which it deemed remarkable, noting that these waivers shall have no effect on the calculation of the deferred compensation and benefits outlined in existing agreements or contracts with the members of the Management Board.

Existing contracts or agreements with members of the Management Board

On March 17, 2008, at the proposal of the Compensation Committee, the Supervisory Board amended existing contractual commitments relating to compensation, indemnities and benefits that might be due to members of the Management Board, and to the cessation of their terms of office and duties, mainly so that these commitments would be in compliance with law no. 2007-1223 of August 21, 2007 (the "TEPA" law). The statutory auditors were informed of the provisions adopted or authorized by the Board as regulated agreements and, as required by the TEPA law, submitted for the approval of the shareholders' meeting of June 3, 2008, where they were approved. The general shareholders' meeting of June 9, 2009, acknowledged that these agreements had met their objectives during 2009.

The existing contracts or agreements with members of the Management Board were thus modified.

Kevin Roberts, Jack Klues, and David Kenny do not have work contracts with Publicis Groupe S.A., but within the framework of their operational duties, they are the holders of "*employment contracts*" with relevant subsidiaries – these are deemed work contracts by the law of the countries concerned. In addition, Jean-Yves Naouri continues to hold a work contract under French law with a subsidiary of Publicis Groupe S.A. The material terms (after the amendments of March 17, 2008) of those agreements are as follows:

- Publicis'agreement with Mr. Roberts for the period 2005-2008 (and a related agreement with a consulting firm owned by Mr. Roberts), renewed for the period 2009-2013, provides that if Mr. Roberts's employment contract is terminated prematurely at the initiative of Publicis Groupe "without just cause" or at the initiative of Mr. Roberts "with just cause" subject to certain circumstances, Publicis may be required to pay him an amount equal to 120% of his annual salary in addition to the maximum annual bonus he would have earned for the year and the annual cost of his various benefits, including social protection for one year, the right to exercise stock options and the right to keep any free shares already granted. However, pursuant to the decision of the Supervisory Board of March 17, 2008, these cash payments and benefits shall not be fully due unless the average annual bonus acquired by Mr Roberts for the three years preceding the termination of his duties is equal to at least 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.
  Moreover, at the expiration of each contract and subject to certain conditions, Mr. Roberts is entitled to a deferred bonus calculated on the basis of 200,000 US dollars per year of employment, effective as from the beginning of the period. The deferred bonus for the period 2003-2008 was paid at the beginning of 2009. In addition, in place of the complementary pension agreements concluded in connection with the Saatchi & Saatchi acquisition, Publicis has agreed to pay Mr. Roberts an annuity in the total amount of 7,045,000 US dollars over the period 2009-2014. Of this amount, 5,770,000 US dollars is directly conditioned upon his continued employment in the Group from 2009 to 2013, and could be reduced pro rata should Mr. Roberts terminate his employment before the end of this period.
- Publicis' agreement with Jack Klues, which became effective as of July 1, 2004, provides that if Publicis terminates Mr. Klues' employment prematurely "without just cause," Mr. Klues may be entitled to receive an amount equal to his annual compensation (base salary and target bonus) in addition to social protection and outplacement assistance for one year. He also would have the right to exercise all stock options and to retain any previously awarded free shares. However, pursuant to the decision of the Supervisory Board of March 17, 2008, these cash payments and benefits shall not be fully due unless the average annual bonus acquired by Mr. Klues for the three years preceding the termination of his duties is equal to at least

75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.
In addition, if Mr. Klues retires at his own initiative at the age of 55 or if he is asked by Publicis to retire at or after the age of 57, he may receive for five years an annual amount equal to 30% of his last annual compensation (base salary plus bonus) and part of his social benefits, provided he complies with a noncompete and nonsolicitation agreement for five years.

- Publicis' agreement with David Kenny, which became effective January 24, 2007, for the period 2007-2009, provides that if Publicis Groupe terminates Mr. Kenny's employment prematurely "without just cause," Mr. Kenny will be entitled to continue receiving medical coverage for a maximum of two years. He also will have the right to exercise all stock options and to retain any previously awarded free shares. However, pursuant to the decision of the Supervisory Board of March 17, 2008, these cash payments and benefits shall not be fully due unless the average annual bonus acquired by Mr. Klues for the three years preceding the termination of his duties is equal to at least 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.
Moreover, in addition to any annual bonus that he might legitimately claim, Mr. Kenny shall receive a retention bonus of 1,942,188 US dollars directly conditional upon his continued employment in the Group from 2007 to 2009, paid annually in three installments.

- The agreements in force between Publicis Groupe Services and Jean-Yves Naouri provide that if his mandate as member of the Management Board of Publicis Groupe S.A. is terminated "without just cause," Mr. Naouri may have the right, if he does not continue his employment duties in Publicis Groupe, to receive one year of total gross remuneration (base compensation and maximum variable component), to exercise any stock options and to retain all free shares awarded. However, pursuant to the decision of the Supervisory Board of March 17, 2008, these cash payments and benefits shall not be fully due unless the average annual bonus acquired by Mr. Naouri for the three years preceding the termination of his duties is equal to at least 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed if the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.

- The work contract signed with Maurice Lévy when he entered the Group has since been carried out by different companies belonging to the Group. This situation will be examined according to AFEP-MEDEF recommendations taking into account an eventual renewal of his appointment as Chairman of the Management Board -which expires on December 31, 2011.

In considering Maurice Lévy's compensation as from 2003, the Publicis Supervisory Board agreed to pay Mr. Lévy a deferred bonus equal to the total amount of bonuses paid or due to him since January 1, 2003, upon the termination of his employment as Chairman of the Management Board of the Company, provided he remains employed for at least seven and a half years as from January 1, 2003, and he complies with a noncompete agreement for a period of three years following such termination. These procedures were the subject of the agreement of November 22, 2004, which was still in force after the renewal of the mandate of the Management Board Chairman effective January 1, 2008. Pursuant to the decisions of the Supervisory Board of March 17, 2008, the main provisions of the agreement of November 22, 2004, relating to deferred conditional compensation are as follows:

1. Conditional deferred compensation

Upon termination of his duties as Chairman of the Management Board (December 31, 2011), Maurice Lévy shall receive deferred conditional compensation equal to the total gross amount of the annual bonuses acquired by him since 2003, under two quantitative components of these bonuses, referred to as “quantitative bonuses”. These are defined in the agreement of November 22, 2004. One component relates to organic growth and the margin of total consolidated net income of the Publicis Groupe, as compared with the three leading communications groups worldwide (Omnicom, WPP, IPG). The part relating to these two criteria may reach a maximum of 75% of the base compensation. The other component of the bonus relates to the consolidated net income of Publicis Conseil S.A. and its subsidiaries. It is paid for Mr. Lévy's performance of duties of Chief Executive Officer of Publicis Conseil S.A. in accordance with requirements as defined by the Board of Directors of that company.

The payment of this deferred compensation is subject to the achievement of certain performance requirements and to continued employment in the company, both individually and accumulated, as follows:

- *Performance-based conditions:* the deferred compensation as defined above shall be paid provided that the average annual amount of quantitative bonuses acquired by Maurice Lévy for the last three full years of his term as Chairman of the Management Board be equal to at least 75% of the general average (including the last three years of the term) of annual quantitative bonuses acquired by Mr. Lévy for the years 2003 and after.
  If the average for the last three full years of the term is less than 25% of the general average, there shall be no deferred compensation.
  If the average for the last three full years of the term is between 25% and 75% of the general average, the deferred compensation shall be calculated proportionately between 0 and 100% by the rule of three.

- *Length of presence condition:* the deferred compensation is consideration for the commitment of Maurice Lévy to continue his duties for a period of at least nine years as from January 1, 2003. Consequently, Mr. Lévy shall have claim to said deferred compensation, as calculated above, as long as he fulfills his mandate of Chairman of the Management Board of the Publicis Groupe S.A. company until the end of the term on December 31, 2011.

  The termination of duties for reasons of illness or disability, death, or voluntary redundancy following a change in major shareholder of the Group would not be considered a resignation.

  Should departure occur after December 31, 2011, for any reason and subject to the achievement of performance requirements, the deferred compensation payment shall be due. It represents a loyalty-building instrument, whose effectiveness is not tied to the departure of Mr. Lévy, but rather to his respect of the length-of-presence agreement until the end of the term established in the contract.

  In the case that Maurice Lévy decides to leave the Group on his own before December 31, 2011, no such compensation will be due. If he continues carrying out his functions after the date when his agreed term ends, he will have the right to receive this deferred conditional compensation on December 31, 2011.

  The commitment relating to the deferred conditional compensation to be paid if certain requirements are met is provisioned for in the parent company financial statements of Publicis Groupe S.A. and in the Group consolidated financial statements. The total amount of quantitative bonus included in the calculation of this provision as of December 31, 2009, was 11,768,100 euros.

  NB: The Company has not taken out a pension plan with Maurice Lévy as beneficiary.

2. Non-compete agreement

In enforcement of the noncompete agreement signed by Maurice Lévy, Mr. Lévy shall not, for at least three years following the termination of his duties as Chairman of the Management Board of Publicis Groupe S.A., for any reason whatsoever, work in any manner whatsoever with a company operating in the same sector of advertising communication, and more generally with a competitor of Publicis, nor shall he invest in a competitor of Publicis.

In consideration of the observance of this noncompete agreement, Maurice Lévy shall receive a total amount equal to 18 months of total gross compensation (base compensation and maximum bonus as defined at present), paid in equal monthly advance installments over the period covered by the noncompete agreement.

For the purposes of articles L. 225-90-1 and R.225-60-1 of the French *Code de Commerce*, details of the regulated agreements described above may be found on www.publicisgroupe.com.

15.2 TOTAL AMOUNTS ALLOCATED BY THE COMPANY OR ITS SUBSIDIARIES FOR THE PAYMENT OF PENSIONS AND OTHER BENEFITS

Please see Note 29 of the consolidated financial statements in Chapter 20.1 of this document.

Total expense corresponding to benefits after the termination of employment and other long-term benefits for the persons who were either terminated in 2009 or served on the Supervisory Board and the Management Board during this year, was a release of 1 million euros.

The total amount of provisions for these benefits was 25 million euros as of December 31, 2009. This amount was 26 million euros to December 31, 2008, and 22 million euros to December 31, 2007.

Notes to Chapter 15

Summary table of compensation

Recommendation on the compensation for upper management and corporate officers of publicly traded companies in a market regulated by AFEP-MEDEF in October 2008, suggests a standardized presentation of the compensation for said upper management and corporate officers.

The following tables are based on models proposed by the AFEP-MEDEF.

***Table 1** (AMF nomenclature)*

Summary table of compensation and options and shares issued to each senior executive and director (in euros)

	2009 [(1)]	2008
Management Board		
Maurice Lévy, Chairman of the Management Board		
Total compensation due for the fiscal year [(2) (5)]	3,600,000	3,600,000
Valuation of options granted during the fiscal year [(3)]	-	-
Valuation of performance shares awarded during the fiscal year [(4)]	855,821	-
Total	**4,455,821**	**3,600,000**
Jack Klues		
Total compensation due for the fiscal year [(2) (6) (10)]	1,375,635	2,023,194
Valuation of options granted during the fiscal year [(3)]	-	-
Valuation of performance shares awarded during the fiscal year [(4)]	785,708	-
Total	**2,161,343**	**2,023,194**
Kevin Roberts		
Total compensation due for the fiscal year [(2) (7) (10)]	1,787,801	2,801,852
Valuation of options granted during the fiscal year [(3)]	-	-
Valuation of performance shares awarded during the fiscal year [(4)]	717,619	-
Total	**2,505,420**	**2,801,852**
Jean-Yves Naouri		
Total compensation due for the fiscal year [(2) (8)]	900,000	990,000
Valuation of options granted during the fiscal year [(3)]	-	-
Valuation of performance shares awarded during the fiscal year [(4)]	610,138	-
Total	**1,510,138**	**990,000**
David Kenny		
Total compensation due for the fiscal year [(2) (9) (10)]	1,728,405	2,183,106
Valuation of options granted during the fiscal year [(3)]	-	
Valuation of performance shares awarded during the fiscal year [(4)]	136,853	
Total	**1,865,258**	**2,183,106**

(1) *Maurice Lévy, David Kenny, Jack Klues, Jean-Yves Naouri and Kevin Roberts waived their variable compensation for the 2009 fiscal year under the conditions stated in notes 5, 6, 7, 8 and 9, above.*

(2) *See details in Table 2*

(3) *See details in Table 4*

(4) *See details in Table 6, especially Note 1, attached.*

(5) *Of this total, Maurice Lévy waived 2,700,000 euros the variable compensation amount approved by the Supervisory Board for 2009.*

(6) *Of this total, Jack Klues waived 647,599 euros, the variable compensation amount approved by the Supervisory Board for 2009.*

(7) *Of this total, Kevin Roberts waived 215,853 euros, the variable compensation amount approved by the Supervisory Board for 2009.*

(8) *Of this total, Jean-Yves Naouri waived 350,000 euros, the variable compensation amount approved by the Supervisory Board for 2009.*

(9) *Of this total, David Kenny waived 647,559 euros, the variable compensation amount approved by the Supervisory Board for 2009.*

(10) *Compensation defined and paid in US dollars. The conversion into euros was made at an average rate of 1 US dollar = 0.71951 euro in 2009 and 1 US dollar = 0.68174 euro in 2008.*

	2009	2008
Supervisory Board (11)		
Elisabeth Badinter, Chairperson		
Total compensation due for the fiscal year (2)	237,939	237,939
Sophie Dulac		
Total compensation due for the fiscal year (2)	20,000	25,000
Monique Bercault		
Total compensation due for the fiscal year (2)	30,000	30,000
Léone Meyer *(term expired on November 13, 2009)*		
Total compensation due for the fiscal year (2)	15,000	30,000
Hélène Ploix		
Total compensation due for the fiscal year (2)	55,000	55,000
Claudine Bienaimé		
Total compensation due for the fiscal year (2)	80,000	45,000
Simon Badinter		
Total compensation due for the fiscal year (2)	218,512	274,817
Michel Cicurel		
Total compensation due for the fiscal year (2)	50,000	50,000
Michel Halpérin		
Total compensation due for the fiscal year (2)	30,000	30,000
Léone Meyer *(term expired on March 10, 2009)*		
Total compensation due for the fiscal year (2)	-	15,000
Tadashi Ishii *(appointed March 10, 2009)*		
Total compensation due for the fiscal year (2)	15,000	10,000
Tatsuyoshi Takashima		
Total compensation due for the fiscal year (2)	15,000	10,000
Felix G. Rohatyn		
Total compensation due for the fiscal year (2)	30,000	25,000
Amaury de Seze		
Total compensation due for the fiscal year (2)	45,000	50,000
Henri-Calixte Suaudeau		
Total compensation due for the fiscal year (2)	35,000	35,000
Gérard Worms		
Total compensation due for the fiscal year (2)	50,000	55,000
Michel David-Weill *(term expired on June 3, 2008)*		
Total compensation due for the fiscal year (2)	-	5,000
Yutaka Narita *(term expired on June 3, 2008)*		
Total compensation due for the fiscal year (2)	-	5,000

(2) *See details in Table 2*
(11) *The members of the Supervisory Board do not have the right to stock options or performance-based stock.*

Table 2 (AMF nomenclature)

Summary table of total compensation of each senior executive and director (in euros)

Overall, the compensation paid corresponds to the compensation given for the designated year and the variable compensation, to that of the previous year.
No extraordinary compensation was paid to the corporate officers.

	2009 – Amount: due [1]	2009 – Amount: paid	2008 – Amount: due	2008 – Amount: paid
Management Board				
Maurice Lévy, Chairman of the Management Board				
Base compensation	900,000	900,000	900,000	900,000
Variable compensation [2]	2,700,000	2,700,000	2,700,000	2,500,000
Benefits in kind [9]				
Total	**3,600,000**	**3,600,000**	**3,600,000**	**3,400,000**
Jack Klues [10]				
Base compensation	719,510	719,510	681,740	681,740
Variable compensation [3]	647,559	1,295,118	1,227,132	1,227,132
Benefits in kind [9]	8,566	8,566	8,332	8,332
Total	**1,375,635**	**2,023,194**	**1,917,204**	**1,917,204**
Kevin Roberts [7] [10]				
Base compensation	719,510	719,510	681,740	681,740
Variable compensation [4]	1,046,168	2,838,626	2,096,351	2,505,395
Benefits in kind [9]	22,123	22,123	23,761	23,761
Total	**1,787,801**	**3,580,259**	**2,801,852**	**3,210,896**
Jean-Yves Naouri				
Base compensation	550,000	550,000	550,000	550,000
Variable compensation [5]	350,000	440,000	440,000	182,600
Benefits in kind [9]	-	-	-	-
Total	**900,000**	**990,000**	**990,000**	**732,600**
David Kenny [8] [10]				
Base compensation	611,584	611,584	579,479	579,479
Variable compensation [6]	1,113,367	1,688,975	1,600,518	1,123,096
Benefits in kind [9]	3,454	3,454	3,109	3,109
Total	**1,728,405**	**2,304,013**	**2,183,106**	**1,705,684**

(1) *Maurice Lévy, David Kenny, Jack Klues, Jean-Yves Naouri and Kevin Roberts waived their variable compensation for the 2009 fiscal year under the conditions stated in notes 2, 3, 4, 5 and 6, above.*

(2) *Variable compensation amount approved by the Supervisory Board for 2009: 2,700,000 euros. Maurice Lévy decided to waive the entirety of this amount.*

(3) *Variable compensation amount approved by the Supervisory Board for 2009: 647,559 euros. Jack Klues decided to waive the entirety of this amount.*

(4) *Variable compensation amount approved by the Supervisory Board for 2009: 215,853 euros. Kevin Roberts decided to waive the entirety of this amount. Kevin Roberts shall only receive an annual payment of 830,315 euros as complementary pension.*

(5) *Variable compensation amount approved by the Supervisory Board for 2009: 350,000 euros. Jean-Yves Naouri decided to waive the entirety of this amount.*

(6) *Variable compensation amount approved by the Supervisory Board for 2009: 647,559 euros. David Kenny decided to waive the entirety of this amount. David Kenny will only be paid a retention bonus of 465,808 euros.*

(7) *Variable compensation includes an annual pension disbursement and deferred bonuses for the 2003-2008 period to be disbursed in 2009.*

(8) *Variable compensation includes a retention bonus according to the contract.*

(9) *Benefits in kind relating to the use of a company car are not mentioned when they do not constitute a material amount.*

(10) *Compensation defined and paid in US dollars. The conversion into euros was made at an average rate of 1 US dollar = 0.71951 euros in 2009 and 1 US dollar = 0.68174 euros in 2008.*

	2009 – Amount:		2008 – Amount:	
	due	paid	due	paid
Supervisory Board [11]				
Elisabeth Badinter, Chairperson				
Base compensation	182,939	182,939	182,939	182,939
Attendance fees	55,000	55,000	55,000	60,000
Total	**237,939**	**237,939**	**237,939**	**242,939**
Sophie Dulac				
Attendance fees	**20,000**	**25,000**	**25,000**	**20,000**
Monique Bercault				
Attendance fees	**30,000**	**30,000**	**30,000**	**25,000**
Léone Meyer *(term expired on November 13, 2009)*				
Attendance fees	**15,000**	**30,000**	**30,000**	**50,000**
Hélène Ploix				
Attendance fees	**55,000**	**55,000**	**55,000**	**60,000**
Claudine Bienaimé				
Attendance fees	**80,000**	**45,000**	**45,000**	-
Simon Badinter				
Base compensation	188,512	188,512	178,616	178,616
Variable compensation	-	51,349	56,700	188,285
Attendance fees	30,000	30,000	30,000	25,000
Benefits in kind	9,945	9,945	9,501	9,501
Total	**228,457**	**279,806**	**274,817**	**401,402**
Michel Cicurel				
Attendance fees	**50,000**	**50,000**	**50,000**	**55,000**
Michel Halpérin				
Attendance fees	**30,000**	**30,000**	**30,000**	**25,000**
Tateo Mataki				
Attendance fees	-	**15,000**	**15,000**	**15,000**
Tadashi Ishii *(appointed March 10, 2009)*				
Attendance fees	-	-	-	-
Tatsuyoshi Takashima				
Attendance fees	**15,000**	**10,000**	**10,000**	-
Felix G. Rohatyn				
Attendance fees	**30,000**	**25,000**	**25,000**	**25,000**
Amaury de Seze				
Attendance fees	**45,000**	**50,000**	**50,000**	**25,000**
Henri-Calixte Suaudeau				
Attendance fees	**35,000**	**35,000**	**35,000**	**60,000**
Gérard Worms				
Attendance fees	**50,000**	**55,000**	**55,000**	**60,000**
Michel David-Weill *(term expired on June 3, 2008)*				
Attendance fees	-	**5,000**	**5,000**	**20,000**
Yutaka Narita *(term expired on June 3, 2008)*				
Attendance fees	-	**5,000**	**5,000**	**25,000**

[11] *The members of the Supervisory Board do not have the right to stock options or performance-based stock.*

Table 3 (AMF nomenclature)

Detail of attendance fees *(in euros)*

	Attendance fees paid in 2009	*Attendance fees paid in 2008*
Supervisory Board		
Elisabeth Badinter, Chairperson	55,000	60,000
Sophie Dulac	25,000	20,000
Simon Badinter	30,000	25,000
Monique Bercault	30,000	25,000
Claudine Bienaimé	45,000	-
Michel Cicurel	50,000	55,000
Michel Halpérin	30,000	25,000
Hélène Ploix	55,000	60,000
Felix G. Rohatyn	25,000	25,000
Amaury de Seze	50,000	25,000
Henri Calixte Suaudeau	35,000	60,000
Tatsuyoshi Takashima	10,000	-
Léone Meyer *(term expired on November 13, 2009)*	30,000	50,000
Léone Meyer *(term expired on March 10, 2009)*	15,000	15,000
Tadashi Ishii *(appointed March 10, 2009)*	-	-
Gérard Worms	55,000	60,000
Michel David-Weill *(term expired on June 3, 2008)*	5,000	20,000
Yutaka Narita *(term expired on June 3, 2008)*	5,000	25,000
Total	**585,000**	**550,000**

Table 4 (AMF nomenclature)

Stock options granted during the fiscal year to each senior executive and director by the Company and by each Group Company

	No. and date of plan	*Type of options (for existing or new shares)*	*Valuation of options using the method applied for the consolidated financial statements*	*Number of options granted during the fiscal year*	*Exercise price (in euros)*	*Vesting period*
Management Board						
Maurice Lévy, Chairman			None in 2009			
Jack Klues			None in 2009			
Kevin Roberts			None in 2009			
Jean-Yves Naouri			None in 2009			
David Kenny			None in 2009			

Table 5 (AMF nomenclature)

Stock options exercised during the fiscal year by each senior executive and director (list of names)

	No. and date of plan	Number of options exercised during the fiscal year	Exercise price (in euros)	Year of grant
Management Board				
Maurice Lévy, Chairman		None in 2009		
Jack Klues		None in 2009		
Kevin Roberts		None in 2009		
Jean-Yves Naouri		None in 2009		
David Kenny	Digitas Plan 2001 and 2003	95,119	9.56	2001 and 2003

Table 6 (AMF nomenclature)

Performance shares granted to each senior executive and director

	No. and date of plan	Number of performance shares awarded during 2009 [(1)]	Valuation of options using the method applied for the consolidated financial statements	Acquisition	Vesting
Management Board					
Maurice Lévy, Chairman	Plan No. 1 March 19, 2009	60,800	855,821	March 2012	March 2014
Jack Klues	Plan No. 1 March 19, 2009	58,136	785,708	March 2013	March 2013
Kevin Roberts	Plan No. 1 March 19, 2009	53,098	717,619	March 2013	March 2013
Jean-Yves Naouri	Plan No. 1 March 19, 2009	43,346	610,138	March 2012	March 2014
David Kenny	Plan No. 1 March 19, 2009	10,126	136,853	March 2013	March 2013

(1) *Performance shares granted within the co-investment plan will not be acquired unless the presence conditions are met (3 years for the French, 4 for other nationalities) in performance-based functions and subject to criteria of organic growth and operating margin compared to their peers. In case the terms of Maurice Lévy and Jack Klues were not to be renewed upon their expiration on December 31, 2011, their length-of-presence condition would be deemed as fulfilled.*

Table 7 (AMF nomenclature)

Performance shares exercised to each senior executive and director

None – no performance shares available before March 19, 2013.

Tables 8 & 9 (AMF nomenclature)

Description of options and shares granted during the last ten years

These tables are found in Section 17.3 of this document.

Table 10 (AMF nomenclature)

Miscellaneous information about the corporate officers

Corporate officers	*Work contract* [1]	*Supplementary pension plan*	*Compensation indemnities or benefits due or to be due by cessation or change in functions*	*Indemnities due to a noncompete clause*
Management Board				
Maurice Lévy, Chairman	yes	no	no	yes [2]
Jack Klues		no	yes [2]	yes [2]
Kevin Roberts		no [2]	yes [2]	no
Jean-Yves Naouri		no	yes [2]	no
David Kenny		no	no	no

[1] *For the Chairman of the Management Board*
[2] *See Section 15.1 of this document.*

16

BOARD PRACTICES

16.1 INFORMATION REGARDING SERVICE AGREEMENTS OF THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

See Chapter 15.1 of this document.

16.2 INFORMATION ON THE NOMINATION COMMITTEE, THE COMPENSATION COMMITTEE AND THE AUDIT COMMITTEE

Nomination Committee

In accordance with the last paragraph of article 16 II of the Company's bylaws, a Nomination Committee, which reports to the Supervisory Board, has been created by article 6 and the articles that follow of the Supervisory Board's Rules for the Conduct of Business. The Committee is made up of at least three and no more than five members, who must be individuals and members of the Supervisory Board, appointed by the Supervisory Board. The Committee may appoint an external consultant, either temporarily or on a permanent basis, whose compensation will be determined by the Committee.

The members of the Nomination Committee are appointed for the duration of their term to the Supervisory Board and may be reelected in the same manner, pursuant to article 13 of the bylaws. The Nomination Committee elects a Chairman from amongst its members, who directs the Committee and reports to the Supervisory Board.

The members of the Nomination Committee may be dismissed *ad nutum* by the Supervisory Board, without cause. Nominations and dismissals are communicated by regular mail sent to all members of the Audit Committee members. At least half of the members of the Nomination Committee must be present to validly deliberate. A member may not participate by proxy.

Attendance fees are paid to the members of the Nomination Committee for each of the Committee meetings that they attend as set by the Supervisory Board subject to the global maximum annual attendance fees for all of the members of the Supervisory Board as determined by the general shareholders' meeting.

The mission of the Nomination Committee is as follows:

- propose candidates to the Supervisory Board for the cooptation and nomination of members of the management by the Supervisory Board or by the general shareholders' meeting; and

- follow the development of the directors and management of the Group's main subsidiaries or networks.

The Nomination Committee is composed of Elisabeth Badinter as Chairperson, Michel Cicurel and Henri-Calixte Suaudeau. Léone Meyer was a member of this committee until November 13, 2009.

The Committee met once during the 2009 fiscal year and reported on its work to the Supervisory Board.

The Committee has examined the change in composition of the Supervisory Board, deciding not to appoint a new member during this fiscal year to replace Ms. Meyer, whose term ended by resignation on November 13, 2009.

Compensation Committee

The Compensation Committee's methods of nominating members and their functions are the same as those used by the Nomination Committee. The mission of the Compensation Committee is as follows:

- to examine and propose the compensation for the corporate officers, including option grants and purchase of shares in the Company, free shares or of any similar instruments; propose to the Management Board the amounts of attendance fees, which are submitted for decision to the general shareholders' meeting; and
- in general, examine and validate the general policies of the Management Board on compensation and allocation of options, free shares or of any similar instruments.

The Compensation Committee is composed of Michel Cicurel as Chairman, Elisabeth Badinter, Amaury de Seze, and (since July 22, 2008) Claudine Bienaimé. Gérard Pédraglio is appointed as the Committee's permanent expert.

The Committee met five times during the 2009 fiscal year, with all members present, and reported on its work to the Supervisory Board.

The Committee examined the compensation of the members of the Management Board. It also reviewed the application of the rules on determining variable compensation, and presented its recommendations for 2009 in light of the members' performance. It also examined the co-investment plan described in Chapter 17.2, below, and proposed that the Supervisory Committee approve the stock option grants in this plan for the members of the Management Board.

The Committee examined the compensation of the managers of the Group's main subsidiaries and networks, and, more generally, the system of incentive compensation currently in place for high-level executives in the Group. In general, the variable compensation is related to annual performance and depends on achieving results or goals, either on an individual level or at the level of a specific entity taken at the entity level, on the basis of many elements related to history and to the decisions made at the entity level. On the Committee's recommendation, a harmonization of these systems was carried out with the introduction of a new system in 2006 to calculate the bonus pools for the networks, the principles of which have been approved by the Committee. The bonus pools are calculated for each network on the basis of the network's performance and of the performance of the Group as a whole. The Committee examined the application of this new system for determining bonus pools for each year since 2006. The Committee will follow the management Board's guidance with respect to the 2009 bonus scheme.

Concerning stock option plans, in 2009 there were no allocations in favor of Management Board members, nor in favor of any Publicis Groupe employees. The Committee has examined the Management Board's short and long-term compensation and loyalty plans for key employees of the Group. The stock option plans integrate, in particular, the allocation of free shares to employees with the goal of ensuring that these systems are competitive in the market and align the interests of the beneficiaries with the interests of the shareholders, while minimizing costs for the Group.

Audit Committee

In accordance with the last paragraph of article 16 II of the Company's bylaws, a Nomination Committee, which reports to the Supervisory Board, was created pursuant to article 5 and the articles that follow of the Supervisory Board's Rules for the Conduct of Business. The Committee is made up of at least three and no more than five members of the Supervisory Board appointed by the Supervisory Board. The Committee may appoint an external consultant, either temporarily or on a permanent basis, whose compensation will be determined by the Committee. Members are chosen for their competence and expertise in the Committee's scope of work. They are appointed for the duration of their term to the Supervisory Board and may be reappointed in the same manner, pursuant to article 13 of the bylaws. The Audit Committee elects a Chairman among its members to direct the work of the Committee and to provide reports to the Supervisory Board. The members of the Nomination Committee may be dismissed *ad nutum* by the Supervisory Board, without cause. Nominations and dismissals are communicated by regular mail sent to all members of the Audit Committee members. The attendance fee amounts allocated to the members of the Audit Committee, as well as for the members of the Nomination and Compensation Committees, for each of the Committee meetings attended, is fixed by the Supervisory Board as part of the total maximum attendance fee amount allocated to the Supervisory Board members as a whole by the shareholders at the General Assembly.

The Audit Committee is composed of Gérard Worms as Chairman, Hélène Ploix and (since July 22, 2008) Claudine Bienaimé. Jean-Paul Morin has been designated as the permanent Audit Committee expert. Gérard Worms and Hélène Ploix are considered as independent members, and they have special strengths in financial and accounting matters.

The Committee supervises the organization and implementation of the Group's audit, supervises the quality of the Group's internal control, ensures the accuracy and fairness of the accounts, and the implementation of recommendations made by external auditors. It also gives its opinion on the budgets for the external audit of the Group.

The Committee met five times during the 2009 fiscal year, with all members present.

At each of the meetings, the director of internal audit informed the Committee of the progress of internal audit projects and the implementation of control and any problems encountered.

The Group's financial management presented to the Audit Committee the accounts before submitting them to the Supervisory Board.

The Committee heard the Statutory Auditors' opinion on the accuracy of the financial statements without the Financial Director or the Group's management being present.

The Committee also established the audit plan for the coming year with the Statutory Auditors and the internal auditors.

Each time the Supervisory Board met and examined the accounts, the Chairman of the Committee shared the Committee's opinion with the Board on the accuracy of the figures presented.

On February 11, 2009, before the Management Board's meeting on the closing of the financial statements, the Committee examined the 2009 financial statements and heard the Chief Financial Officer and the head of internal audit. It also heard the Statutory Auditors, without the members of the Management Board being present.

The Committee noted that the accounting services continued to improve the timelines for the preparation of accounts and the quality of information.

The Committee also noted that the Statutory Auditors did not have any reservations or observations on the consolidated financial statements. There was just one observation in their report on the application, starting January 1, 2009, of the revised IAS 1 standards (presentation of financial statements) and of IFRS 8 (operating segments). The Committee examined all of the important subjects, such as the use of provisions established upon the acquisition of Bcom3, retirement provisions, impairment tests and other line items that require specific attention. The Committee indicated to the Supervisory Board that it did not have any comments.

The Committee noted that the continuation of the program to simplify the Group's legal structure and to reduce the number of entities (with the particular goal of improving the effectiveness of the internal control), resulted in the elimination of 73 entities in 2009. The Committee took note of this program's continuation in 2010 and following years.

16.3 REPORT OF THE SUPERVISORY BOARD CHAIR ON THE PREPARATION AND ORGANIZATION OF THE SUPERVISORY BOARD WORK AND THE INTERNAL CONTROL PROCEDURES

As part of my responsibilities as Chairman of the Supervisory Board and in accordance with article L. 225-68, paragraph 7, of the French *Code de Commerce*, I am required to report on the preparation and organization of the Board's work and on the internal control procedures that have been implemented within the Group. The terms of this report were approved by the Supervisory Board at its meeting of February 16, 2010.

This report was drafted with the support of the Finance Department, General Secretariat, Internal Audit Department and Legal Department.

Publicis Groupe refers to code AFEP-MEDEF of December 2008 in the preparation of this report. The full code relating to corporate governance can be accessed on the Medef site at www.medef.fr. The company has chosen not to follow the independence criterion limiting the terms of the Supervisory Board members to 12 years, believing that this limitation is not suitable for its Supervisory Boards, - whose role is fundamentally different from that of the Board of Directors, for which these criteria were defined.

16.3.1 PREPARATION AND ORGANIZATION OF THE SUPERVISORY BOARD'S WORK

Since November 27, 1987, Publicis Groupe S.A. has chosen to function under a Management Board and a Supervisory Board. This structure allows Publicis to separate management activities from supervisory activities and to establish a real balance of power. The Management Board is the Company's decision-making body. Under the Company's bylaws, the transactions referred to in article 12, paragraphs 13 to 16, were subject to prior consent by the Supervisory Board. The shareholders' meeting of June 4, 2007, amended the Company's bylaws, empowering the Supervisory Board to determine each year which transactions referred to in article 12 of the bylaws would require the Supervisory Board's prior approval. During the meeting of February 16, 2010, renewing its discussion of February 10, 2009, the Supervisory Board decided that the purchase or sale of any real estate, the purchase or sale of any company whose value exceeded 5% of the Company's share capital, and any loan, bond or share issuance exceeding 5% of the Company's shareholders' capital would be subject to prior approval of the Supervisory Board.

These provisions were included in the Rules on the Conduct of Business that were adopted by the Supervisory Board on March 29, 2005, and on February 10, 2009, in their latest version, along with fundamental rules on matters such as the independence of the members of the Board, conflicts of interest and confidentiality. The Rules for the Conduct of Business establish the terms on which the Board operates and its relationship with the Management Board. To prevent insider trading, the Management Board established rules regulating the conduct of the permanent insiders of the Group, defining the periods in which trading in Company shares is permitted. These rules also apply to the Supervisory Board.

The internal regulations of the Supervisory Board are available on the Group website: www.publicisgroupe.com.

Until November 13, 2009, the Supervisory Board was composed of 15 members, over a third of whom met criteria for independence. After the resignation of Ms. Léone Meyer, the 14 members remained.

In order to assess the independence of its members, the Supervisory Board analyzed the criteria set out in the MEDEF-AFEP document dated October 2003, other than - for the reasons explained above - the criterion on the 12-year term limit, in particular:

- refrain for serving as an employee or a member of the Supervisory Board or the Management Board, or manager in the parent company or a consolidated company, in the last five years;
- refrain for serving as a member of the Supervisory Board or the Management Board of a company in which the Group holds, directly or indirectly, a management position, or where a salaried employee or designated member of the Supervisory Board or the Management Board (currently or in the past five years) holds a management position;
- refrain for being a client, provider, business banker or investment banker:
  - that is significant to the Company or Group or for which the Company or Group represents a significant part of its business;
- not to be a close relative of a member of the Supervisory Board or the Management Board;
- not having been an auditor of the company during the previous five years.

With the application of these criteria, the following people were considered independent members:

- Ms. Léone Meyer (whose term ended on November 13, 2009)
- Ms. Hélène Ploix
- Mr. Michel Cicurel
- Mr. Michel Halpérin
- Mr. Felix Rohatyn
- Mr. Amaury de Seze
- Mr. Henri-Calixte Suaudeau
- Mr. Gérard Worms

The Board holds its discussions in French, and a team of interpreters for Japanese and English is available to members who desire their assistance. The Board met six times during the year, with an attendance rate of 87%. On average, meetings lasted nearly four hours. The documents necessary for examining the items on the agenda are normally sent to Board members one week in advance. The Management Board is available to provide clarifications or additional information for any Board member. In order to facilitate participation by members, particularly those who live overseas, the Supervisory Board has included provisions in its Rules for the Conduct of Business to allow one or more members participate in Board meetings by videoconference. The composition of the Supervisory Board is described in Chapter 14.1 of the Reference Document for fiscal year 2009.

The main points examined and decisions made by the Supervisory Board at its meetings during 2009 were the following:

The Board meeting of February 10, 2009, received the Management Board's report on the previous fiscal year and examined the consolidated financial statements of the 2008 fiscal year. It decided on the proposed resolutions to be submitted to the shareholders' meeting. The Board set limits on the powers of the Management Board and its authorizations for sureties and guarantees. In addition, the Board performed the annual self-assessment of its work for the 2008 fiscal year.

On March 10, 2009, the Supervisory Board calculated the variable portion of the Management Board members' compensation for the 2008 fiscal year and examined the composition of the Supervisory Board.

During its meeting of June 9, 2009, the Supervisory Board received the Management Board's report as of March 31, 2009, and examined the parent company's financial statements and the Group's consolidated financial statements as well as the updated forecasts. It also heard a presentation by the Compensation Committee and calculated, within the framework of the LTIP II plan, the number of share options to distribute among the members of the Management Board. It also determined the number of free shares that can be distributed among the members of the Management Board within the framework of the co-investment plan that was authorized the previous year. The Board also authorized for the issuance of OCÉANE 2014 bonds and the establishment of four confirmed credit lines, each five years.

During its meeting of July 22, 2009, the Supervisory Board received the Management Board's report as of June 30, 2009, and examined the parent company's financial statements and the Group's consolidated financial statements as well as the updated forecasts.

During the session of September 8, 2009, the Secretary General and the Head of Internal Audit gave a full presentation on the procedures and results of the internal control program. The Board discussed and approved the proposed acquisition of the Razorfish group. The Management Board gave a presentation on the market trends at the end of 2009 and the forecasts for 2010. The Management Board commented on a prevention plan against the H1N1 flu.

During its meeting of December 1, 2009, the Supervisory Board received the Management Board's report as of September 30, 2009, and examined the parent company's financial statements and the Group's consolidated financial statements as well as the updated forecasts. It approved the extension of the Eurobond 2012 and heard the Management Board's presentation on commitments to minority shareholders regarding the Holding of France Télévision Publicités, approving the Management Board's proposal.

The Supervisory Board performed the annual self-assessment of its work, examined the summary results and drew conclusions. Each member of the Board completed a questionnaire for the self-assessment; the results were then summarized and commented on. The Board performed its annual evaluation of the 2009 fiscal year during its meeting of February 16, 2010; the number of items showing improvement continued to grow.

Three special committees (Nomination Committee, Compensation Committee and Audit Committee) assist the Supervisory Board in performing its duties with the aim of improving Group corporate governance. The rules for the operation of these three committees were included in the Rules for the Conduct of Business.

The Nomination Committee is composed of Ms. Badinter, Committee Chairperson, Léone Meyer (until November 13, 2009), Michel Cicurel and Monsieur Henri-Calixte Suaudeau. These two last members are considered independent.

The Nomination Committee met once in November 2009 with the attendance of all its members, to examine the opportunity to appoint a new member to replace Ms. Meyer. This committee met in early 2010, proposed to the Supervisory Board the renewal of the terms of members whose terms will expire upon the shareholders' meeting of June 1, 2010, and examined the opportunity to propose new members.

The Compensation Committee is composed of Michel Cicurel as Committee Chairman, Elisabeth Badinter, Amaury de Seze, and (since July 22, 2008) Claudine Bienaimé. Gérard Pédraglio is the permanent expert of the Committee. The principal role of this Board with equal representation of independent members – and presided by one of them – is to examine and make proposals regarding the compensation of Company officers and to ratify the Group's general policies on compensation and the grant of stock options, free shares or any other compensation instruments.

The Committee met five times during the 2009 fiscal year, with all members present. During its 2009 sessions, it examined issues regarding the compensation of the Chairperson and members of the Management Board (base and variable compensation) and proposed to the Supervisory Board the decisions to be made in this regard. In addition, the Committee was informed about the compensation of the other members of the Executive Committee (P12). Then it examined issues regarding the stock compensation policy, especially the LionLead co-investment program, as well as the program to distribute free shares to employees and the program for the levels of management (LTIP 3) whose implementation was deferred. The Committee was also informed about the bonus policy tied to the results of the Group as a whole and of each of the networks, thus bringing transparency to the Management Boards' decision-making.

The rules and principles adopted by the Supervisory Board to determine the compensation and benefits of the Company officers are described in Chapter 15 of the Reference Document for the 2009 fiscal year. Major factors governing stock options grants are described in Chapter 17.3 of the Reference Document.

The Audit Committee is composed, since July 2005, by Gérard Worms as Committee Chairman, Hélène Ploix, and (since July 22, 2008) Claudine Bienaimé. Jean-Paul Morin has been designated as the permanent Audit Committee expert. The Committee supervises the organization and implementation of the Group's audit and the quality of internal control, and it verifies the accuracy and fairness of the financial statements. The Audit Committee is regularly informed about the internal control program, its procedures, results and corrective measures implemented, the results of internal audit missions, and the principal lawsuits underway and their current status. It is also informed about all fraud and/or fraud attempts of which the Group is aware. It also ensures that the external auditors' recommendations are implemented and gives its opinion on the budgets for the external audit of the Group. Given their professional backgrounds, Hélène Ploix and Gérard Worms, considered independent members, have special strengths in financial and accounting matters.

The Committee met five times during the fiscal year, with all members present. The Audit Committee reported its opinion to the Supervisory Board on approving the financial statements, and more generally on the internal control procedures that are the subject of the second part of this report.

The work performed by the Audit Committee during 2009 is described in the paragraph "Audit Committee" in Chapter 16.2 of the Reference Document.

Information about agreements concerning a possible change of control or that might have an influence on a takeover bid is presented in Chapter 18.3 of the Reference Document; information about requirements for shareholders to gain entry into shareholders' meetings is provided in articles 20 to 24 in the Company bylaws.

16.3.2 RISK MANAGEMENT AND INTERNAL CONTROL PROCEDURES FOR THE GROUP

Internal control

a) Objective and organization

The internal control provisions are meant to apply to the entire Group. Implemented by the Management Board and applied at all levels of the Group, they are designed to provide reasonable assurance for achieving objectives related to:

- the achievement and optimization of the operations, aligned with the course established by the Management Board;
- the reliability of financial information;
- compliance with applicable laws and regulations;
- management of operating and financial risks.

All internal control procedures can only provide reasonable assurance on the achievement of a given internal control objective for the company. The attainment of the objectives is generally subject to the limitations inherent to internal control.

The Group's internal control procedures are based on COSO (Committee Of Sponsoring Organizations of the Treadway Commission) as well as the Reference Framework on Internal Control Procedures and the different recommendation of the AMF in this domain.

b) Components of internal control

- Control environment

Publicis Groupe has defined guidelines including the Group's values, rules for ethical conduct, and social responsibility, as well as all other areas related to the respect for norms and for the rule of law. This reference guideline is applicable to all hierarchical levels in the Group, establishing the code of conduct to carry out the company's operations: "The way we behave and the way we operate".

This guideline, called Janus, was updated in October 2009 and distributed throughout all the networks.

The evaluation of the quality of the control environment is done by the senior management, and through the missions, operations and special investigations carried out by the Internal Audit Department.

- Risk evaluation and management

Risk management is integrated into Group operating and financial management. Its aim is to identify situations that could hinder the attainment of the Group's objectives, implementing instruments to prevent the emergence of such events (please refer to the paragraph on Risk Management, below).

- Control activities

Control activities are carried out at all hierarchical levels of the Group's functional and operations departments based on the aforementioned guidelines (Janus). A special internal control program on financial and accounting information was deployed in 2008 (please see Internal control procedures on financial and accounting information, described below).

- Information and communication

The Group's values, as well as its code of conduct and the content of the aforementioned Janus guideline are accessible online to all employees (http://janus.publicisgroupe.com).

It also mentions the procedures for the preparation of the financial and accounting information. Supplementary instructions are periodically sent directly by the Group's financial unit to the relevant departments in the different networks.

The consolidation of the Group's financial information is done through a dedicated computer application that is run from the Finance Department.

- Management and follow-up on the effectiveness of internal controls

Managing the internal control procedures is the responsibility of the Management Board, the senior management of Publicis Groupe and network units. This management is performed at three levels:

- supervision inspections performed by the Group's hierarchical and functional levels and its structures;
- self-evaluations of internal control (especially in financial matters) are sent and centrally analyzed on a monthly basis through a dedicated computer application;
- the internal audit department reports on the quality of internal control within the Group through audit missions and the management of dedicated teams that monitor the effectiveness of internal control within the networks.

The conclusions from the review work done on internal control, carried out by the statutory auditors within the framework of their mission, are submitted to the Group's senior management as well as network units. A summary is also submitted to the Audit Committee.

The monitoring on internal control effectiveness is performed by the Audit Committee and the Supervisory Board, based on a summary prepared and presented biannually by the Internal Audit department, as well as by their periodic follow-up on items discussed with the senior management of the Group and audit mission summaries.

c) Risk management

Every two weeks a "Group committee," including the Chairman of the Management Board and the heads of the financial, human resources and legal departments, as well as the head of Shared Service Centers and IT, meets to discuss the Group's major risks.

Working with the senior management, the operating management of networks is especially involved in monitoring the risks related to major contracts or to business in emerging countries. It continually analyzes the Group's exposure to the loss of material contracts, to risks of conflicts of interest and to changes in contractual clauses.

The human resources department regularly transmits to senior management its analyses of the attraction and retention of talent and the risks related to the possible loss of key senior managers. The risks related to the acquisitions policy and to the management of the Group's liquidity, foreign exchange and debt positions are followed by the Group's financial management in liaison with senior management. The risks associated with accounting and financial information were the subject of a detailed analysis, on which the internal control system is based; this analysis was performed by the internal audit management.

In 2009, a working group composed of those functions most affected by risk management was established. This group reports to senior management and meets quarterly. The internal audit ensures the coordination of the group's work. In 2009, the group updated the major risks mapping as identified by the heads of networks, presenting the results to the Chairman of the Management Board, the Audit Committee, and the Supervisory Board.

The main risks identified are detailed in Chapter 4. Risk factors.

d) Internal control procedures regarding financial and accounting information

The Group's Supervisory Board and Audit Committee reasserted their desire for continuous improvement and strengthening of existing internal control procedures. The improvement of internal control procedures is carried out on three levels:

- Management Board and operating management;
- the operating management of the networks; and
- the Audit Committee and internal audit.

This improvement program depends on the following resources:

Shared Service Centers

To better meet the demands of a business based on a large number of agencies, the Group began in 1996 and continues systematically to implement a network of Shared Service Centers. A simplified version of Shared Service Centers is being introduced in emerging countries. The establishment and progressive expansion of the shared service centers, which cover over 90% of the Group's revenue, are essential internal control elements.

Internal control documentation

Control activities contribute to the production of accounting and financial information that is documented at the network and corporate operations levels. The documentation of control activities is managed by a dedicated software application that allows centralized oversight of changes in the system rollout.

Supervisory controls

In 2009 the Group pursued the improvement of its control activities by implementing integrated internal control procedures with dedicated teams within the networks, in order to provide analysis and reinforcement of these supervisory activities. This dedicated organization works closely with internal audit management and contributes to the reliability of the self-assessment procedure performed by the network.

Self-assessment of internal control

The continuous improvement of the internal control procedures is also based on the results of the self-assessment carried out for every control activity. This self-assessment encourages entities to assume more responsibility for the effectiveness of their controls. It is centrally analyzed by the internal audit management using the work of network internal control correspondents and the conclusions of internal audit missions. Summarized information on the self-assessment procedure is periodically reported to the Audit Committee.

The internal audit procedure

Internal audit management reports to the Group's general secretary and has permanent access to the Audit Committee Chairman. The internal audit plan is based on past events, risk analysis, evaluation of internal control procedures and specific requests from senior management. As part of the audit plan, as approved by the Audit Committee, an internal audit is performed in order to ensure the monitoring of the relevance and effectiveness of the internal control implemented by the Group. The internal audit missions are reported to Group senior management, and guidelines and action plans are monitored. A summary of all missions carried out, including the special missions, is reported at each Audit Committee meeting.

e) Continuous improvement of the internal control procedures

Each identified internal control deficiency gives rise to a new action plan validated by the management of the entity concerned and recorded and monitored in order to verify the implementation of the audit guidelines.

The Group has continued to rationalize its control activities through an approach to risks that maps the risk zones and focuses on key procedures that allow them to be covered. This approach strengthens existing controls through a methodology adapted to the level of risk.

Senior management receives reports on the monitoring of the principal deficiencies and action plans and the significant changes in organization and systems that affect internal control, which are integrated in the audit plan.

2009 Summary

Supervisory Board discussions and reports on actions taken or underway indicate that the internal control procedures were a priority for the Group's managers. The Management Board and the Audit Committee were regularly informed of the project's progress, requirements and resources, and results.

The Group will continue to improve its internal control procedures, notably through reinforced on-site reviews and the development and adaptation of the integrated internal control and audit program.

Paris, February 16, 2010

Elisabeth Badinter

Chairperson, Supervisory Board

16.4 STATUTORY AUDITORS' REPORT ON THE REPORT FROM THE CHAIRPERSON OF THE SUPERVISORY BOARD

Statutory Auditors' Report, prepared in accordance with Article L. 225-235 of the French *Code de Commerce* on the report prepared by the Chairperson of the Supervisory Board of Publicis Groupe S.A.

As statutory auditors of Publicis Groupe S.A., and in accordance with Article L. 225-235 of the French *Code de Commerce*, we hereby report on the report prepared by the Chairperson at your company in accordance with Article L. 225-68 of the French *Code de Commerce* for the year ending on December 31, 2009.

It is the Chairperson's role to prepare and submit to the approval of the supervisory board a report setting out the internal control and risk management procedures implemented within the company, as well as to provide other information as required by article L. 225-68 of the French *Code de Commerce*, notably in relation to the area of corporate governance.

Our role is to:

- provide you with any matters we have to report regarding the information contained in the Chairperson's report concerning internal control and risk management procedures on the preparation and processing of financial and accounting information; and
- to confirm that this report contains all of the disclosures required by article L. 225-235 of the French *Code de Commerce*. It is not, however, our role to verify the fair presentation of these other disclosures

We performed our procedures in accordance with professional standards applicable in France.

Information concerning internal control and risk management procedures on the preparation and processing of financial and accounting information

Professional standards require that we perform due diligence to assess the validity of the information concerning internal control and risk management procedures on the preparation and processing of financial and accounting information contained in the Chairperson's report. Our due diligence consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information underlying the information presented in the Chairperson's report, as well as the existing documentation;
- obtaining an understanding of the work performed to prepare this information and the existing documentation;

- determining if any major control weaknesses relating to the preparation and processing of financial and accounting information as we may have identified in the context of our engagement have been appropriately disclosed in the Chairperson's report.

Based on this work, we have nothing to report on the information provided on the company's internal control and risk management procedures relating to the preparation and processing of financial and accounting information, contained in the report of the Chairperson of the Supervisory Board, prepared in accordance with Article L. 225-68 of French *Code de Commerce*.

Other disclosures

We confirm that the report of the Chairperson of the Supervisory Board includes the disclosures required by article L. 225-68 of the French *Code de Commerce*.

Courbevoie and Neuilly-sur-Seine, February 17, 2010

by the Statutory Auditors

MAZARS	ERNST & YOUNG et Autres	
Philippe Castagnac	Jean Bouquot	Valérie Desclève

16.5 CODE OF ETHICS

The Group has rewritten and enriched its body of rules of business conduct and code of ethics under the new name Janus. It is applicable to all hierarchical levels in the Group, establishing the code of conduct to carry out the company's operations: "The way we behave and the way we operate". This guide was updated in October 2009 and distributed throughout all the networks.

Janus includes the rules and principles related to ethics, social responsibility, regulatory and legal frameworks, governance, communication, conducting business and customer relations, human resource management, protection of the Group's brands and intellectual property, financial and accounting management, as well as rules governing mergers and acquisitions, investments, restructuring and purchasing policies.

This reference guide includes a code of ethics to be applied mainly to the members of the Management Board, the Group's Finance Director and other senior managers; another code of ethics is to be applied among all employees. These ethics codes are available on the Group's web site at www.publicisgroupe.com under "Social Responsibility" and "Principles".

In addition, Publicis undertakes to provide a copy of its codes of ethics to any person free of charge upon request. The request can be made directly to the Group's legal department by calling 33 (0)1 44 43 70 00 or by sending a request letter addressed to 133 avenue des Champs-Elysées, 75008 Paris, France.

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EMPLOYEES

17.1 NUMBER OF EMPLOYEES

For more information see Chapter 20.1 of the current document, note 3 to the consolidated financial statements.

17.2 SHARE OWNERSHIP

Share ownership of the corporate officers

At December 31, 2009, no members of the Supervisory or Management Boards held more than 1% of the shares of the Company, excluding the holdings mentioned in Chapter 18.1, and Maurice Lévy, who directly or indirectly held 4,722,854 shares, or approximately 2.39% of share capital, including 2,920,000 shares held through *sociétés civiles* belonging to him and his family.

To December 31, 2009, the members of the Supervisory and Management Boards (excluding Elisabeth Badinter and her children) directly or indirectly held 7,807,037 shares, or 3.95% of the share capital of the Company, including 2.39% controlled by Maurice Lévy (see Chapter 18.1). The members of the Management Board also held 2,144,415 stock subscription or purchase options on Company shares on that same date, all of which were fully vested. Exercise prices range from 19.48 euros to 33.18 euros per share, and options will expire between 2010 and 2016 (see note 28 of the consolidated financial statements).

The following table presents the ownership of each corporate officer in the share capital of the Company at December 31, 2009 in terms of number of shares and voting rights, and the number of shares that each officer may acquire through the exercise of new stock subscription options and existing stock purchase options.

Share ownership of the corporate officers to December 31, 2009

Corporate office:	*Shares of Publicis Groupe owned*	*Voting rights of Publicis Groupe owned* (1)	*Options held for new shares*	*Options held that are exercisable for existing shares*		*Weighted average price (in euros)*
				Total number	*Number that are conditional options*	
Management Board						
Maurice Lévy (2)	4,722,854	9,445,708		1,346,163	300,000	28.03
Jack Klues (3)	58,136	58,136		274,567	170,000	26.54
Kevin Roberts (4)	0	0		385,610	300,000	26.99
David Kenny (7)	346,280	346,280		31,521	0	19.48
Jean-Yves Naouri (5)	65,798	65,798		106,554	75,000	28.02
Supervisory Board						
Elisabeth Badinter	20,072,339	40,144,678				
Sophie Dulac	2,469,460	4,938,920				
Claudine Bienaimé (6)	50,198	88,996		150,449		27.93
Henri-Calixte Suaudeau	80,381	160,762				
Monique Bercault	840	1,680				
Hélène Ploix	8,950	10,970				
Gérard Worms	340	680				
Michel Halpérin	1,500	1,500				
Amaury de Seze	350	350				
Simon Badinter	350	700				
Michel Cicurel	200	400				
Felix G. Rohatyn	1,000	2,000				
Tatsuyoshi Takashima	200	200				
Tadashi Ishii	200	200				

(1) *Shows the impact of possible double voting rights.*

(2) *Maurice Lévy directly holds 1,802,854 shares, and indirectly holds 2,920,000 shares through sociétés civiles, for a total of 9,445,708 voting rights. Options held in tranches 11, 15, 16, 19, 21 and 22.*

(3) *Options held in tranches 17 and 22.*

(4) *Options held in tranches 19 and 22.*

(5) *Options held in tranches 11, 13, 16, 17, 22 and 23.*

(6) *Options held in tranches 11, 13, 17 and 22.*

(7) *Options held in Digitas plans.*

NB: The bylaws require members of the Supervisory Board to hold 200 shares.

The Group has several stock option plans for the members and the Management Board, as well as for its executives and many employees. In addition, Digitas created stock option plans for their managers and employees before being acquired by the Group, which were converted into Publicis Groupe S.A. purchase options or share subscription options (please see Note 28 of the consolidated financial statements).

According to the authorization voted by the combined Ordinary and Extraordinary Shareholders' meeting of June 3, 2008, (23rd resolution), in March 2009 the Group decided to have employees share in its growth.

Firstly, the Management Board, with prior approval of the Supervisory Board, decided to allocate 50 free shares to each employee in France that works in subsidiaries in which Publicis has a stake over 50%.

Secondly, a co-investment plan was implemented for 160 key Group managers, proposing that they subscribe to an investment program in Publicis Groupe shares. This program is based on a personal investment in shares, to be purchased on the market. It is accompanied by a mechanism to promote loyalty and performance within the Group. Investing managers shall receive free loyalty shares after three or four years with the company, subject to conditions and applicable legislation in their respective countries. As a complement -and subject to the performance of Publicis Groupe compared to its peers in terms of organic growth and operating margin- investing managers can receive free performance shares.

With regards to Management Board members and/or corporate officers, according to the October 2008 AFEP-MEDEF recommendations all free shares granted shall be exclusively performance shares directly tied to the Group's performance compared to that of its peers, both in terms of growth and margin. Attendance and permanence rules are the same for all.

In addition, with the acquisition of Razorfish, some employees will benefit from "Restricted Shares Units" plans Microsoft granted between 2007 and 2009. The shares previously granted were converted into Publicis shares by applying the existing ratio between the last 20 market share prices for Microsoft and for Publicis on the date of acquisition, October 13, 2009. On December 1, 2009, a new distribution plan for free shares was approved, specifying the beneficiaries, the number of converted shares granted, and the date of acquisition of these rights, strictly identical to previous plans, subject to the condition of their effective presence on the vesting date (from January 2010 to September 2015, according to the beneficiary).

The 20th resolution of the Company's extraordinary general shareholders' meeting of June 4, 2007 authorized the Management Board, pursuant to articles L. 225-177 and others of the French *Code de Commerce*, to grant employees and certain corporate officers of the Company or economic interest groups that are linked to the Company under the conditions mentioned in article L.225-180 of the French *Code de Commerce*, for a period of 38 months, options with a right to new share warrants to be issued for a capital increase and/or options with a purchase right for shares legally acquired by the Company.

The total number of open and unexercised options will not grant the right to subscribe to a number of shares that exceeds 10% of the share capital. It includes, to the advantage of the option beneficiaries, the shareholders' waiver of their preferential subscription rights to shares issued throughout the option exercise period. The Management Board will set the subscription or purchase price of shares on the date at which the options are granted, within the limits and according to the modalities provided for by law. The beneficiaries may exercise the options for 10 years, starting on the day that the options are granted.

In light of the general shareholders' meeting's authorization, the Management Board holds the necessary power to set the dates at which the options shall be granted, to determine the dates of each grant, to set the conditions under which the options will be granted, to approve the list of beneficiaries of the options and to decide upon the number of options to which each shall be able to subscribe or acquire, to set the conditions of the options' exercise and the price, the period or periods during which the options may be exercised, and to determine, without exceeding 10 years, the period during which the beneficiaries may exercise their options and the exercise periods for the options, and to agree on the conditions under which the price and the number of shares to be subscribed or bought will be adjusted in the case provided for by the law.

The June 4, 2007 authorization replaced the authorization of June 1, 2005, upon which the Management Board created the Long-Term Incentive Plan ("LTIP II") in 2006.

Stock options granted and/or exercised between January 1, 2009, and December 31, 2009

	Number of options granted/purchased	*Type of stock option*	*Average price (in euros)*	*Expiration date*	*Plan*
Stock options granted from January 1, 2009, to December 31, 2009					
Maurice Lévy					
Jack Klues			None		
Kevin Roberts					
David Kenny					
Jean-Yves Naouri					
Stock options exercised from January 1, 2009, to December 31, 2009					
Maurice Lévy	-				
Jack Klues	-				
Kevin Roberts	-				
David Kenny	95,119	A	9.56	2011-2013	Digitas Plan 2001 and 2003
Jean-Yves Naouri	-				

Performance shares granted to corporate officers between January 1, 2009, and December 31, 2009, under the co-investment plan

	Shares granted	
	Total number	*Conditional shares* (1)
Shares granted from January 1, 2009, to December 31, 2009		
Maurice Lévy	60,800	60,800
Jack Klues	58,136	58,136
Kevin Roberts	53,098	53,098
David Kenny	10,126	10,126
Jean-Yves Naouri	43,346	43,346

(1) Performance shares granted within the co-investment plan will not be acquired unless the presence conditions are met (3 years for the French, 4 for other nationalities) in performance-based functions and subject to criteria of organic growth and operating margin compared to their peers. In the case the terms of Maurice Lévy and Jack Klues are not renewed upon their expiration on December 31, 2011, their length-of-presence condition will be deemed as fulfilled.

The total number of unexercised options held by corporate officers as of December 31, 2009, stood at 2,144,415, with an average exercise price of 27.53 euros.

The Company did not set aside or accrue any material amount of funds to provide pension, retirement or similar benefits for its directors in their capacities as such during the 2009 fiscal year, except with respect to the obligations described in Chapter 15.1 and in note 29 of the notes to the consolidated financial statements. The aggregate amounts set aside or accrued by Publicis in the year ended December 31, 2009, to provide for post-employment benefits and other long-term benefits of the Supervisory Board and Management Board members, including pension, retirement or similar benefits for Publicis' directors, was 25 million euros.

17.3 EMPLOYEE SHAREHOLDINGS

The options for subscription or purchase of Publicis Groupe shares offered to and exercised by the 10 most highly compensated non-director employees are the following:

	Number of options granted/purchased	Weighted average price (in euros)	Plan
Options granted between January 1 and December 31, 2009, by the issuer and by any company included in the scope of option allocation to their respective 10 employees, whose number of options thus extended is the highest (on a global basis)		None	
Options held from the issuer and the aforementioned companies, exercised between January 1 and December 31, 2009, by their respective 10 employees who bought or subscribed the greatest number of options (on a global basis)	159,357	24.40	Tranche 17, 19 and 20 Digitas 2004 Plan

The employees' interest in share capital through the Company savings plans and according to the definition of article L. 225-102 of the French *Code de Commerce* was not significant to December 31, 2009.

It should be noted that FCPE Publicis Groupe S.A. held 558,194 shares of Publicis Groupe on December 31, 2009. Consequently, Publicis Groupe employees held through the FCPE 0.28% of the share capital as of the same date.

The total number of options for subscription or purchase of Publicis Groupe shares distributed or exercised during the 2009 fiscal year, as well as those remaining to be exercised on December 31, 2009, are shown in note 28 of the notes to the consolidated financial statements in Chapter 20.1 of the current document.

Pursuant to the authorization of the combined Ordinary and Extraordinary Shareholders' meeting of June 3, 2008 (23rd resolution), on March 11, 2009, acting with the approval of the Supervisory Board, the Management Board implemented a plan to grant 50 free shares in the first half of 2009 to each of the Company's 4,500 employees in France who worked in subsidiaries held at more than 50%.

This program of free grants in France is the first step in a broader program of employee share ownership, which will progressively be extended to all Group employees in countries where the Group has a major presence.

Ultimately this program is expected to amount to about 1% of Publicis Group's current capital.

Pursuant to the authorization of the combined Ordinary and Extraordinary Shareholders' meeting of June 3, 2008 (23rd resolution), on March 11, 2009, acting with the approval of the Supervisory Board, the Management Board implemented a co-investment plan proposed to 160 key managers. One hundred and thirty-six entered this program. An independent organization (LionLead) was created to collect their investments. LionLead purchased 1,777,752 Publicis Groupe shares for 35 million euros, at an average price of 19.75 euros, between March 9 and 17, 2009, which represents 0.9% of the capital.

With this plan, the investing managers will benefit from free shares according to strict presence and performance conditions for a period of three years, both in terms of organic growth and operating margin, compared to the performance Publicis' main competitors throughout this period.

With respect to the members of the Management Board -corporate officers and managers- free shares will be awarded according to the AFEP-MEDEF recommendation of October 2008, and shall be exclusively tied to the performance of the Group – both in terms of organic growth and the operating margin – compared to that of its peers.

At the expiration of the plan, the leader/managers shall hold a maximum of 3,544,176 shares of Publicis Groupe, subject to presence and performance conditions, or 1.8% of the capital as of December 31, 2009.

Tables 8 & 9 (AMF nomenclature)

Description of options and shares granted during the last ten years

	Stock option plans							
	2000	2001	2001	2002	2002	2002	2003	2003
Date of authorization by the Extraordinary General Meeting (EGM)	08/29/2000							
Date of the Management Board's meeting deciding the allocation	09/07/00	04/23/01	11/26/01	01/18/02	06/10/02	07/08/02	08/28/03	08/28/03
Total number of allocated share subscription options (S) and share purchase options (A)	100,000 A	380,000 A	2,943,135[(2)] A	104,600 A	5,000 A	220,000 A	517,067 A	9,498,000[(3)] A
Corporate officers	100,000	220,000	278,057[(2)]	15,000		220,000	41,000	
First 10 beneficiary employees:	-	712,705[(2)]		75,100		-		970,000[(3)]
Start date for exercise of the options	by tiers 09/07/01 09/07/02 09/07/03	04/23/05	11/26/05	01/18/06	06/10/06	07/08/06	/0828/07	50% 2006[(4)] 50% 04/25/07[(4)]
Expiration date	09/06/10	04/22/11	11/25/11	01/17/12	06/9/12	07/07/12	08/27/13	08/27/13
Subscription or purchase price in euros	43.55	33.18	29.79	29.79	32.43	29.79	24.82	24.82
Subscription or purchase price in euros as of 12/31/09	43.55	33.18	29.79	29.79	32.43	29.79	24.82	24.82
Adjusted total number of allocated share purchase options and share subscription options as of 12/31/09	100,000	380,000	2,943,135[(2)]	104,600	5,000	220,000	517,067	9,498,000[(3)]
Total number of shares subscribed or purchased as of 12/31/09	-	-	-	-	-	-	-	2,346,821
Total number of cancelled subscription options as of 12/31/09	-	37,000	2,943,135[(2)]	27,400	-	-	38,667	3,836,133
Total number of share purchase options and share subscription options remaining as of 12/31/09	100,000	343,000	-	77,200	5,000	220,000	478,400	3,315,046

(1) *Stock subscription option plans with respect to shares of Nelson Communication as of the date of acquisition, November 2000, as well as the Saatchi & Saatchi plans in existence when the public exchange offer was made in 2000, have been removed from this table and their balances zeroed out after December 31, 2006 (Nelson Plans) and December 31, 2004 (Saatchi & Saatchi Plans).*

(2) *Conditional options, the exercise of which is contingent on the achievement of objectives under the three-year plan. The objectives of the plan of 11/26/01 were not achieved, and all options under the plan were cancelled.*

(3) *Conditional options, the exercise of which is contingent on the achievement of objectives under the three-year plan. The level at which these objectives were attained for the 2003-2005 plan was measured in 2006. The level at which these objectives were attained for the 2006-2008 plan was measured in 2009.*

(4) *Exercise period started in 2006, after determining levels at which the objectives were achieved -and thus the number of exercisable options. Half of the total exercisable number can be exercised after this date, the other half one year later. Non-exercisable options were cancelled.*

	Stock option plans							Free share plans		
	2004	2004	2005	2006	2006	2007	Original Digitas plans[6]	2009 [7] Employees France	2009 [8] Co-investments	Original Razorfish plan[9]
Date of authorization by the Extraordinary General Meeting (EGM)	08/29/2000			06/01/2005				06/03/2008		n/a
Date of the Management Board's meeting deciding the allocation	09/28/04	09/28/04	05/24/05	08/21/06	08/21/06	08/24/07		05/20/2009	03/19/2009	12/01/2009
Total number of allocated share subscription options (S) and share purchase options (A)	11,000 A	1,959,086[3] A	935,192[3] A	100,000 A	10,256,050[3] A	1,574,400[3] A	3,199,756 A	210,125	3,544,176	493,832 [5]
Corporate officers		575,000[3]		100,000	950,000[3]	-	-	-	225,506	-
First 10 beneficiary employees:		442,580[3]	210,000[3]	-	738,000[3]	258,000[3]	-	500	447,890	-
Start date for exercise of the options	09/28/08	50% 2006[4] 50% 04/25/07[4]	50% 2006[4] 50% 04/25/07[4]	08/21/10	50% 2009[5] 50% 2010[5]	50% 2009[5] 50% 2010[5]	01/31/07			
Date of final grant of free shares								05/20/2011	03/19/2012[10] 03/19/2013	Between 01/01/2010 and 12/2018
Expiration date	09/27/14	09/27/14	05/23/15	08/20/16	08/20/16	08/23/17	2009 à 2017			
Subscription or purchase price in euros	24.82	24.82	24.76	29.27	29.27	31.31		-	-	-
Subscription or purchase price in euros as of 12/31/09	24.82	24.82	24.76	29.27	29.27	31.31	2.47 to 58.58	-	-	-
Adjusted total number of allocated share purchase options and share subscription options as of 12/31/09	11,000	1,959,086[3]	935,192[3]	100,000	10,256,050 [3]	1,574,400[3]	3,199,756	210,125	3,544,176	
Total number of shares subscribed or purchased as of 12/31/09	-	359,241	325,984	-	-	-	2,120,372	-	-	-
Total number of cancelled subscription options as of 12/31/09	11,000	439,637	214,018	-	5,435,479	772,084	461,370	24,550	-	18,120
Total number of share purchase options and share subscription options remaining as of 12/31/09	-	1,160,208	395,190	100,000	4,820,571	802,316	618,014	185,575	3,544,176	477,511

(5) *Exercise period started in 2009, after determining levels at which the objectives were achieved -and thus the number of exercisable options. Half of the total exercisable number can be exercised after this date, the other half in 2010.*

(6) *Options granted under the option plans of Digitas that existed when Digitas was acquired in 2007 were converted into stock purchase options on shares of Publicis Groupe using the existing ratio of the purchase price established under the offer for Digitas stock (restated in euros) and the market value of Publicis Groupe stock on the date of the merger. The subscription price was adjusted accordingly.*

(7) *This is a plan to allocate 50 free shares to each French employee.*

(8) *It involves a co-investment plan proposed to 160 key Group managers, of which 136 subscribed.*

(9) *Options granted under the Microsoft option plans that existed when Razorfish was acquired in October 2009 were converted into stock purchase options on shares of Publicis Groupe using the existing ratio of the purchase price established for Microsoft (restated in euros) and the market value of Publicis Groupe stock on the date of the merger.*

(10) *Concerns French employees, who are subjected to a 2-year period of non-transferability.*

NB: No stock option grants were made in 2008 and 2009.

18

MAJOR SHAREHOLDERS

18.1 MAJOR SHAREHOLDERS AND VOTING RIGHTS

As of December 31, 2009, to the best of Publicis' knowledge, no person held, directly or indirectly, individually or jointly, an interest greater than or equal to 5% or more of its shares (a "Major Shareholder"), except as described below. Publicis' bylaws set forth that all its shareholders have the same proportional voting rights with respect to the shares they hold, except that shares owned by the same shareholder in registered form for at least two years carry double voting rights. We have not issued any preferred shares or any securities without voting rights.

On March 11, 2009, the Publicis Groupe announced the implementation of a co-investment plan allowing about 160 Group managers to subscribe to a program to invest in Publicis Groupe shares. This program calls for the granting of free conditional shares, which ultimately cannot exceed 1.8% of current share capital.

The total of free shares granted to all employees (see Chapter 17.3) and free shares to be granted under the co-investment plan may not exceed 3% of current share capital at the end of the five-year period.

History and distribution of share capital and voting rights of the Company

To December31, 2009	*Shares held*	*% of capital* [(5)]	*Voting rights*	*% of voting rights* [(6)]
A/ Shareholders holding more than 5% of the capital				
Elisabeth Badinter [(1)]	20,072,339	10.16%	40,144,678	15.78%
Dentsu Inc [(2)]	19,074,815	9.65%	38,149,630	15.00%
SEP Dentsu-Badinter [(3)]	9,615,861	4.87%	19,231,722	7.56%
Léone Meyer and Phison Capital SAS [(4)]	9,891,829	5.01%	18,733,658	7.36%
B/ Treasury shares	10,414,344	5.27%	-	-
C/ Public (registered and bearer shares)	128,513,924	65.04%	138,103,424	54.29%
Total	**197,583,112**	**100.00%**	**254,363,112**	**100.00%**

(1) *Elisabeth Badinter fully owned 3.44% of share capital (5.35% voting rights) and had the right to income in respect of 6.72% of shares with her children owning the underlying shares (10.44% of voting rights).*

(2) *Does not include shares held by the SEP in respect of which Dentsu may be deemed the beneficial owner due to the shareholders' agreement between Elisabeth Badinter and Dentsu (see Chapter 19 "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details). For such shares, Dentsu would be deemed to beneficially own 28,690,675 shares, amounting to 14.52% of the share capital of the Company and 22.56% of voting rights. The voting rights of Dentsu are limited by agreement to 15%.*

(3) *This silent partnership was created in September 2004 by Dentsu and Ms. Badinter in order to implement the limitation on the voting rights of Dentsu to 15% (see Chapter 19 "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details).*

(4) *Léone Meyer directly holds 4,290 shares and indirectly holds 9,887,539 shares through Phison Capital.*

(5) *Percentages are based on the total number of outstanding shares including treasury shares.*

(6) *Percentages are based on the total number of outstanding shares not taking into account treasury shares with no voting rights and counting the double voting rights attached to some shares.*

To December31, 2008	*Shares held*	*% of capital* [(5)]	*Voting rights*	*% of voting rights* [(6)]
A/ Shareholders holding more than 5% of the capital				
Elisabeth Badinter [(1)]	20,072,339	10.24%	40,144,678	16.29%
Dentsu Inc [(2)]	18,641,505	9.51%	36,940,978	14.99%
Harris Associates L.P.	13,161,200	6.71%	13,161,200	5.34%
SEP Dentsu-Badinter [(3)]	10,391,203	5.30%	20,782,406	8.44%
Léone Meyer and Phison Capital SAS [(4)]	10,307,829	5.26%	19,149,658	7.77%
B/ Treasury shares	17,166,682	8.76%	-	-
C/ Public (registered and bearer shares)	106,280,225	54.22%	116,190,119	47.16%
Total	**196,020,983**	**100.00%**	**246,369,039**	**100.00%**

(1) *Elisabeth Badinter fully owned 3.47% of share capital (5.52% voting rights) and had the right to income in respect of 6.77% of shares with her children owning the underlying shares (10.77% of voting rights).*

(2) *Does not include shares held by the SEP in respect of which Dentsu may be deemed the beneficial owner due to the shareholders' agreement between Elisabeth Badinter and Dentsu (see Chapter 19 "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details). For such shares, Dentsu would be deemed to beneficially own 29,032,707 shares, amounting to 14.81% of the share capital of the Company and 23.43% of voting rights.*

The voting rights of Dentsu are limited by agreement to 15%.

(3) *This silent partnership was created in September 2004 by Dentsu and Ms. Badinter in order to implement the limitation on the voting rights of Dentsu to 15% (see Chapter 19 "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details).*

(4) *Léone Meyer holds 4,290 shares directly and 10,303,539 shares indirectly through Phison Capital.*

(5) *Percentages are based on the total number of outstanding shares including treasury shares.*

(6) *Percentages are based on the total number of outstanding shares disregarding treasury shares with no voting rights and counting the double voting rights attached to some shares.*

To December31, 2007	*Shares held*	*% of capital* [4]	*Voting rights*	*% of voting rights* [5]
A/ Shareholders holding more than 5% of the capital				
Elisabeth Badinter [1]	20,072,339	9.92%	40,144,678	16.79%
Dentsu Inc [2]	17,918,915	8.85%	35,837,830	14.99%
SEP Dentsu-Badinter [3]	10,771,961	5.32%	17,193,922	7.19%
Harris Associates L.P	10,304,798	5.09%	10,304,798	4.31%
B/ Treasury shares	18,786,943	9.28%	-	-
C/ Public (registered and bearer shares)	124,532,398	61.54%	135,586,326	56.72%
Total	**202,387,354**	**100.00%**	**239,067,554**	**100.00%**

(1) *Elisabeth Badinter fully owned 3.36% of share capital (5.69% voting rights) and had the right to income in respect of 6.56% of shares with her children owning the underlying shares (11.10% of voting rights).*

(2) *Does not include shares held by the SEP in respect of which Dentsu may be deemed the beneficial owner due to the shareholders' agreement between Elisabeth Badinter and Dentsu (see Chapter 19 "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details). For such shares, Dentsu would be deemed to beneficially own 28,690,875 shares, amounting to 14.17% of the share capital of the Company and 22.18% of voting rights.*

The voting rights of Dentsu are limited by agreement to 15%.

(3) *This silent partnership was created in September 2004 by Dentsu and Ms. Badinter in order to implement the limitation on the voting rights of Dentsu to 15%. See the chapter on "Shareholders' Agreement between Elisabeth Badinter and Dentsu" for details.*

(4) *Percentages are based on the total number of outstanding shares including treasury shares.*

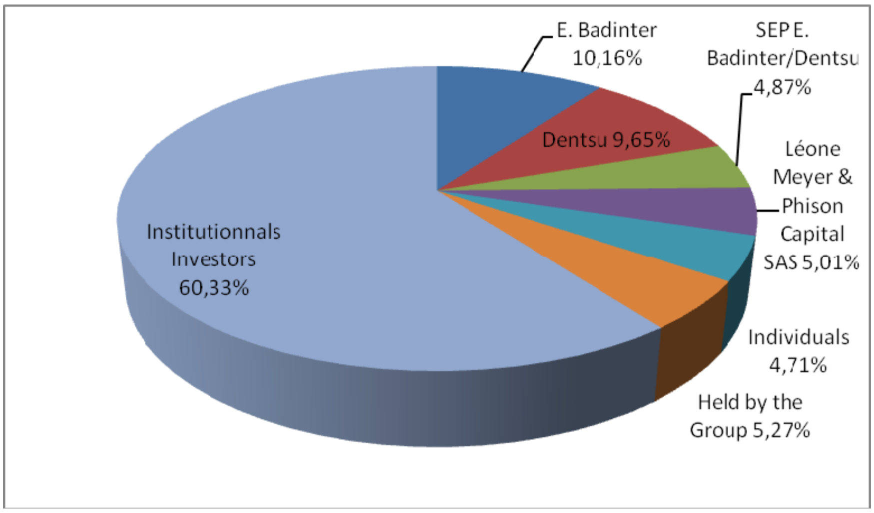
(5) *Percentages are based on the total number of outstanding shares disregarding treasury shares with no voting rights and counting the double voting rights attached to some shares.*

During 2009, the Company was informed that the legal threshold of 5% of voting rights had been crossed by Harris Associates L.P., which informed the *Autorité des Marchés Financiers* of having dropped below the legal threshold of 5% on February 24, 2009, holding 4.96% of the capital and 3.69% of the voting rights of Publicis Groupe S.A. On October 30, 2009, the agreement between Dentsu Inc., a company operating under Japanese law, and Elisabeth Badinter, declared that it had dropped below the 25% threshold of share capital ownership and held 24.68% of share capital and 36.83% of voting rights

According to the most recent exhaustive survey of the approximate number of identifiable bearer shares *(Titres au Porteur Identifiables)* and information on registered shares managed by CACEIS Corporate Trust, there were 44,000 shareholders as of December 31, 2009.

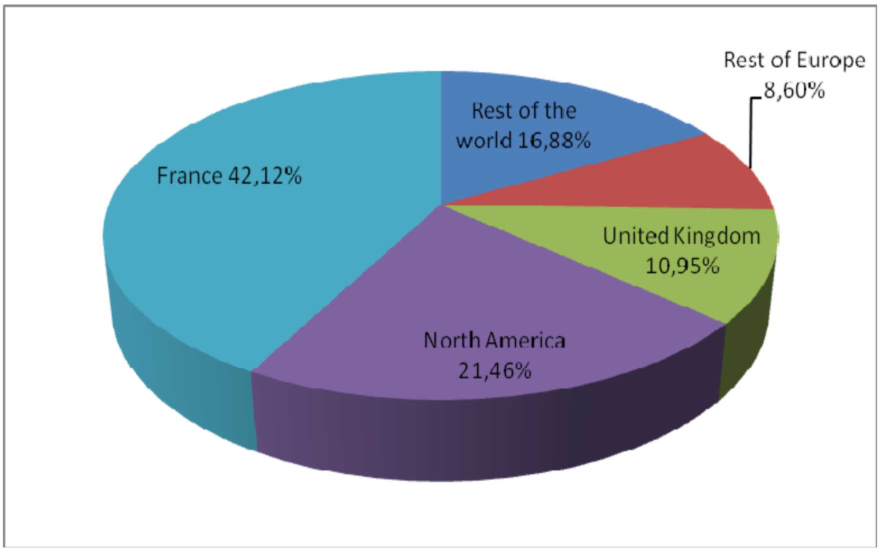
The distribution of share capital and voting rights at December 31, 2009, after consideration of maximal dilution based on convertible and exchangeable securities and equity warrants appears in Chapter 21.1.4 of this document.

Allocation of share capital by type of shareholder as of December 31, 2009



Source: eurosclear / Capital Precision –December 31, 2009

Allocation of institutional shareholdings by geographic zone as of December 31, 2009 (% of capital)



Source: eurosclear / Capital Precision – December 31, 2009

18.2 CONTROL OF THE COMPANY

To ensure the transparency and availability of public information, the Company follows the recommendations issued by MEDEF-AFEP in October 2003 regarding corporate governance of listed companies, largely based on the Supervisory Board's internal regulations, the latest version having been approved on February 10, 2009. Moreover, in accordance with these recommendations, the composition of the Supervisory Board and the Management Board ensures that Elisabeth Badinter and Dentsu (see Chapter 19) may not exercise control in a way that would be prejudicial to the Company.

To Publicis' knowledge, except as disclosed in Chapter 19, Publicis is not directly or indirectly owned or controlled by any other corporation, foreign government or any other natural or legal person severally or jointly and it is not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

18.3 AGREEMENTS REGARDING AN EVENTUAL CHANGE IN CONTROL OR AGREEMENTS LIKELY TO BE INFLUENTIAL IN THE EVENT OF A TAKEOVER BID

To the best of the Company's knowledge, there are no agreements that may lead to a change in control.

Information required by Article L.225-100-3 of the French *Code de Commerce* included in this *Reference Document* is the following: the mention of the existence of approvals granted by the Company's shareholders' meeting to the Management Board regarding the share issuance (included in Chapter 21.1), the capital structure (described in Chapter 18.1), shareholders agreements (described in Chapter 19) and the existence of double voting rights (provided for in the Company's bylaws and described in Chapter 21.2).

It was also specified that, to the best of the Company's knowledge, no agreements exist requiring payments, other than those described in Chapter 15.1, to the members of the Management Board or employees if their employment ends as a result of a takeover, nor any agreement signed by the Company which may be modified or ended in the event of a change in control of the Company.

19

RELATED PARTY TRANSACTIONS

Terms and Conditions of Financial Transactions with Related Parties

Certain members of Publicis Groupe S.A.'s Supervisory Board (Felix Rohatyn, Gérard Worms, Michel Cicurel and Hélène Ploix) hold management positions in financial establishments that could have business relations with the Company. Nevertheless, all these members of the Supervisory Board have been deemed as independent pursuant to the criteria applied by the Company.

Under a one-year contract dated February 26, 2008, that may be renewed by tacit agreement, the Publicis Groupe entrusted SG Securities (Paris) with the implementation of a liquidity contract in respect of ordinary shares, pursuant to the Ethics Charter of the AFEI dated March 14, 2005, approved by the AMF on March 22, 2005, and published in BALO on April 1, 2005.

In addition to this agreement, three new agreements were entered into during the 2009 fiscal year:

- within the framework of the issuance of OCÉANEs 2014, a guaranteed investment agreement and assistance contract concluded in June 2009 with a bank syndicate headed by BNP Paribas and Société Générale;
- agreements on confirmed lines of credit with BNP Paribas and Société Générale, for a principal of 100 million euros each and a maturity of 5 years;
- investment authorization agreement with BNP Paribas resulting from the public exchange offer on Eurobond 2012 launched on December 2, 2009, and the issuance of a new Eurobond 2015.

Agreements on Compensation of Management Board Members

On March 17, 2008, at the proposal of the Compensation Committee, the Supervisory Board amended existing contractual commitments relating to compensation, indemnities and benefits that might be due to members of the Management Board, and to the cessation of their terms of office and duties, mainly so that these commitments would be in compliance with law no. 2007-1223 of August 21, 2007 (the "TEPA" law). The statutory auditors were informed of the provisions adopted or authorized by the Board as regulated agreements and, as required by the TEPA law, submitted for the approval of the shareholders' meeting of June 3, 2008, where they were approved. These agreements are discussed in detail in Chapter 15.1 of this document.

Information on agreements falling under article L. 225-86 of the French *Code de Commerce* concluded by Publicis Groupe S.A. are included in the Company's Reference Documents for 2008 and 2007:

- 2008: this Document was filed with the AMF on March 13, 2009, in accordance with Law D.09-0120, on page 66;
- 2007: this Document was filed with the AMF on March 19, 2008, in accordance with Law D.08-132, on page 77;

Transactions carried out with related parties

The following transactions were carried out with related parties during the 2009 fiscal year (in millions of euros):

	Revenues with related parties [(1)]	*Contribution to provision for doubtful accounts*
Dentsu	23	-

(1) *This is the difference between purchases and sales made by the Group with Dentsu. These transactions were carried out at market prices with related companies.*

The balance sheet on December 31, 2009, included the following transactions carried out with related parties:

	Receivables from/loans to related parties	*Provision for doubtful accounts*	*Liabilities to related parties*
Dentsu	11	-	7
Somupi	2	-	-
Bromley	1	-	-

Publicis/Dentsu Agreement

On November 30, 2003, Publicis Groupe S.A. and Dentsu Inc. (“Dentsu”) concluded an agreement following the merger agreement dated March 7, 2002 between Publicis Groupe S.A. and its subsidiaries Philadelphia Merger Corp. and Philadelphia Merger LLC, and Bcom3 Group Inc., which resulted in Philadelphia Merger Corp absorbing Bcom3 by way of merger.

The Publicis/Dentsu Agreement supersedes and replaces the “Memorandum of Understanding” entered into with Dentsu on March 7, 2002. This agreement was concluded in accordance with the rules relating to regulated agreements.

This agreement includes clauses on the representation of Dentsu in this Board as well as the Audit Committee.

Under the Publicis/Dentsu Agreement, so long as Dentsu owns at least 10% of Publicis shares (calculated in a specific manner), Publicis is required to propose to its shareholders resolutions for the appointment of two Dentsu representatives to its Supervisory Board. The number of Dentsu representatives will increase if the total number of Publicis Groupe S.A.’s Supervisory Board members increases so that Dentsu maintains a representation in proportion with its voting rights. The two current members of its Supervisory Board appointed pursuant to the Publicis/Dentsu Agreement are Tatsuyoshi Takashima and Tadashi Ishii.

Until July 12, 2012, Dentsu will be subject to a “standstill” limiting its ownership of Publicis shares to the number of shares that entitles it to 15% of voting rights in Publicis Groupe S.A., unless the Supervisory Board agrees otherwise.

Dentsu is entitled to a protection against any dilution of its interest that may result from a Publicis Groupe S.A. capital increase in cash to which Dentsu would not be entitled to subscribe by exercising its preferential subscription rights.

Dentsu may not sell or transfer any shares of Publicis Groupe S.A. to a third party prior to July 12, 2012 (excluding the subsidiaries of the latter and the SEP - see below). In the event of a public offer for shares of Publicis Groupe S.A., Dentsu must tender its shares (i) if the Supervisory Board of Publicis Groupe S.A. publicly recommends accepting the offer and states that it is in the Company’s interest, and if the Management Board does not publicly oppose the offer or state that it is not in the interest of Publicis Groupe S.A.; or (ii) if Elisabeth Badinter tenders any or all of her shares of Publicis Groupe S.A. in the offer; or (iii) if the public offer is initiated by Elisabeth Badinter, either acting alone or in concert with another party.

On September 24, 2004, Publicis Groupe S.A. and Dentsu entered into an amendment of the Publicis/Dentsu Agreement in order to reflect the agreement between Dentsu and Elisabeth Badinter on September 24, 2004, as described below.

The agreement between Publicis Groupe S.A. and Dentsu Agreement will expire on July 12, 2012, unless Publicis and Dentsu agree to renew it for an additional 10-year term.

Shareholders’ Agreement between Elisabeth Badinter and Dentsu

On November 30, 2003, Elisabeth Badinter and Dentsu entered into a shareholders’ agreement to govern their relationship as shareholders of Publicis Groupe S.A. (the “Badinter/Dentsu Agreement”).

Under the Badinter/Dentsu Agreement, Dentsu has undertaken to elect or renew the mandates of the Supervisory Board members that will be designated by Ms. Elisabeth Badinter.

With respect to the Supervisory Board, Dentsu is bound to:

- to vote in favor of Elisabeth Badinter or any person she would select as her substitute as chairperson of the Supervisory Board;
- to vote in favor of the candidates to the Supervisory Board proposed by Elisabeth Badinter and in favor of maintaining their office;
- to vote in favor of the candidates to Publicis’ management (and in particular to the Management Board) proposed by Elisabeth Badinter.

The Badinter/Dentsu shareholders’ agreement provides for the creation of a special committee, to be comprised of members appointed by Elisabeth Badinter and by Dentsu among the members of the Supervisory Board (Elisabeth Badinter has the right to appoint the majority of its members). The role of the committee is to:

- examine all strategic decisions to be submitted for the approval of the Supervisory Board and/or the vote of the shareholders;
- (ii) determine the vote on matters on which Dentsu has agreed to vote as directed by Elisabeth Badinter;

- (iii) in the case of a meeting convened at the request of Dentsu, examine such other matters identified by a member of the committee designated by Dentsu.

In addition, Dentsu agrees to exercise its votes as directed by Elisabeth Badinter on a number of matters, including those relating to certain mergers or similar business combinations involving the Company and third parties. Dentsu also agrees not to transfer any Publicis Groupe S.A. shares to a third party until July 12, 2012 (subject to specified exceptions), and to be subject to specified restrictions on any transfer of shares -and to Ms. Badinter's approval with respect to any transfer- carried out between July 12, 2012 and July 12, 2014.

After consulting Ms. Badinter, Dentsu has undertaken to vote in Publicis Groupe S.A.'s General Shareholders' Meetings as does Elisabeth Badinter, on the following draft resolutions:

- amendment of the Publicis bylaws concerning: the company's name, headquarters, number of members of the Management Board or of the Supervisory Board, term and number of shares required for exercising this function;
- any merger or combination as a result of which the Publicis shareholders at the time of the merger retain the majority of the new group after the transaction;
- distribution of dividends in reasonable amounts, up to 40% of the distributable profit;
- increases of less than 10% of the capital or its voting rights without waiver of preferential subscription rights and up to a total amount of 10% of Publicis capital at March 7, 2002; and
- capital reduction resulting from the repurchase of shares by the Company.

After consulting with Ms. Badinter, Dentsu has the right to vote as it chooses for the following draft resolutions:

- the decision to issue securities representing more than 10% of its capital or of the Publicis voting rights;
- the attribution of subscription rights;
- reserved capital increases;
- public offers of Publicis securities without preferential subscription rights;
- the contribution or transfer of assets, insofar as they are subject to a vote of the General Shareholders' Meeting; and
- approval of any transaction involving Ms. Badinter, Dentsu or a Publicis subsidiary.

Dentsu shall vote in favor of the approval of the financial statements, provided that its representatives on the Supervisory Board are heard by the Audit Committee, that the Auditors have certified the accounts without reservation, that Dentsu's representatives, heard by the Audit Committee, have provided any comments to the Statutory Auditors, and that the Statutory Auditors have responded and maintained their certification.

Prior to July 12, 2012, Dentsu may not hold more than 15% of the voting rights of Publicis Groupe S.A. either alone or jointly with Elisabeth Badinter. If this threshold is crossed involuntarily, Dentsu commits not to exercise any supplementary voting rights, except in certain exclusively enumerated cases.

Dentsu may not enter into any agreement in respect of the management or direction of Publicis Groupe S.A. without the prior consent of Elisabeth Badinter. Reciprocally, Elisabeth Badinter may not enter into any agreement in respect of the management or direction of Publicis without the prior consent of Dentsu. Any breach of this agreement by one of the parties entitles the other party to terminate the agreement.

Elisabeth Badinter will make every effort to ensure that Dentsu is protected from any dilution resulting from a capital increase in cash to which Dentsu could not subscribe by exercising its preferential subscription rights.

The potential amendment of the shareholders' agreement between Dentsu and Ms. Badinter will be discussed in good faith so that Dentsu may account for its holdings in Publicis Groupe S.A., provided that economic and legal balance is maintained. On September 24, 2004, Elisabeth Badinter and Dentsu amended their shareholders' agreement through a rider creating a *société en participation* or "SEP". According to its bylaws, the purpose of the SEP is to exercise the voting rights attached to those shares of Publicis Groupe S.A. contributed to the SEP. Dentsu must contribute shares of Publicis Groupe S.A. to the SEP when their associated voting rights exceed the 15% ceiling mentioned above. When the SEP was formed, Dentsu contributed rights in respect of 11,181,399 ordinary shares of Publicis Groupe S.A. Dentsu has successively contributed and withdrawn shares since September 24, 2004, bringing the number of Publicis Groupe S.A. shares held by the SEP to a total of 9,615,861 as of December 31, 2009.

Elisabeth Badinter is the manager of the SEP; In this capacity, she exercises the voting rights attached to shares held by the SEP.

The SEP expires on September 24, 2014, or upon the expiry of the shareholders' agreement between Elisabeth Badinter and Dentsu, whichever occurs first, unless the parties agree otherwise.

Elisabeth Badinter has a right of first offer in the event of a contemplated sale by Dentsu to a third party of Publicis Groupe S.A. shares contributed to the SEP. The shareholders' agreement between Dentsu and Ms. Badinter ends on July 12, 2014, unless both parties to the agreement agree to renew it for the same term.

After communicating the agreements mentioned above to the AMF (Autorité des Marchés Financiers), a more detailed summary was published in the Decisions and Information (Décisions et Informations) of the AMF, number 204C0036 of January 9, 2004, and number 204C1206 of October 11, 2004.

These agreements have not been modified since September 2004.

With the exception of what is described in this chapter and in Chapter 22, since December 31, 2009, both the Company and its subsidiaries have not concluded and are not concluding any other significant transactions with related parties.

REPORT OF THE STATUTORY AUDITORS ON CERTAIN RELATED PARTY AGREEMENTS AND COMMITMENTS FOR THE YEAR ENDING DECEMBER 31, 2009

In our capacity as Statutory Auditors of your company, we hereby report to you on your contractual agreements and commitments.

Agreements and commitments authorized during this year

In accordance with the requirements of article L. 225-88 of the French *Code de Commerce*, we were informed about agreements and commitments that had been previously approved by your Supervisory Board.

We are not required to ascertain whether any contractual agreements and commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us without expressing our opinion on their usefulness or merits. In accordance with the requirements of Article R. 225-58 of the French *Code de Commerce*, to evaluate the benefits resulting from these agreements and commitments prior to their approval.

We carried out the procedures that we considered necessary in accordance with the auditing standards issued by the French national institute of statutory auditors in relation to this type of engagement. These procedures involved verifying that the information provided to us is consistent with the documents from which it is derived.

Investment Authorization Agreement with BNP Paribas resulting from the public exchange offer of Eurosbond 2012 and the issuance of a new Eurosbond 2015

Member of the Supervisory Committee involved: Hélène Ploix

Nature, purpose and conditions

After the Eurobond 2012 public exchange offer dated December 2, 2009, Publicis Groupe issued a new Eurobond 2015 for 253 million euros. The Supervisory Board was consulted in advance by the Management Board on December 1, 2009, on the launch of this exchange offer and the issuance of bonds using BNP Paribas S.A. as an investment agent. The Board approved this operation. Ms. Ploix is a Member of the Company's Supervisory Board and a Director of BNP Paribas SA. The Investment Authorization Agreement was previously approved by the Supervisory Board through the application of Article L.225-86 of the French *Code de Commerce*.

Guaranteed Investment Contract and Assistance Contract signed with a bank syndicate headed by BNP Paribas, Calyon, Citigroup Global Markets Limited and Société Générale

Members of the Supervisory Committee involved: Hélène Ploix and Michel Cicurel

Nature, purpose and conditions

Within the issuance of OCÉANEs 2014 in June 2009, a Guaranteed Investment Contract and Assistance Contract were signed with a bank syndicate headed by BNP Paribas, Calyon, Citigroup Global Markets Limited and Société Générale. Hélène Ploix is a Member of the Company's Supervisory Board and a Director of BNP Paribas SA.; Michel Cicurel is a member of the Supervisory Board of the Company and a Director of Société Générale SA. These contracts constitute agreements pursuant to Article L.225-86 of the French *Code de Commerce* and were previously approved by the Supervisory Board on June 9, 2009.

Credit Agreement signed respectively with BNP Paribas, Calyon, Citigroup and Société Générale

Members of the Supervisory Committee involved: Hélène Ploix and Michel Cicurel

Nature, purpose and conditions

The Company entered into agreements with BNP Paribas, Calyon, Citigroup and Société Générale regarding revolving lines of credit for 100 million euros each. Each would have a duration of 5 years. Hélène Ploix is a Member of the Company's Supervisory Board and a Director of BNP Paribas SA.; Michel Cicurel is a member of the Supervisory Board of the Company and a Director of Société Générale SA. These credit agreements with BNP Paribas and the credit agreement with Société Générale constitute agreements pursuant to Article 225-86 of the French *Code de Commerce*, which need the prior authorization of the Supervisory Board, authorization that was granted by the Supervisory Board during its meeting of June 9, 2009.

Agreements and commitments approved in previous years that were excecuted during the year

In addition, in application of the French *Code de Commerce* we have been informed about the following agreements and commitments, which were approved in previous years and that were executed during last year.

Agreement between Publicis Groupe S.A. and Dentsu Inc.

Shareholder concerned: Dentsu Inc.

Nature, purpose and conditions

On November 30, 2003, Publicis Groupe S.A. and Dentsu concluded an agreement consecutive to the commitments taken in connection with the merger agreement dated March 7, 2002, between Publicis Groupe SA and its subsidiaries Philadelphia Merger Corp. and Philadelphia Merger LLC on one hand, and Bcom3 Group, Inc. on the other hand, which resulted in Philadelphia Merger Corp absorbing Bcom3 by way of merger. The main provisions of these commitments were described in the prospectus (note d'opération) with regard to the merger with Bcom3 granted visa number 02-564 by the COB on May 16, 2002.

The agreement includes clauses concerning the management of Publicis Groupe S.A. (composition of the Supervisory Board, change of the legal form and representation of Dentsu on the Audit Committee), clauses concerning the transfer of shares and equity warrants of Publicis Groupe S.A. held by Dentsu including, in particular, a limitation of the participation of Dentsu to 15% of the voting rights of Publicis Groupe S.A. Moreover, it includes an anti-dilution clause in favor of Dentsu and a clause concerning the upholding of the accounting of Dentsu's investment in the Publicis Groupe under the equity method. This agreement will expire on July 12, 2012 unless it is renewed for ten years by agreement between the parties. This was the object of a Decision and Information ("Décision et Information") of the AMF on January 9, 2004, under the number 204C0036.

This contractual agreement had no impact on the accounts of Publicis Groupe S.A. for the year ended December 31, 2009.

Deferred Compensation of Management Board Members

I. Company Commitments to the Management Board Chairman, Maurice Lévy:

a. Conditional deferred compensation

Upon the termination of his duties as Management Board Chairman, Maurice Lévy will receive deferred compensation equal to the total gross amount of the portion of the annual bonuses received by him since 2003 pursuant to the two quantitative components of these bonuses, called "quantitative bonuses," as defined in the agreement of November 22, 2004, i.e.:

- the portion of the bonus linked to organic growth and the total consolidated net income of Groupe Publicis, compared to that of the Top Tier (Omnicom, WPP, IPG). The portion of the bonus related to each of these two criteria may reach a maximum of 75% of the fixed compensation;
- the portion of the bonus linked to the net consolidated profit of Publicis Conseil S.A. and its subsidiaries, paid for performing the duties of Chief Executive Officer of Publicis Conseil S.A. pursuant to the terms defined by that company's Board of Directors.

The payment of the deferred compensation defined above is subject to meeting the following independent, cumulative performance-based and length of presence conditions:

1. Performance-based condition

The deferred compensation as defined above shall be paid provided that the average annual amount of quantitative bonuses earned by Maurice Lévy for the last three complete years of his term as Chairman of the Management Board is at least equal to 75% of the general average (including the last three years of his term of office) of the annual "quantitative bonuses" received by Mr. Lévy for the year 2003 and following years.

If the average for the last three full years of the term is less than 25% of the general average, there shall be no deferred compensation.

If the average for the last three full years of the term is between 25% and 75% of the general average, the deferred compensation shall be calculated proportionately between 0 and 100% by the rule of three.

2. Length-of-presence condition

The deferred compensation is consideration for Mr. Lévy's commitment to remain in office for a period of at least nine years following January 1, 2003. Consequently, Mr. Lévy shall have claim to this deferred compensation, as calculated above, as long as he fulfills his mandate of Chairman of the Management Board of the Publicis Groupe S.A. Company until the end of this term on December 31, 2011.

Termination of his duties on account of illness or disability, death or voluntary departure following a change in the Groupe's core shareholder will not be considered as a resignation.

If Mr. Lévy departs after December 31, 2011, for whatever reason and subject to meeting the performance conditions, the payment of the deferred compensation will be due.

b. Non-compete agreement

Mr. Lévy will not, during the three years following the termination of his duties as Chairman of the Management Board of Publicis Groupe SA, for any reason whatsoever, collaborate in any manner whatsoever with a company doing business in the field of advertising, and more generally, with a competitor of Publicis, nor take any stake in a competitor of Publicis.

In consideration of this commitment, Mr. Lévy will receive a sum equal to 18 months of his total gross compensation (the fixed portion and the maximum variable portion as currently defined). This sum will be paid to him in equal monthly advances. These advances must be refunded by Mr. Lévy if he fails to comply with the agreement.

Because this payment constitutes compensation for a non-compete agreement, it is not subject to any performance criteria.

II. Commitments of Publicis Groupe SA or companies it controls to other Management Board members:

Management Board member concerned: Kevin Roberts

Nature, purpose and conditions

Potential severance payments

Pursuant to the terms of the current contracts between Saatchi & Saatchi North America Inc., Saatchi & Saatchi Limited and Kevin Roberts, if these contracts are terminated early by Groupe Publicis "without cause," or if Mr. Roberts terminates them "for cause", Mr. Roberts could be entitled to a sum equal to 120% of his annual fixed compensation, plus 100% of his maximum annual bonus, continuation of his benefits for one year and the right to exercise any stock options and to keep any free shares that may have been granted to him.

These sums and benefits are not owed in full unless the average annual amount of the bonuses received by Mr. Roberts for the three years preceding the termination of his duties is at least equal to 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed if the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.

Management Board member concerned: Jack Klues

Nature, purpose and conditions

a. Potential severance payments

Pursuant to the terms of the current contract between Publicis Groupe SA, Starcom Mediavest Group, Inc. and Jack Klues, if this contract is terminated early by Groupe Publicis "without cause," Mr. Klues could be entitled to a sum equal to one year of his annual fixed compensation, plus 100% of his maximum annual target bonus, continuation of his benefits for one year, assistance from an outplacement firm for up to one year, and the right to exercise any stock options and to keep any free shares that may have been granted to him.

These sums and benefits are not owed in full unless the average annual amount of the bonuses received by Mr. Klues for the three years preceding the termination of his duties is at least equal to 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.

b. Non-compete agreement

Pursuant to an agreement signed in June 1997 applicable to all senior executives of Leo Burnett Company, Inc. (Jack Klues' employer at the time), which is still in effect following the renewal of his term as Management Board member effective January 1, 2008, if Mr. Klues retires at his own initiative beginning at age 55 or if he is made to retire beginning at age 57, he may be entitled, for five years, to a sum equal to 30% of his last annual compensation (fixed plus bonus), as well as portion of his fringe benefits, provided that he complies with a five-year covenant not to compete and not to solicit employees.

Because these sums and benefits constitute compensation for a non-compete agreement, they are not subject to any performance criteria.

Management Board member concerned: David Kenny

Nature, purpose and conditions

Potential severance payments

Pursuant to the terms of the current contract between Publicis Groupe SA, Digitas Inc. and David Kenny, if this contract is terminated early by Groupe Publicis "without cause," Mr. Kenny may be entitled to maintenance of his medical coverage for a maximum of two years. He will be entitled to exercise any stock options and to keep any free shares that may have been granted to him.

These sums and benefits are not owed in full unless the average annual amount of the bonuses received by Mr. Kenny for the three years preceding the termination of his duties is at least equal to 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.

Management Board member concerned: Jean-Yves Naouri

Nature, purpose and conditions

Potential severance payments

Pursuant to the terms of the current agreement between Publicis Groupe SA, Digitas Inc. and Jean-Yves Naouri, if his term as a member of the Management Board of Publicis Groupe S.A. is terminated "without cause," Mr. Naouri may be entitled, if he does not retain any salaried duties at Groupe Publicis, to one year of gross global compensation (fixed portion and maximum variable portion) and be entitled to exercise any stock options and to keep any free shares that may have been granted to him.

These sums and benefits are not owed in full unless the average annual amount of the bonuses received by Jean-Yves Naouri for the three years preceding the termination of his duties is at least equal to 75% of his target bonus. If the average annual amount is less than 25% of the target bonus, no sum or benefit will be owed. If the average annual amount is between 25% and 75% of the target bonus, the payments and benefits will be calculated proportionally between 0 and 100% by the rule of three.

Neuilly-sur-Seine and Courbevoie, February 17, 2010

by the Statutory Auditors

ERNST & YOUNG et Autres		MAZARS
Valérie Desclève	Jean Bouquot	Philippe Castagnac

The Company does not have, to the best of its knowledge, new agreements pursuant article L.225-86 of the French *Code de Commerce* that have been concluded since the close of the 2009 fiscal year.

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FINANCIAL INFORMATION REGARDING THE ISSUER'S ASSETS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS

20.1 CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(in millions of euros)	*Notes*	*2009*	*2008*	*2007*
Revenue		**4,524**	**4,704**	**4,671**
Personnel expenses	*3*	(2,812)	(2,852)	(2,829)
Other operating expenses	*4*	(940)	(963)	(954)
Operating margin before depreciation and amortization		**772**	**889**	**888**
Depreciation and amortization expense (excluding intangibles arising from acquisitions)	*5*	(92)	(104)	(109)
Operating margin		**680**	**785**	**779**
Amortization of intangibles arising from acquisitions	*5*	(30)	(29)	(30)
Impairment	*5*	(28)	(13)	(6)
Non-current income (expense)	*6*	7	8	3
Operating income		**629**	**751**	**746**
Interest expense		(73)	(110)	(124)
Interest income		12	29	51
Cost of net financial debt	***7***	**(61)**	**(81)**	**(73)**
Other financial income (expense)	*7*	(9)	2	(5)
Income of consolidated companies before taxes		**559**	**672**	**668**
Income taxes	*8*	(146)	(196)	(201)
Net income of consolidated companies		**413**	**476**	**467**
Share in net income of associates	*13*	4	2	9
Net income		**417**	**478**	**476**
Net income attributable to minority interests		14	31	24
Net income attributable to equity holders of the parent		**403**	**447**	**452**

Per share data (in euros)	*9*			
Number of shares		*202,257,125*	*202,536,963*	*207,599,301*
Net earnings per share		1.99	2.21	2.18
Number of shares – diluted		*220,867,344*	*220,728,941*	*239,365,113*
Net earnings per share – diluted		1.90	2.12	2.02

Consolidated statement of comprehensive income

(in millions of euros)	***2009***	***2008***	***2007***
Net income for the period (a)	**417**	**478**	**476**
Other comprehensive income			
- Reevaluation of securities available for sale	12	(15)	(16)
- Actuarial gains and losses on defined benefit plans	(4)	(45)	11
- Cumulative translation adjustment	(59)	(5)	(216)
- Deferred taxes on other comprehensive income	1	16	(3)
Other comprehensive income for the period(b)	**(50)**	**(49)**	**(224)**
Total comprehensive income for the period (a) + (b)	**367**	**429**	**252**
Attributable to minority interests	17	28	21
Attributable to equity holders of the parent	350	401	231

Consolidated balance sheet

(in millions of euros)	*Notes*	*December 31, 2009*	*December 31, 2008*	*December 31, 2007*
Assets				
Goodwill, net	*10*	3,928	3,693	3,546
Intangible assets, net	*11*	835	794	826
Property and equipment, net	*12*	458	480	501
Deferred tax assets	*8*	73	91	148
Investments in associates	*13*	49	44	49
Other financial assets	*14*	94	101	112
Non-current assets		**5,437**	**5,203**	**5,182**
Inventory and costs billable to clients	*15*	290	319	391
Accounts receivable	*16*	4,875	4,843	4,926
Other receivables and other current assets	*17*	548	628	432
Cash and cash equivalents	*18*	1,580	867	1,313
Current assets		**7,293**	**6,657**	**7,062**
Total assets		**12,730**	**11,860**	**12,244**

Liabilities and shareholders' equity				
Share capital		79	78	81
Additional paid-in capital and retained earnings		2,734	2,242	2,117
Shareholders' equity	*19*	**2,813**	**2,320**	**2,198**
Minority interests		25	30	27
Total equity		**2,838**	**2,350**	**2,225**
Long-term financial debt (more than 1 year)	*22*	1,796	1,323	1,293
Deferred tax liabilities	*8*	214	232	240
Long-term provisions	*20*	449	459	449
Non-current liabilities		**2,459**	**2,014**	**1,982**
Accounts payable		5,835	5,802	5,662
Short-term financial debt (less than 1 year)	*22*	214	218	819
Income taxes payable		63	68	99
Short-term provisions	*20*	100	110	107
Other creditors and other current liabilities	*23*	1,221	1,298	1,350
Current liabilities		**7,433**	**7,496**	**8,037**
Total liabilities and shareholders' equity		**12,730**	**11,860**	**12,244**

Consolidated cash flow statement

(in millions of euros)	*2009*	*2008*	*2007*
Cash flows from operating activities			
Net income	417	478	476
Income tax	146	196	201
Cost of net financial debt	61	81	73
Capital (gains) losses on disposals (before tax)	(10)	(2)	(3)
Depreciation, amortization and impairment on property and equipment and intangible assets	150	146	145
Non-cash expenses on stock options and similar items	24	9	22
Other non-cash income and expenses	11	8	9
Share in net income of associates	(4)	(2)	(9)
Dividends received from associates	9	10	11
Taxes paid	(157)	(169)	(197)
Interest paid	(75)	(89)	(87)
Interest received	16	37	51
Change in working capital requirements [1]	59	12	106
Net cash provided by (used in) operating activities (I)	**647**	**715**	**798**
Cash flows from investment activities			
Purchases of property and equipment and intangible assets	(74)	(92)	(88)
Proceeds from sale of property and equipment and intangible assets	10	28	11
Purchases of investments and other financial assets, net	10	(1)	(6)
Acquisitions of subsidiaries	(298)	(172)	(1,006)
Disposals of subsidiaries	1	-	10
Net cash flows provided by (used in) investing activities (II)	**(351)**	**(237)**	**(1,079)**
Cash flows from financing activities			
Capital increase	-	1	2
Dividends paid to parent company shareholders	(107)	(106)	(92)
Dividends paid to minority shareholders of subsidiaries	(26)	(24)	(26)
Cash received on new borrowings	744	482	12
Reimbursement of borrowings	(108)	(1,128)	(24)
Net (purchases)/sales of treasury shares and equity warrants	5	(174)	(162)
Cash received on hedging transactions	-	-	52
Net cash flows provided by (used in) financing activities (III)	**508**	**(949)**	**(238)**
Impact of exchange rate fluctuations (IV)	**(94)**	**19**	**(82)**
Net change in consolidated cash flows (I + II + III + IV)	**710**	**(452)**	**(601)**
Cash and cash equivalents at January 1	867	1,313	1,920
Bank overdrafts at January 1	(30)	(24)	(30)
Net cash and cash equivalents at beginning of period	837	1,289	1,890
Cash and cash equivalents at December 31 (Note 18)	1,580	867	1,313
Bank overdrafts at December 31 (Note 22)	(33)	(30)	(24)
Net cash and cash equivalents at end of year	1,547	837	1,289
Net change in cash and cash equivalents	**710**	**(452)**	**(601)**
(1) Breakdown of change in working capital requirements			
Change in inventory and costs billable to clients	29	64	32
Change in accounts receivable and other receivables	160	(110)	(689)
Change in accounts payable, other creditors and provisions	(130)	58	763
Change in working capital requirements	**59**	**12**	**106**

Statement of changes in shareholders' equity

Number of outstanding shares	*(in millions of euros)*	Share Capital	Additio-nal paid-in capital	Reserves and retained earnings	Translation reserve	Fair value reserve	Sharehol-der's equity	Minority Interest	Total equity
183,603,878	**December 31, 2006**	**79**	**2,631**	**(670)**	**(100)**	**140**	**2,080**	**27**	**2,107**
	Net income			452			452	24	476
	Other comprehensive income:								
	Valuation of available-for-sale investments at fair value					(16)	(16)		(16)
	Hedge on net investments				(1)		(1)		(1)
	Actuarial gains and losses on defined benefit plans			8			8		8
	Foreign currency translation differences				(212)		(212)	(3)	(215)
	Total other comprehensive income	-	-	**(8)**	**(213)**	**(16)**	**(221)**	**(3)**	**(224)**
	Total comprehensive income for the period	-	-	**460**	**(213)**	**(16)**	**231**	**21**	**252**
3,678,125	Increase in share capital of Publicis Groupe SA	2	111	(48)			65		65
	Dividends paid			(92)			(92)	(26)	(118)
	Share-based compensation (1)			14			14		14
	Fair value of the stock options included in the acquisition cost of Digitas			65			65		65
	Additional interest on ORANEs			(3)			(3)		(3)
	Effect of changes in scope of consolidation and of commitments to purchase minority interests						-	5	5
(3,681,592)	Purchases/sales of treasury shares			(162)			(162)		(162)
183,600,411	**December 31, 2007**	**81**	**2,742**	**(436)**	**(313)**	**124**	**2,198**	**27**	**2,225**
	Net income			447			447	31	478
	Other comprehensive income:								
	Valuation of available-for-sale investments at fair value					(15)	(15)		(15)
	Actuarial gains and losses on defined benefit plans			(29)			(29)		(29)
	Foreign currency translation differences				(2)		(2)	**(3)**	(5)
	Total other comprehensive income	-	-	**(29)**	**(2)**	**(15)**	**(46)**	**(3)**	**(49)**
	Total comprehensive income for the period	-	-	**418**	**(2)**	**(15)**	**401**	**28**	**429**
1,633,629	Increase (decrease) in share capital of Publicis Groupe SA and cancellation of treasury shares	(3)	(189)	192			-		-
	Dividends paid			(106)			(106)	(25)	(131)
	Share-based compensation (1)			8			8		8
	Additional interest on ORANEs			(7)			(7)		(7)
(6,379,739)	Purchases/sales of treasury shares			(174)			(174)		(174)
178,854,301	**December 31, 2008**	**78**	**2,553**	**(105)**	**(315)**	**109**	**2,320**	**30**	**2,350**
	Net income			403			403	14	417
	Other comprehensive income:								
	Valuation of available-for-sale investments at fair value					12	12		12
	Actuarial gains and losses on defined benefit plans			(3)			(3)		(3)
	Foreign currency translation differences				(62)		(62)	3	(59)
	Total other comprehensive income	-	-	**(3)**	**(62)**	**12**	**(53)**	**3**	**(50)**
	Total comprehensive income for the period	-	-	**400**	**(62)**	**12**	**350**	**17**	**367**
1,562,129	Increase in share capital of Publicis Groupe SA	1	47	(48)			-		-
	Equity component, OCÉANE 2014			49			49		49
	Dividends paid			(107)			(107)	(26)	(133)
	Share-based compensation (1)			26			26		26
	Additional interest on ORANEs			(6)			(6)		(6)
	Effect of changes in scope of consolidation and of agreements to purchase minority interests						-	4	4
6,752,338	Purchases/sales of treasury shares			181			181		181
187,168,768	**December 31, 2009**	**79**	**2,600**	**390**	**(377)**	**121**	**2,813**	**25**	**2,838**

(1) Share-based compensation disclosed net of deferred tax

Notes to the consolidated financial statements

Note 1. Accounting policies

1.1. Consolidation principles and policies

In application of eurospean regulation N° 1606/2002 pertaining to international standards, issued on July 19, 2002, the consolidated financial statements for the 2009 financial year were prepared in accordance with IAS/IFRS international standards applicable to December 31, 2009 as approved by the eurospean Union.

The financial statements for the 2009 financial year are presented with two years' comparatives, 2008 and 2007, also prepared under IAS/IFRS accounting standards. Accounting options related to first time adoption of IFRS are presented in note 1.4 below.

The financial statements were approved by the Board of Directors on February 12, 2010 and reviewed by the Supervisory Board on February 16, 2010. They will be submitted for the approval of the shareholders, who have the power to change the financial statements that will be presented to the Annual Shareholders' Meeting on June 1, 2010.

Currency and presentation of the consolidated statements

Publicis prepares and publishes its consolidated statements in euros.

Investments in subsidiaries

The consolidated financial statements include the financial statements of Publicis Groupe, S.A. and its subsidiaries as at December 31 of each year. Subsidiaries are consolidated as from the time that the Group obtains control until the date on which control is transferred to an entity outside the Group.

Control is the power to determine the financial and operational policies of an enterprise in order to obtain economic advantages from its activities. Control is presumed to exist when the Group holds, directly or indirectly through subsidiaries, the majority of the voting rights in an enterprise. In cases where the Group holds, directly or indirectly, less than half of the voting rights, control can however derive from the enterprise's documents of incorporation, by virtue of contractual or statutory rights, from the power to appoint or dismiss the majority of the Board of Directors or from the power to cast the majority of votes.

Investments in associates

The Group's investments in associates are accounted for under the equity method. An associate is an enterprise over which the Group has significant influence, which is presumed to be the case when the Group's ownership percentage is greater than or equal to 20% and when the entity is neither a subsidiary nor an enterprise that is subject to the joint control of the Group and others.

Investments in associates are recognized in the balance sheet at their acquisition cost, increased or decreased by changes in the Group's share in the net assets of the associate following the acquisition. The Group's investment includes the amount of any goodwill, which is treated in accordance with the Group's accounting policy in this area as presented in paragraph 1.2 below. The income statement reflects the Group's share of the associates' after-tax earnings.

Foreign currency transactions

Transactions in foreign currencies are recognized at the exchange rate applicable on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate applicable on the balance sheet date. All differences arising are recognized in the income statement except for differences on loans and borrowings that, in substance, form part of the net investment in a foreign entity. These differences are recognized in equity until such time as the net investment is disposed of, at which time they are recorded in the income statement.

Translation of financial statements prepared in foreign currencies

The functional currency of each Group entity is the currency of the economic environment in which it operates. The local-currency-denominated financial statements of subsidiaries located outside of the euros zone are translated into euros, the reporting currency of the consolidated financial statements, in the following manner:

- assets and liabilities are translated at year-end exchange rates;
- income statement items are translated at average exchange rates for the year;
- translation gains and losses resulting from the application of these rates are recognized in "Gains and losses recognized through equity – change in cumulative translation adjustment" for the Group share with the remainder being recorded as "Minority interests" in the balance sheet.

Goodwill and fair value adjustments of assets and liabilities recognized in the context of the acquisition of a foreign entity are expressed in the functional currency of the acquired enterprise and translated at the applicable exchange rate in the balance sheet date.

Elimination of intra-Group transactions

Transactions between consolidated subsidiaries are fully eliminated, as are the corresponding receivables and payables. Similarly inter-company gains or losses on sales, internal dividends, and provisions relating to subsidiaries are eliminated from consolidated results, except in the case of impairment.

1.2 Accounting policies

Research and study costs

Publicis recognizes expenditures for studies and research as expenses attributable to the period in which they are incurred. These expenses include mainly: studies and tests relating to advertising campaigns, research programs of consumer behavior and advertisers' needs in several areas, and research and modeling to optimize media purchases for the Group's clients.

Development expenditures incurred for an individual project is capitalized once it is considered to be reasonably certain of being recovered in the future. Any capitalized expense is amortized over the period in the future during which the project is expected to generate income.

Goodwill

Goodwill arising from consolidation represents the difference between the acquisition cost of securities (including any additional consideration, which is recognized as a financial liability when they are likely to be payable and can be reliably estimated) and the Group's share of the fair value of the assets, liabilities and contingent liabilities on identified on the acquisition date.

Goodwill that is recorded in the balance sheet is not amortized but is instead subject to annual impairment tests. Impairment tests are performed for the cash-generating unit(s) to which the goodwill was allocated by comparing the recoverable value and the carrying amount of the cash-generating unit(s). The Group considers the cash-generating unit to be an agency or combination of agencies.

The recoverable value of a cash generating unit is the greater of its fair value (generally its market value), net of disposal costs, and its value in use. Value in use is determined on the basis of discounted future cash flows. Calculations are based on five-year cash flow forecasts, a terminal growth rate for subsequent cash flows and the application of a discount rate to all future flows. The discount rates used reflect current market assessments of the time value of money and the specific risks to which the cash generating unit is subject.

If the carrying amount of a cash generating unit is greater than its recoverable value, the assets of the cash generating unit are written down to their recoverable value. Impairment losses are allocated, firstly, to goodwill, and are recognized through the income statement.

Intangible assets

Separately acquired intangible assets are recognized at acquisition cost. Intangible assets acquired in the context of a business combination are recognized at their fair value on the acquisition date, separate from goodwill, if they are "identifiable," i.e; if they meet one of the following two conditions:

- the intangible assets arise from legal or contractual rights, or
- the intangible assets can be separated from the acquired entity.

Intangible assets are comprised primarily of trade names, client relationships, technology, e-mail address databases, and software.

Trade names, which are considered to have indefinite useful lives, are not amortized. They are subject to annual impairment tests, which involve comparing their recoverable value to their carrying amount. All impairment is recorded in the income statement.

Client relationships with a finite useful life are amortized over such useful lives, which are generally between 10 and 40 years. They are also subject to impairment tests if there are any indicators that they may have been impaired.

Technology results from the Group's engagement in interactive activities. It is amortized over a three-to-four year period.

E-mail address databases are used in direct e-mailing campaigns. These databases are amortized over two years.

The method used to identify any impairment of intangible assets is based on discounted future cash flows. The Group uses the "royalty savings" method for trade names, which takes into account the future cash flows that the trade name would generate in royalties if a third party were to pay for the use of said trade name. As for client contracts, the method used is based on the present-discounted future cash flows generated by the client.

Valuations are made by outside experts. The parameters are consistent with those used to measure goodwill.

Capitalized software includes in-house applications as well as commercial packages; they are measured either at their acquisition cost (if purchased externally) or at their production cost (if developed internally). They are amortized over their useful life -with only some exceptions, the amortizable period does not exceed three years.

Property and equipment

Property and equipment are measured at cost minus accumulated depreciation and impairment. Publicis elected to revalue the building at 133, avenue des Champs-Elysées at its fair value on the date of the adoption of IFRS and to treat this value as the putative acquisition cost.

When appropriate, the total cost of an asset is broken down into its various components that have distinct useful lives. Each component is then recognized separately and depreciated over a distinct term.

Property and equipment is depreciated on a straight-line basis over each asset's estimated useful life. The useful life of property and equipment is generally assumed to be as follows (straight-line method):

- Buildings: 20 to 70 years.
- Fixtures, fittings and general installations: 10 years.
- Office furniture and equipment: 5 to 10 years.
- Vehicles: 4 years.
- Computer hardware: 2 to 4 years.

If any indicators imply that items of property and equipment may be impaired, the recoverable value of the property and equipment or the cash generating unit(s) to which such assets belong is compared to their carrying amount. Any impairment is recorded in the income statement.

Leases

Finance leases, which transfer substantially all of the risks and rewards of the ownership of the leased assets to the Group, are recognized in the balance sheet from the beginning of the lease contract at the lesser of the fair value of the leased asset and the discounted present value of minimum lease payments. Assets acquired under finance leases are recognized in property and equipment and a corresponding liability is recognized in financial liabilities. They are depreciated over the length of the lease contract or over the useful lives applicable to similar assets owned by the Group, whichever is the shorter. In the income statement, lease rental expenses are replaced by the interest on the debt and the depreciation of the assets. The tax effect of this restatement for consolidation purposes is accounted for through the recognition of a deferred tax asset or liability.

Leases pursuant to which the lessor does not transfer substantially all of the risks and rewards of ownership of the leased assets are classified as operating leases. Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

Other financial assets

All investments are initially recognized at fair value, which corresponds either to the price paid or the value of assets given in payment, plus any transaction costs.

Subsequent to their initial recognition, investments recognized in the "investments held for trading" or "investments available for sale" categories are measured at their fair value on the date of the balance sheet. Gains and losses on investments held for sale are recognized in income. Gains and losses on investments available for sale are recognized in equity, on a specific line, until the investment is sold or shown to have lost value.

Other long-term investments held until maturity, such as bonds, are measured at amortized cost using the effective interest rate method. For investments recognized at amortized cost, gains and losses are recognized in the income statement when they are disposed of, or when the assets are impaired, and also through the process of amortization.

For investments that are actively traded on organized financial markets, fair value is determined by reference to the published market price on the date of the balance. For investments that are not listed on an active market, fair value is determined with reference to the current market price of another, substantially similar investment, or calculated based on the cash flows that are expected from the investment.

Receivables attached to equity interests

This includes financial receivables from associates or unconsolidated companies held by the Group.

Impairment is recognized whenever there is a risk of non-payment as a result of the financial position of the entity in question.

Inventory and costs billable to clients

This includes mainly work-in-progress in our advertising business, i.e., the technical work involved in creating and producing advertisements for print, broadcasting, etc., for which the client is ultimately liable but have not yet been invoiced. They are recognized on the basis of costs incurred and a provision is recorded when their net realizable value is lower than cost. Unbillable work or costs incurred relating to new client development activities are not recognized in assets except when they constitute expenses incurred during the proposal process which may be billed to the client under the terms of the contract. In order to assess net realizable value, inventory and costs billable to clients are reviewed on a case-by-case basis and written down, if appropriate, on the basis of criteria such as the existence of client disputes and claims.

Accounts receivable

Receivables are recognized at the initial amount of the invoice. An allowance for doubtful accounts is recognized for receivables for which there is a risk of non-recovery. Such allowances are determined, on a case-by-case, using various criteria such as difficulties in recovering the receivables, the existence of any disputes and claims, or the financial position of the debtor.

Due to the nature of the Group’s activities, accounts receivable are of a short-term nature.

Derivative financial instruments

The Group uses derivatives such as foreign currency and interest rate hedges in order to hedge its current or future positions against foreign exchange rate risks or interest rate risks. The recoverable value of a cash generating unit is the greater of its fair value (generally its market value), net of disposal costs, and its utility value.

Whenever these financial instruments are involved in an arrangement treated as a hedge for accounting purposes, the following should be distinguished:

- fair value hedges, which are used to hedge against changes in the fair value of a recognized asset or liability
- cash flow hedges, which are used to hedge against exposure to changes in future cash flows, and
- hedges of net investments.

For fair value hedges related to a recognized asset or liability, all gains and losses resulting from the remeasurement of the hedging instrument at fair value are recognized immediately in the income statement. At the same time, any gain or loss on the item hedged by the effective portion of the hedge will change the carrying amount of this item as an offset to its effect on income.

For hedges used to hedge firm commitments and that meet the conditions for recognition as a hedge (future cash flow hedges), the portion of gain or loss realized on the hedging instrument deemed to be an effective hedge is recognized directly in equity. The ineffective portion is recognized immediately in profit and loss. Gains and losses recognized in equity are reported in the income statement for the period in which the hedged commitment affects net income; for example, when a planned sale actually occurs.

For hedges of a net investment in foreign operations, including hedges of monetary assets and liabilities considered to be part of the net investment, the recognition principle is the same as for cash flow hedges. The effective portion of the gain or loss realized on the hedging instrument is recorded under equity, while the ineffective portion is carried in profit and loss. When disposing of the foreign operation, the accumulated gains and losses that were recognized directly in equity are recognized on the income statement.

As for derivatives that do not qualify for hedge accounting, any gain or loss from changes in their fair value are recognized directly in the income statement for the relevant period.

Changes in the fair value of derivatives that qualify as fair value hedges are recognized in "other financial income and expenses", as are changes in the value of the underlying items. The fair value of derivative instruments is recognized in "other receivables and current assets" and in "other payables and current liabilities."

Cash and cash equivalents

Cash and cash equivalents include sight deposits, cash on hand, short-term instruments maturing in three months or less, and units of money market funds subject with a negligible value risk ;- i.e., that meet the following conditions: Sensitivity to interest rate risk less than or equal to 0.25, and 12-month historical volatility of zero.

For purposes of the table of consolidated cash flow, "cash" includes cash and cash equivalents as defined above, net of bank overdrafts.

Treasury Shares

Irrespective of their intended use, all treasury shares are recognized as a deduction from shareholders' equity.

Bonds

- Bonds redeemable in cash:

  The bonds are initially recognized at their fair value, which corresponds to the amount of cash received, net of issuance costs.

  Subsequent to initial recognition, bonds are recognized at their amortized cost, using the effective interest rate method, which takes into account all issuance costs and any redemption premium or discount.

- Convertible bonds and debentures redeemable for stock

  For convertible bonds (OCÉANE) or debentures (ORANE), or debentures with warrants (OBSA), the debt and equity portions are initially recognized separately. The value of the liability component is determined by discounting the future contractual cash flows at market rates that the company would have had to pay on a similar instrument offering the same terms but without a conversion option.

The equity component is the residual amount after the deduction of the liability component determined separately from the fair value of the instrument as a whole. The value of the conversion option is not revised during subsequent accounting periods.

The costs of new insuances are divided between the debt and equity components based on their respective carrying values upon issuance.

The debt component is then measured on the basis of the amortized cost.

Buyout commitments to minority shareholders

Publicis has granted put options to the shareholders of its consolidated subsidiaries giving them the right to sell their minority shareholdings to the Group.

While waiting for an IFRIC interpretation or a specific IFRS on this matter, the following accounting treatment has been adopted in accordance with currently applicable IFRS standards:

- initially, these commitments are recognized in financial liabilities at the discounted value of the purchase obligation, with the double entry being booked to minority interests and, the remainder, to goodwill,
- subsequent changes in the value of the obligation are recognized by adjusting the amount of goodwill
- upon the expiration of the obligation, if the purchase does not take place, the previously recognized entries are reversed; if the purchase is completed, the amount recorded in financial liabilities is charged against the cash outflow related to the purchase of the minority shareholding.

Provisions

Provisions are recognized when:

- the Group has a current obligation (legal or constructive) resulting from a past event,
- it is probable that an outflow of resources costituting economic benefits will be required in order to extinguish the obligation, and,

- the amount of the outflow can be estimated reliably.

  If the time value effect of money is material, provisions are discounted to present value. Increases in the amount of provisions resulting from the unwinding of the discount are recognized as financial expenses.

  Contingent liabilities are not recognized but, if material, are disclosed in the notes to the financial statements (except in the case of business combinations where they constitute identifiable items for recognition).

- Provisions for litigation and claims

  The Group recognizes a provision in each case where a risk related to litigation or a claim of any type (commercial, regulatory, tax or employee related) is identified, where it is probable that an outflow of resources will be necessary to extinguish this risk and where a reliable estimate of costs to be incurred can be made. In such cases, the amount of the provision (including any related penalties) is determined by the agencies and their experts, under the supervision of the Group's head office teams, on the basis of their best estimate of the probable costs related to the litigation or the claim.

- Provisions for restructuring

  The total cost of restructuring or reorganizing is recognized in fiscal year if these actions were approved and announced.

  In the context of an acquisition, restructuring plans that do not constitute liabilities for the acquired enterprise on the date of the acquisition are recognized as expenses.

  These costs consist primarily of severance and early retirement payments and notice periods that have not been worked, which are recognized in personnel expenses, and, in some cases, of write-downs of property and equipment and other assets.

- Provisions for real estate

  A provision is recognized for the amount of rent and related expenses to be paid, net of any sublease revenues to be received, for all buildings that are sublet or vacant and are not intended to be used in the context of the Group's principal activities.

  In the context of business combinations, provisions are also recorded when the acquired company has property rental contracts with less favorable terms than those prevailing on the market as of the acquisition date.

- Pensions and other retirement benefits

  The Group recognizes obligations relating to pensions and other retirement benefits based on the type of plan in question:

  - defined contribution plans: the amount of Group's contribution to the plan is recognized as an expense during that period.

  - defined benefit plans: the cost of defined benefits is determined separately for each plan using the projected unit cost actuarial method. Actuarial gains and losses arising during the year are recorded directly in equity. The effect of the unwinding of discounts on pension liabilities net of the expected return on plan assets is recorded in "Other financial income and expenses."

Other debts and current liabilities

Other debts and current liabilities mature within one year or less. However, any payable with a distant due date would be measured at its present value.

Accounts payable

This caption includes all operating payables (including notes payable and accrued supplier invoices) related to the purchase of goods and services including those related to media space purchases as an agent. These payables are due within less than one year. However any payable with a distant due date would be measured at its present value.

Revenue

A written agreement with clients (purchase order, letter, contract, etc.) indicating the nature and the amount of the work to be performed is required for the recognition of revenue. The Group's revenue recognition policies are summarized below:

- For commission based customer arrangements (excluding production):

  Revenue from advertising creation services and media space buying services is recognized on the date of publication or broadcast.

- For other customer arrangements (project based arrangements, fixed fee arrangements, time-based arrangements, etc.):

  Revenue under project-based arrangements is recognized in the accounting period in which the service is rendered. Revenue under fixed-fee arrangements is recognized on a straight-line basis, which reflects the nature and the scope of services rendered. Revenue under time-based arrangements is recognized on the basis of work performed.

- Fees based on performance criteria:

  Revenue is recognized when the performance criteria have been met and the customer has confirmed its agreement.

Publicis Groupe stock option plans

The fair value of the options granted is recognized in personnel expenses over the vesting period of the options. It is determined by an independent expert using the Black-Scholes model.

For plans whose exercise depends on the achievement of objectives, the Group evaluates the probability that the objectives will be achieved and takes account of this estimate in its calculation of the number of shares to be issued.

Publicis Groupe free share plans

The fair value of the options granted is recorded in personnel expenses over the vesting period of the options. This value is determined by an independent expert, and is equals to the market price per share on the date of the award, adjusted to reflect the expected loss of dividend(s) during the vesting period.

Non-current income (expense)

In order to facilitate the analysis of the Group's operational performance, Publicis records unusual income and expenses in "Non-current income (expenses)". This caption includes mainly capital gains and losses realized on the disposal of assets.

Cost of net financial liabilities and other financial income (expenses)

Cost of net financial liabilities includes interest expenses on financial liabilities and interest income on cash and cash equivalents.

Other financial income (expenses) mainly includes the effects of unwinding of discounts on vacant property provisions and on pensions provisions (net return on plan assets), changes in the fair value of derivatives and foreign exchange gains and losses.

Income taxes

Net income is taxed based on the tax laws and regulations in force in the respective countries where the income is reported. Deferred taxes are reported using the balance sheet liability method for temporary differences between the tax value and the carrying amount of assets and liabilities on the closing date.

Deferred tax assets are reported for deductible temporary differences, loss carryforwards and unused tax credits to the extent that it is probable that taxable profits (resulting from the reversal of temporary taxable differences or the existence of a taxable profit that will be generated by the entity) against which such items can be charged in future years.

The carrying amount of deferred tax assets is reviewed on every balance sheet date and reduced if it is no longer likely that there will be sufficient taxable earnings to take advantage of all or part of this asset. Deferred tax assets that are not recognized are valued on every balance sheet date and recognized if it is likely that they will be useful against future taxable earnings.

Deferred tax assets and liabilities are measured on the basis of tax rates expected to be applicable in the year in which the asset will be realized or the liability settled. The tax rates used are those that have been enacted, or virtually enacted, on the balance sheet date.

Earnings per share and diluted earnings per share

Earnings per share is calculated by dividing net income attributable to ordinary shares by the weighted average number of ordinary shares in issue during the period, including the effect of redemption of ORANEs in shares, as ORANEs are contractually redeemable in ordinary shares.

Diluted earnings per share are calculated by dividing net income attributable to common stock, after cancellation of interest on bonds redeemable for, or convertible into, ordinary shares, by the weighted average number of common shares outstanding during the period adjusted to reflect the effect of options, equity warrants and the conversion of bonds convertible into stock (OCÉANEs). The calculation of diluted earnings per share reflects only instruments that are dilutive, i.e. that reduce earnings per share.

For Publicis Groupe stock options and warrants, the method applied is set forth below.

For the calculation of diluted earnings per share, all dilutive options and warrants are assumed to have been exercised.

The proceeds from the exercise of these instruments are deemed to have been received with the issue of common shares at the average market price for common shares during the period. (That issue, which is presumed to be measured at fair value, is neither dilutive nor accretive and is not included in the calculation of diluted earnings per share.) The difference between the number of common shares issued and the number of common shares that would have been issued at average market price must be treated as an issue of common shares without proceeds and therefore as dilutive. This number is added to the denominator in the diluted earnings per share ratio.

Hence, options and warrants are dilutive only when the average price per share of common shares during the period exceeds the options' or warrants' strike price (i.e. when they are "in the money".)

In addition to these earnings per share (base and diluted), the Group calculates and regularly releases a "current" base and diluted EPS, similar to the one described above except with respect to the earnings figure used, which excludes:

- the items "impairment expense" and "amortization expense of intangibles from acquisitions"
- certain specifically designated items of extraordinary income and expense recorded as "other non-current income and expense."

1.3 *Principal sources of uncertainty arising from use of estimates*

The Group's financial position and earnings depend on the accounting methods applied and the assumptions, estimates and judgments made when the consolidated financial statements are prepared. The Group bases its estimates on its past experience and on a series of other assumptions considered reasonable under the circumstances to measure the amounts to be used for the Group's assets and liabilities. Actual outcomes may however, significantly vary from these estimates.

The features of the main accounting policies, judgments and other uncertainties affecting the application of these accounting policies, together with the sensitivity of the results to changes in the conditions and assumptions, are factors to be taken into consideration. As such, the Group makes estimates and assumptions concerning the future. The accounting estimates thus obtained will, by definition, rarely be equal to the actual outcomes.

The main assumptions concerning future events, and other sources of uncertainty relate to the use of estimates on the balance sheet date, when there is a significant risk that the estimates of the net carrying amount of the assets and liabilities will be modified in future years, i.e.:

- the fair value allocated to assets and liabilities acquired through business combinations
- impairment of goodwill and intangible assets
- accounting provisions, particularly for defined benefit pension obligations and retirement health coverage
- write-downs for doubtful receivables
- the fair-value measurement of stock options awarded under Publicis Groupe's stock option plans.

Detailed disclosures concerning these matters are provided in Notes 5, 20, 21, 26 and 28 below.

1.4 Accounting options taken on first-time adoption of IFRS

IFRS financial reporting for 2004 was prepared in accordance with the requirements of IFRS 1. Retrospective application in the opening balance sheet of the accounting policies retained for IFRS financial reporting constituted the general rule applied for adjustment. The effect of these adjustments was recognized directly through shareholders' equity.

The optional exceptions to retrospective application of IFRS standards, allowed by IFRS 1 for preparation of the opening balance sheet, are as follows:

Business combinations

Publicis chose not to restate the prior classification and methods used for business combinations that took place before the transition date. As of that date, business combinations have been treated in accordance with IFRS 3.

In addition, the gross amount of goodwill under IFRS as at January 1, 2004 was deemed to be equal to the net value of such goodwill under French accounting standards.

Cumulative translation adjustments

Publicis has elected not to identify and reconstitute cumulative translation gains and losses or to recognize these as a separate line in equity following the transition to IFRS. Cumulative translation adjustments resulting from the translation of the accounts of foreign companies were thus cancelled on the date of the transition to IFRS, and any gains and losses on future disposals of these foreign entities will only take account of translation adjustments generated after the IFRS transition date.

Actuarial gains and losses on pension commitments

Publicis opted to recognize all actuarial gains and losses in respect of employee benefit plans on the IFRS transition date. This treatment had already been applied in the 2004 consolidated financial statements as prepared in accordance with French accounting standards.

Measurement of certain tangible assets at deemed cost

Publicis opted to revalue the building at 133, avenue des Champs-Elysées in Paris at its fair value and to treat this value the cost on the date of transition to IFRS.

The fair value of this building on the transition date was 164 million euros, which represents an adjustment of 159 million euros compared to its value under the previous accounting standards as of that date. An independent appraiser conducted the valuation using the rent capitalization method.

Publicis Groupe stock option plans

Publicis applies IFRS 2 (Share-based Payments) but only with respect to the plans offered after November 7, 2002.

Designation of financial instruments as being measures at fair value through income or as available for sale

Publicis elected to designate financial instruments at fair value through profit and loss or as securities available for sale on the transition date.

1.5 *Impact of IFRS and IFRIC entering into effect on January 1, 2009 and the impact of IFRS and IFRIC published but not yet in force*

The accounting principles adopted for the preparation of the consolidated financial statements comply with the standards and interpretations known respectively as IFRS and IFRIC, as adopted by the europspean Union on December 31, 2009 and published on this website:

http://ec.eurospa.eu/internal_market/accounting/legal_framework/regulations_adopting_ias_fr.htm

These accounting policies retained are consistent with those applied to prepare the consolidated financial statements for the year ended December 31, 2009, except for the following changes:

- The Group applies IAS 1 revised (Presentation of Financial Statements), which is mandatory as of January 1, 2009. Accordingly, the income and expenses are presented in two statements:
  - one statement showing the components of profit and loss (the consolidated income statement) and
  - one comprehensive consolidated income statement which shows the other items of comprehensive income.
- The Group applies IFRS 8 (Operating Segments), which is mandatory as of January 1, 2009. This standard replaces IAS 14 (Segment Information). IFRS 8 introduces "management's approach" to the presentation of segment information. This standard calls for segment information based on internal reports that are regularly reviewed by the entity's chief operating decision - maker in order to allocate resources to the segment and assess their performances. Since all of the Publicis Groupe's operating divisions can be grouped under a single segment (see Note 27 regarding segment information), IFRS 8 has no impact on the segment information presented in the Notes in that, in order to comply with IAS 14, the Group only presented one business segment.

Furthermore, the Europspean Union's adoption of the following standards and interpretations had no impact on of the Group's financial statements:

- Revised IAS 23 (Borrowing Costs)
- Amendments to IAS 32 and IAS 1 (Reimbursable financial instruments at the holder's option and obligations arising on liquidation)
- Amendments to IFRS 1 and IAS 27 (Consolidated Financial Statements and Accounting for Investments in Subsidiaries, Jointly Controlled Entities and Associates)
- Amendment to IFRS 2 (Share-based payments): Vesting Conditions and Cancellations.
- Amendment to IAS 39 (Reclassifying financial assets)
- Amendments to IFRS 7 (Improving disclosures regarding financial instruments)
- IFRS Improvements (published May 2008), making minor modifications to certain IFRS (except IFRS 5)
- Amendment to IFRIC 9 and IAS 39 (Embedded Derivatives)
- IFRIC 13: Customer Loyalty Programs
- IFRIC 14: IAS 19 (The limit on a defined benefit asset, minimum funding requirements and their interaction)

These principles do not differ from the IFRS as published by the IASB since the following standards and interpretations, which are mandatory for reporting periods after January 1, 2009 have no effect on Publicis' financial statements:

- IFRIC 12: Service Concession Arrangements
- IFRIC 15: Agreements for the Construction of Real Estate
- IFRIC 16: Hedges of a net investment in a foreign operation
- IFRIC 18: Transfers of Assets from Customers

As for standards or interpretations that have been approved by the european Union but the application of which is not mandatory on January 1, 2009, Publicis Groupe decided against the early application of the following:

- IFRS 3 (revised) – Business combinations
- Amendments to IAS 27 - Consolidated and separate financial statements
- Improvements to IFRS, published in April 2009
- Amendments to IFRS 5
- Amendments to IFRS 1 – Further exemptions for first-time adopters
- Amendment to IAS 32 (Reclassifying rights issuances)
- Amendments to IFRS 2 – Group transactions where payment is made in shares and which are settled in cash
- Amendment to IAS 39 - Financial Instruments: Recognition and measurement – Items eligible for hedge accounting
- IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments

Publicis is currently in the process of determining the potential impact of these new standards and interpretations on the Group's consolidated financial statements.

Note 2. Changes in scope of consolidation

2.1 Acquisitions in 2009

Razorfish

Publicis Groupe acquired the Razorfish companies from Microsoft in exchange for 6.5 million common shares of Publicis Groupe treasury stock plus 287 million USD (196 million euros) in cash, representing a total purchase price of 369 million euros. In addition, the Razorfish acquisition agreement contains a price-adjustment clause based on the working capital on the acquisition date. This adjustment should be finalized sometime in 2010.

As at December 31, 2009 the Group held 100% of share capital of Razorfish and its subsidiaries. Razorfish was consolidated on October 13, 2009, when control of the company was acquired.

Purchase price of Razorfish stock and transaction costs (A)	371
Non-current assets [(1)]	126
Current assets	19
Total assets (B)	**145**
Non-current liabilities	116
Current liabilities	11
Total liabilities (C)	**127**
Net assets acquired before fair value adjustment [(1)] (D=B+C)	**18**
Customer relationships	35
Trademarks	41
Fair value adjustment of receivables outstanding	4
Vacant property provisions	(11)
Other adjustments	1
Tax impact of the adjustments above	5
Total fair value adjustments (E)	**75**
Net assets acquired after fair value adjustments (F =D+E)	**93**
Goodwill (G = A - F)	**278**

(1) Excluding goodwill and intangible assets related to acquisitions made by Razorfish and Microsoft.

The acquisition cost (excluding cash and cash equivalents) of all of the other entities that were fully consolidated during the year totaled 23 million euros, 11 million ofr which was paid out during the period. All acquisitions made in 2009 represent less than 2% consolidated revenues or of the positive contribution to consolidated net income attributable to the Group in 2009.

The Razorfish business is the result of a carve-out of a much larer group of businesses, and Razorfish's financial statements were not prepared or audited under IFRS. Thus, it is impossible to be certain of the amount of the revenue and earnings attributable to the combined (Publicis' plus the 2009 acquisitions') Group during the fiscal year as if the acquisitions had been made on January 1, 2009.

2.2 Acquisitions in 2008

The main acquisitions in the year were as follows:

- In July 2008, the Group acquired Kekst and Company Incorporated, a leader in the area of strategic and financial consulting, based in New-York;
- In September 2008, the Groupe acquired Performics Search Marketing Business, a leader in search marketing, whose technologies improve, in particular, the effectiveness of online advertising campaigns. The company is based in Chicago.

The acquisition cost (excluding cash and cash equivalents acquired) of all entities fully consolidated during the year totaled 177 million euros, 127 million euros of which was paid out during the period. Acquisitions concludint during the year, taken as a whole, represent less than 1% of the consolidated revenue and consolidated net income attributable to the Group.

2.3 Acquisitions in 2007

The main acquisitions in 2007 were as follows:

Digitas

In December 2006, Publicis Groupe made a friendly public takeover bid for Digitas Inc. (USA), a leader in the area of marketing services and digital and interactive communications. As a result of this offer, which expired on January 29, 2007, the Group, through one of its American subsidiaries, acquired more than 90% of Digitas share capital.

This transaction was followed by a merger, as a result of which MMS USA Holdings holds 100% of Digitas. This acquisition was financed using the available cash of the Group's American subsidiaries.

Digitas is consolidated as from January 25, 2007, the date on which control was acquired. The allocation of the acquisition price is as follows (millions of euros):

Purchase price of Digitas stock	947
Costs related to the transaction	7
Fair value of stock-options, net of tax	40
Acquisition cost (A)	**994**
Non-current assets (1)	42
Current assets	293
Total assets (B)	**335**
Non-current liabilities	(20)
Current liabilities	(230)
Total liabilities (C)	**(250)**
Net assets acquired before fair value adjustments (1) (D =B+C)	**85**
Client relationships	127
Trademarks	91
Fair value adjustment of work in progress	10
Vacant property provisions	(12)
Provisions for tax risks	(2)
Other adjustments	(3)
Tax impact of the above adjustments	(81)
Recognition of deferred tax assets on tax loss carry forwards not recognized by Digitas	46
Recognition of deferred taxes on temporary differences not recognized by Digitas	17
Total fair value adjustments (E)	**193**
Net assets acquired after fair value adjustments (F =D+E)	**278**
Goodwill (G=A-F)	**716**

(1) Excluding goodwill and intangible assets related to acquisitions made by Digitas.

The revenue and net income of Digitas for the period from January 25 to December 31 was 312 million euros and 11 million euros, respectively.

If the acquisition had occurred on January 1, 2007, the combined revenue and net income attributable to the Group (Publicis and Digitas) for the same period would have been 4,691 million euros and 452 million euros, respectively.

Business Interactif

On June 14, 2007 Publicis Groupe announced its intention to acquire Business Interactif, the leading independent French group in digital and interactive communications group. Digitas is listed on the eurosnext Paris market. Upon the completion of a successful bid, the Group offered to redeem the seller's bonds, which was completed in November 2007.

The Group owned 100% of Business Interactif's shares on December 31, 2007. Business Interactive was consolidated as from July 9, 2007, the date on which control was acquired.

Allocation of the acquisition price of Business Interactif was completed in 2008 and resulted in a 1 million euros adjustment of goodwill.

The final allocation of the acquisition price is as follows (in millions of euros):

Acquisition price of Business Interactif shares paid in cash	68
Acquisition price of Business Interactif stock paid by a new round of Publicis Groupe equity	63
Costs related to the transaction	2
Fair value of stock-options, net of tax	-
Acquisition cost (A)	**133**
Non-current assets (1)	4
Current assets	20
Total assets (B)	**24**
Non-current liabilities	3
Current liabilities	23
Total liabilities (C)	**25**
Net assets acquired before fair value adjustments (1) (D =B+C)	**(1)**
Client relationships	6
Technology	5
Trademark	2
Deferred rent	1
Tax impact of the above adjustments	(5)
Total fair value adjustments (E)	**9**
Net assets acquired after fair value adjustments (F =D+E)	**8**
Goodwill (G=A-F)	**125**

(1) Excluding goodwill and intangible assets related to acquisitions made by Business Interactive

Revenues attributable to Business Interactive for the period of July 9 to December 31, 2007 amounted to 15 million euros. Net income for the same period broke even.

If the acquisition occurred as of January 1, 2007, the combined revenue and net income attributable to the Group (Publicis and Business Interactif) for the period would have amounted to 4,686 million euros and 447 million euros, respectively.

Other acquisitions during the year, taken as a whole, represent under 1% of the Group's share of consolidated revenue and consolidated net income.

2.4 Disposals in 2009, 2008 and 2007

The Group did not make any significant disposal in 2009, 2008 or 2007.

Companies sold contributed less than 0.5% to consolidated revenue and consolidated net income attributable to the Group in 2009. The same was true in 2008 and 2007.

Note 3. Personnel expenses and headcount

Personnel expenses include salaries, commissions, bonuses, employee profit sharing and holiday pay. They also include expenses related to stock option and free share plans and expenses related to pensions (excluding the net effect of unwinding of discount on benefit obligations which is included in "Other financial income (expense)").

(in millions of euros)	***2009***	***2008***	***2007***
Remuneration	(2,220)	(2,270)	(2,254)
Social security charges	(362)	(362)	(350)
Post-employment benefits	(63)	(73)	(71)
Stock-option expense	(24)	(9)	(22)
Temporaries and freelances	(143)	(138)	(132)
Total	**(2,812)**	**(2,852)**	**(2,829)**

Changes in and breakdown of headcount

By geographical area:

	December 31, 2009	***December 31, 2008***	***December 31, 2007***
eurospe	15,453	16,230	15,904
North America	15,384	14,556	14,347
Rest of the world	14,565	13,941	13,557
Total	**45,402**	**44,727**	**43,808**

By function (in %):

	December 31, 2009	***December 31, 2008***	***December 31, 2007***
Account planning & management	20%	21%	22%
Creative	17%	18%	18%
Production and specialized activities	21%	17%	16%
Media and research	22%	23%	22%
Administration and Management	16%	17%	17%
Other	4%	4%	5%
Total	**100%**	**100%**	**100%**

Note 4. Other operating expenses

Other operating expenses include all external charges other than production and media purchases. They include rent, other lease expenses and other expenses related to the occupation of premises amounting to 308 million euros in 2009, compared to 275 million euros and 258 million euros in 2008 and 2007, respectively. They also include taxes (other than income taxes) and similar payments, as well as additions to, and reversals of provisions.

Note 5. Depreciation, amortization and impairment

(in millions of euros)	*2009*	*2008*	*2007*
Amortization expense on other intangible assets (excluding intangibles from acquisitions)	(11)	(15)	(15)
Depreciation of property and equipment	(81)	(89)	(94)
Depreciation and amortization expense (excluding intangibles from acquisitions)	**(92)**	**(104)**	**(109)**
Amortization of intangibles from acquisitions	**(30)**	**(29)**	**(30)**
Impairment of intangibles from acquisitions	(2)	(6)	(2)
Goodwill impairment	(26)	(6)	(4)
Impairment of property and equipment	-	(1)	-
Impairment	**(28)**	**(13)**	**(6)**
Total depreciation, amortization and impairment	**(150)**	**(146)**	**(145)**

Impairment of intangibles from acquisitions

Impairment tests were carried out on all of the Group's tradenames, being mainly those recognized on acquisition of Bcom3 (Leo Burnett, Starcom, MS&L and Medicus) and the Fallon, Digitas and ZenithOptimedia tradenames. Fallon, Publicis Healthcare Communications Group, Leo Burnett Digitas and MS&L client relationships were also subjected to impairment tests. All valuations required for these impairment tests were conducted by an independent expert.

As at December 31, 2009, the after tax discount rates used in the valuations were between 8.5% and 11.5 % (between 9.7 % and 89.8 % before tax).

These tests resulted in the Group's recognition of impairment losses relating to Business Interactif's trade name and on Webperformance's client relationships and technology amounting to a total of 2 million euros.

These expenses were determined for Business Interactif's trade name using an after tax discount rate of 10.5% (14.5% before tax), for Webperformance's client relationships using an after tax discount rate of 10.5 % (28.8% before tax), and for Webperformance's technologies using an after tax discount rate of 10.5 % (68.4% before tax).

As at December 31, 2008 and December 31, 2007, the after tax discount rates used in the valuations were respectively between 8.5% and 11.5% (between 10.4% and 35.2% before tax) and between 8.5% and 11% (between 10.5% and 18.7% before tax). These tests resulted in the Group's recognition of impairment losses on the Medicus tradename amounting 3 million euros, and client relationships of Webperformance amounting to 3 million euros in 2008 and the Fallon client relationships amounting to 2 million euros in 2007.

Goodwill Impairment

Impairment tests were performed on the cash generating units, which consist of agencies or combinations of agencies.

The valuation that is required in order to perform the impairment test on the goodwill of Leo Burnett (which resulted from the allocation of the overall goodwill from acquisitions of Bcom3) was carried out by an independent expert. In addition, following the Group's reorganization and the creation of Vivaki, the Group also carried out an impairment test on Vivaki, which incorporates the Digitas, Starcom and Zenith CGUs and which includes the goodwill on the Digitas US and Digitas France-Business Interactif entities. The other impairment tests were performed by the Group.

As at December 31, 2009, the after tax discount rates used ranged between 8.0 % (10.6 % before tax) and 11.0 % (12.7 % before tax). The terminal growth rate used in the projections was between 0 % and 3 %.

These tests resulted in the Group's recognition of impairment losses totaling 26 million euros on: Publicis Welcomm Korea (7 million euros), Duval Guillaume (6 million euros), Bmz and More (4 million euros), Publicis Betterway (4 million euros), Winner and Associates (3 million euros) and Publicis Berlin (1 million euros).

In addition, the Group benefited from a tax savings of 1 million euros resulting from tax loss carry-forwards which existed on the date of acquisition of Bcom3 but which had not been recognized in the balance sheet. A reduction of Bcom3 goodwill impairment was therefore recognized in an identical amount.

Furthermore, the carrying amounts of the Leo Burnett and Vivaki goodwill amount, respectively, to 967 million euros (25% of the total carrying amount of goodwill) and 1,692 million euros (43% of the total carrying amount of goodwill) on December 31, 2009.

As at December 31, 2008 and December 31, 2007, the after tax discount rates used in the valuations were respectively between 9% and 11% (between 12.0% and 15.6% before tax) and between 9% and 10% (between 12.6% and 13.6% before tax). The terminal growth rates used in the projections for both 2008 and 2007 ranged between 0% and 3%. These tests resulted in the Group's recognition of a goodwill impairment loss of 5 million euros on Global Events Management in 2008 and a goodwill impairment loss of 2 million euros on Médias & Régies eurospe in 2007.

Leo Burnett

The impairment test on the Leo Burnett goodwill was carried out on the basis of the value in use of this cash generating unit, which was determined based on a 5-year business plan (2010-2014) and the following assumptions:

- discounting of future cash flows at a pre-tax rate of 9 % after tax (12.6 % before tax),
- growth of revenue over the period 2010-2014 in line with the average expected growth of creative agency groups,
- a terminal growth rate of 2 %,
- margins that decrease slightly over the first 2 years of the business plan and constant thereafter.

The value in use thus calculated is greater than the carrying amount of the Leo Burnett cash-generating unit. Therefore, no impairment loss was recognized. The application of a discount rate greater than 1% leads to the same result. This holds true for a variation lower than 1% of:

- terminal growth rate,
- revenues for 2010-2014,
- operating margin before, depreciation and amortization.

Vivaki

The impairment test on Vivaki, including notably the goodwill on the Digitas US and Digitas France-Business Interactif entities, was performed on the basis of the value in use of this group of cash generating units, determined using 5-year business plans (2010-2014) and the following assumptions:

- discounting of future cash flows at a pre-tax rate of 9 % after tax (12.2% before tax),
- growth of revenue over the period 2010-2014 in line with the average expected growth of the analog and digital media business,
- a terminal growth rate of 2.7%,
- a slightly increasing margin over the 5 years of the business plan.

The value in use thus calculated is greater than the carrying amount of all the cash generating units grouped together in Vivaki. Therefore no impairment loss needs to be recognized. The application of a discount rate greater than 1% leads to the same conclusion. This holds true a variation lower than 1% of:

- terminal growth rate,
- revenues for 2010-2014,
- operating margin before, depreciation and amortization.

Impairment on financial instruments – Impact of the General Motors reorganization

On June 1, 2009 General Motors (GM), which is a client of several Publicis Groupe agencies, filed with a U.S. bankruptcy court for protection from creditors under a Chapter 11 reorganization. On Friday, July 10, 2009 General Motors Company bought a block of General Motors Corporation stock. This transaction allowed GM to end its protection under Chapter 11. Henceforth the "New GM" includes the Chevrolet, Cadillac, Buick and GMC brands, while the old entity, now Motors Liquidation Company, sells or liquidates the other makes of cars and trucks.

At the end of the second half of 2009, our agencies had collected their receivables and no impairment was recognized on December 31, 2009.

Note 6. Non-current income (expense)

This includes unusual items of income and expense. It includes, in particular, capital gains and losses from the disposal of assets.

(in millions of euros)	*2009*	*2008*	*2007*
Capital gains (losses) on disposal of assets	6	2	3
Non-current income and expense	1	6	-
Non-current income and expense	**7**	**8**	**3**

Note 7. Financial income and expenses

(in millions of euros)	*2009*	*2008*	*2007*
Interest expense on loans and bank overdrafts	(65)	(102)	(115)
Interest expense on finance lease commitments	(8)	(8)	(9)
Financial expense	**(73)**	**(110)**	**(124)**
Financial income	12	29	51
Cost of net financial liabilities	**(61)**	**(81)**	**(73)**
Foreign exchange gains (losses)	(41)	17	-
Change in the fair value of derivatives	43	(11)	2
Financial expense related to unwiding of discount on long-term vacant property provisions (at a rate of 5%)	(2)	(3)	(5)
Net financial expense related to unwiding of discount on pension provisions	(9)	(4)	(4)
Dividends received from unconsolidated companies	2	2	2
Reversal of bad loan provision	(2)	1	-
Other financial income and expenses	**(9)**	**2**	**(5)**
Total net financial income and expenses	**(70)**	**(79)**	**(78)**

Note 8. Income taxes

Analysis of income tax expense

(in millions of euros)	*2009*	*2008*	*2007*
Current tax expense	(232)	(171)	(213)
Tax loss carryforwards and tax credits which reduced current tax expense but were not capitalized in prior periods	62	50	49
Total current tax expense	**(170)**	**(121)**	**(164)**
Net deferred tax expense relating to the creation and reversal of temporary differences	5	(50)	(31)
Changes in write-downs of deferred tax assets and recognition of new deferred tax assets	19	(25)	(6)
Total deferred tax income (expense)	**24**	**(75)**	**(37)**
Income taxes	**(146)**	**(196)**	**(201)**

Effective tax rate

The effective tax rate results from:

(in millions of euros)	***2009***	***2008***	***2007***
Income of consolidated companies before taxes	559	672	668
Capital gain on sale of land adjacent to the Leo Burnett building in Chicago	-	(6)	-
Goodwill impairment excluding the impairment used for tax losses not recognized in the Bcom3 acquisition	25	5	2
Restated pre-tax income	**584**	**671**	**670**
French tax rate	34.43%	34.43%	34.43%
Expected tax expense	**(201)**	**(231)**	**(231)**
Impact of			
- Differences in income tax rates	17	15	(1)
- Income taxed at reduced rates	(4)	(2)	2
- Use of prior tax losses and recognition of deferred tax assets in respect of prior year losses	62	50	49
- Losses in year for which no deferred tax asset was recognized and provisions against deferred tax assets	(2)	(139)	(54)
- Other permanent differences	(18)	111	34
Income taxes per the income statement	**(146)**	**(196)**	**(201)**
Deferred tax asset from OCÉANE 2014 (1)	(23)	**-**	**-**
Restated income tax per the income statement	**(169)**	**(196)**	**(201)**
Effective tax rate	**28.9%**	**29.2%**	**30.0%**

(1) Effect of the deferred tax asset recognized in an amount equal to the deferred tax liabilities recognized on the equity portion of the OCÉANE 2014

Tax effect on other comprehensive income

(in millions of euros)	***December 31, 2009***			***December 31, 2008***			***December 31, 2007***		
	Gross	Taxes	**Net**	Gross	Taxes	**Net**	Gross	Tax	**Net**
Valuation of available-for-sale investments at fair value	12		**12**	(15)		**(15)**	(16)		**(16)**
Actuarial gains and losses on defined benefit plans	(4)	1	**(3)**	(45)	16	**(29)**	11	(3)	**8**
Currency differences	(59)		**(59)**	(5)		**(5)**	(216)		**(216)**
Total	**(51)**	**1**	**(50)**	**(65)**	**16**	**(49)**	(227)	(3)	**(224)**

Tax loss carryforwards

Following the acquisition of Saatchi & Saatchi, the Group had approximately 503 million euros of tax loss carry-forwards at its disposal from Saatchi operations prior to the acquisition. As at December 31, 2009, there were no longer any unrecognized loss carry-forwards on our financial statements. The previously not unrecognized tax loss carry-forwards in our financial statements were 5 million euros and 54 million euros as at on December 31, 2008 and December 31, 2007, respectively.

Furthermore, the Group had 387 million euros of tax loss carry-forwards as at December 31, 2009, compared with 531 million euros as at December 31, 2008 and 424 million euros as at December 31, 2007 (of which respectively 346 million euros, 515 million euros and 368 million euros can be carried forward indefinitely). These have not been recognized as deferred tax assets in the consolidated balance sheet because of uncertainties as to their availability for use.

The tax saving from tax loss carry-forwards of the Bcom3 group which existed at the time of the acquisition and which were used in 2009 have been charged against Bcom3 goodwill in an amount of 1 million euros in accordance with IFRS 12 (compared to 1 million euros and 2 million euros in 2008 and 2007).

Deferred taxes recognized in the balance sheet

As of December 31, deferred tax assets and liabilities were as follows:

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Short-term (less than I year)	60	59	75
Long-term (more than I year)	227	214	250
Effect of offsetting deferred tax assets and liabilities among tax groups	(214)	(182)	(177)
Total deferred tax assets	**73**	**91**	**148**
Short-term	(31)	(36)	(39)
Long-term	(397)	(378)	(378)
Effect of offsetting deferred tax assets and liabilities among tax groups	214	182	177
Total deferred tax liabilities	**(214)**	**(232)**	**(240)**
Net deferred tax assets (liabilities)	**(141)**	**(141)**	**(92)**

The Group's believes that the French tax known as the "*contribution économique territoriale"* (CET) is an extension of the so-called "*taxe professionelle"* and will therefore continue to be recognized in "Other operating expenses." Accordingly, the CET does not require the recognition of deferred taxes as at December 31, 2009.

Source of deferred taxes

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Deferred tax assets arising on temporary differences (excluding Bcom3)	217	208	213
Deferred tax assets on compound bonds	8	9	10
Deferred tax assets on restructuring and vacant property commitments related to the Bcom3 acquisition	17	27	42
Deferred tax assets arising on tax loss carryforwards	45	29	60
Effect of offset of deferred tax assets and liabilities by tax group	(214)	(182)	(177)
Total deferred tax assets	**73**	**91**	**148**
Deferred tax liabilities related arising on temporary differences (excluding compound bonds)	(80)	(63)	(49)
Deferred tax liabilities on compound bonds	(24)	-	(7)
Deferred tax liabilities attributable to adjustment of assets and liabilities at fair value on acquisition	(271)	(298)	(308)
Deferred tax liability arising on the Champs Elysées building being restated at fair value (as deemed cost)	(53)	(53)	(53)
Effect of offset of deferred tax assets and liabilities by tax group	214	182	177
Total deferred tax liabilities	**(214)**	**(232)**	**(240)**
Net deferred tax assets (liabilities)	**(141)**	**(141)**	**(92)**

As at December 31, 2009, deferred tax liabilities included the tax on the revaluation of intangible assets made at the time of several acquisitions -Zenith (25 million euros), Bcom3 (163 million euros) and Digitas (65 million euros)- as well as the deferred taxes relating to the separation of the hybrid bonds (OCÉANE and ORANE) and the deferred tax resulting from the use of the fair value as the cost of the Champs-Elysées building on the date of the transition to IFRS.

Note 9. Earnings per share

Earnings per share and diluted earnings per share

(in thousands of euros except for share data)		***2009***	***2008***	***2007***
Net income used for the calculation of earnings per share				
Net income attributable to equity holders of the parent	A	403	447	452
Impact of dilutive instruments:				
- Savings in financial expenses related to the conversion of debt instruments, net of tax (1)		16	20	32
Net income attributable to equity holders of the parent-diluted	B	419	467	484
Number of shares used for the calculation of earnings per share				
Average number of shares composing the company's share capital		196,020,983	196,277,148	200,072,094
Treasury shares to be deducted (average for the year)		(15,633,664)	(16,651,410)	(16,946,147)
Shares to be issued to redeem the ORANEs		21,869,806	22,911,225	24,473,354
Average number of shares used for the calculation	C	202,257,125	202,536,963	207,599,301
Impact of dilutive instruments: (2)				
- Free shares and dilutive stock options		1,770,247	137,404	2,941,554
- Equity warrants		-	-	167,511
- Shares resulting from the conversion of the convertible bonds		16,839,972	18,054,574	28,656,747
Number of shares – diluted	D	220,867,344	220,728,941	239,365,113
(in euros)				
Earnings per share	a/c	**1.99**	**2.21**	**2.18**
Earnings per share – diluted	b/d	**1.90**	**2.12**	**2.02**

(1) In 2007 and 2008, both the OCÉANE 2008 and 2018 are factored into the calculation; however, the OCÉANE 2008 are only reflected in the calculation of diluted net income for the period from January 1 to July 17, 2008, since they were redeemed at maturity on the later date. In 2009, both OCÉANE 2018 and 2014 are factored into the calculation (for the latte which wever issued in June 2009, only for the period from June to December 2009).

(2) Only the free shares, stock options and equity warrants with a dilutive effect (i.e., whose exercise price is lower than the average share price for the year) are taken into consideration.

Redemption of the OCÉANE 2008 in July 2008 automatically led to the elimination of 23,172,413 potentially dilutive shares. Conversely, the issue in June 2009 of a new OCÉANE maturing in 2014 resulted in the creation of 25,761,647 potentially dilutive shares.

Headline earnings per share (basic and diluted)

(in thousands of euros except for share data)		***2009***	***2008***	***2007***
Net income used for the calculation of headline (1) earnings per share				
Net income attributable to equity holders of the parent		403	447	452
Items excluded:				
- Amortization of intangibles from acquisitions, net of tax		18	18	18
- Impairment, net of tax		27	11	4
- Net capital gains (losses) on disposal of land, buildings and long-term real estate leases		(6)	(5)	-
- Deferred tax asset relating to the OCÉANE 2014 (2)		(23)	-	-
Adjusted net income attributable to equity holders of the parent	e	419	471	474
Impact of dilutive instruments:				
- Savings in financial expenses related to the conversion of debt instruments, net of tax		16	20	32
Adjusted net income attributable to equity holders of the parent – diluted	f	435	491	506
Number of shares used for the calculation of earnings per share				
Average number of shares composing the company's share capital		196,020,983	196,277,148	200,072,094
Treasury shares to be deducted (average for the year)		(15,633,664)	(16,651,410)	(16,946,147)
Shares to be issued to redeem the ORANEs		21,869,806	22,911,225	24,473,354
Average number of shares used for the calculation	c	202,257,125	202,536,963	207,599,301
Impact of dilutive instruments:				
- Free shares and dilutive stock options		1,770,247	137,404	2,941,554
- Equity warrants		-	-	167,511
- Shares resulting from the conversion of the convertible bonds		16,839,972	18,054,574	28,656,747
Number of shares – diluted	d	220,867,344	220,728,941	239,365,113
(in euros)				
Net earnings per share (1)	e/c	**2.07**	**2.33**	**2.28**
Net earnings per share – diluted	f/d	**1.97**	**2.22**	**2.11**

(1) *EPS before amortization of intangibles arising from acquisitions, impairment, capital gains (losses) on disposal of land and buildings, and deferred tax asset relating to the OCÉANE 2014.*

(2) *Effect of the deferred tax asset recognized in an amount equal to the deferred tax liability recognized on the equity portion of the OCÉANE 2014.*

In January 2010, the company purchased 617,985 OCÉANE 2018 bonds in pursuant to the partial exercise of a put, thus canceling the same number of potentially dilutive shares.

Note 10. Goodwill

Publicis opted not to restate prior classification and methods used for business combinations that took place before the IFRS transition date. As from this date, business combinations are treated in accordance with the requirements of IFRS 3 and thus goodwill and intangible assets with indefinite useful lives are no longer amortized.

The gross amount of goodwill under IFRS on January 1, 2004 (the transition date) was equal to the net value of such goodwill under French accounting standards.

Goodwill balances in respect of consolidated companies can be analyzed as follows:

(in millions of euros)	**eurosp e**	**North America**	**Latin America**	**Asia Pacific**	**Middle East & AFrica**	**Total**
Net value, Dec. 31, 2008	**1,124**	**2,068**	**136**	**324**	**41**	**3,693**
2009 financial year:						
• Gross goodwill on January 1, 2009	1,197	2,079	146	345	50	3,817
• Changes in the year (including translation adjustments)	107	127	10	(4)	17	257
Total gross value	**1,304**	**2,206**	**156**	**341**	**67**	**4,074**
Impairment	(80)	(14)	(20)	(24)	(8)	(146)
Total Net value at December 31, 2009	**1,224**	**2,192**	**136**	**317**	**59**	**3,928**

Changes in goodwill

(in millions of euros)	**Gross value**	**Impairment**	**Net value**
January 1, 2007	**2,973**	**5,133**	**2,840**
Acquisitions	947	-	947
Impairment	-	(4)	(4)
Changes related to the recognition of commitments to purchase minority interests (1)	22	-	22
Disposals and derecognition	(25)	11	(14)
Translation adjustment and other	(249)	4	(245)
December 31, 2007	**3,668**	**(122)**	**3,546**
Acquisitions	149	-	149
Impairment	-	(6)	(6)
Changes related to the recognition of commitments to purchase minority interests (1)	(21)		(21)
Disposals and derecognition	-	-	-
Translation adjustment and other	21	4	25
December 31, 2008	**3,817**	**(124)**	**3,693**
Acquisitions	293	-	293
Impairment	-	(26)	(26)
Changes related to the recognition of commitments to purchase minority interests (1)	23	-	23
Disposals and derecognition	-	-	-
Translation adjustment and other	(59)	4	(55)
December 31, 2009	**4,074**	**(146)**	**3,928**

(1) While awaiting a specific IFRS or an IFRIC interpretation, agreements to purchase minority interests have been recognized in financial liabilities with the double entry being booked to minority interests and, for the balance, to goodwill. Any future variations in minority interests or any re-measurement of such obligations will change goodwill.

Asd of this date, the gross value of goodwill resulting from the Bcom3 acquisition amounts to 1,608 million euros. Impairment recognized in respect of this goodwill amounts to 21 million euros. This does not represent an actual impairment, but rather the application of IAS 12, which requires the revision of goodwill up to the amount of the tax savings achieved by using the Bcom3 loss carry-forwards created before our acquisition in 2004.

As for regard to the main acquisition in 2009, the Razorfish purchase price has been completely allocated. Given the price adjustment provisions and the items that may be identified in the future, the allocation of the acquisition price may be adjusted in 2010. However, the Group does not anticipate that major changes will be made to the allocation of the acquisition cost presented in Appendix 2.

No major acquisition took place in 2008; and as for the main acquisitions of 2007, the allocation of the acquisition price of Digitas was completed on December 31, 2007 and that of Business Interactif was completed in 2008, resulting in an adjustment of goodwill in the amount of 1 million euros.

Note 11. Intangible assets, net

Changes in intangible assets with a definite useful life

(in millions of euros)	Client relationships			Software, technology and other		
	Gross value	Amortization/ Impairment	Net value	Gross value	Amortization/ impairment	Net value
January 1, 2007	**546**	**(232)**	**314**	**117**	**(88)**	**29**
Acquisitions	133	-	133	26	-	26
Amortization	-	(28)	(28)	-	(16)	(16)
Impairment	-	(2)	(2)	-	-	-
Disposals and write-off	-	-	-	(4)	4	-
Translation and other	(56)	21	(35)	(5)	(1)	(6)
December 31, 2007	**623**	**(241)**	**382**	**134**	**(101)**	**33**
Acquisitions	-	-	-	13	-	13
Amortization	-	(27)	(27)	-	(16)	(16)
Impairment	-	(3)	(3)	-	-	-
Disposals and write-off	-	-	-	(8)	6	(2)
Translation and other	7	(6)	1	2	(1)	1
December 31, 2008	**630**	**(277)**	**353**	**141**	**(112)**	**29**
Acquisitions	35	-	35	25	-	25
Amortization	-	(27)	(27)	-	(14)	(14)
Impairment	-	-	-	-	-	-
Disposals and write-off	-	-	-	(3)	4	1
Translation and other	(11)	6	(5)	4	(6)	(2)
December 31, 2009	**654**	**(298)**	**356**	**167**	**(128)**	**39**

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Changes in intangible assets with an indefinite useful life and in total intangibles

(in millions of euros)	Trademarks			Total intangible assets		
	Gross value	Impairment	Net value	Gross value	Amortization/ impairment	Net value
January 1, 2007	**381**	**(31)**	**350**	**1,044**	**(351)**	**693**
Acquisitions	93	-	93	252	-	252
Amortization	-	(1)	(1)	-	(45)	(45)
Impairment	-	-	-	-	(2)	(2)
Disposals and write-off	-	-	-	(4)	4	-
Translation and other	(35)	4	(31)	(96)	24	(72)
December 31, 2007	**439**	**(28)**	**411**	**1,196**	**(370)**	**826**
Acquisitions	-	-	-	13	-	13
Amortization	-	(1)	(1)	-	(44)	(44)
Impairment	-	(3)	(3)	-	(6)	(6)
Disposals and write-off	-	-	-	(8)	6	(2)
Translation and other	7	(2)	5	16	(9)	7
December 31, 2008	**446**	**(34)**	**412**	**1,217**	**(423)**	**794**
Acquisitions	41	-	41	101	-	101
Amortization	-	-	-	-	(41)	(41)
Impairment	-	(2)	(2)	-	(2)	(2)
Disposals and write-off	-	-	-	(3)	4	1
Translation and other	(12)	1	(11)	(19)	1	(18)
December 31, 2009	**475**	**(35)**	**440**	**1,296**	**(461)**	**835**

Valuation of intangible assets

Valuation tests performed by an independent expert at the end of 2009 resulted in the recognition of impairment of 2 million euros on the Business Interactif trade name and Webformance's client relationships and technologies (see Note 5).

Note 12. Property and equipment, net

(in millions of euros)	Land and buildings	Other	Total
Gross value on January 1, 2007	**302**	**829**	**1,131**
Additions	-	77	77
Disposals and write offs	(2)	(46)	(48)
Changes to scope of consolidation	-	40	40
Translation and other	(11)	(52)	(63)
Gross value on December 31, 2007	**289**	**848**	**1,137**
Additions	-	79	79
Disposals and write offs	(13)	(54)	(67)
Changes to scope of consolidation	-	1	1
Translation and other	(1)	(11)	(12)
Gross value on December 31, 2008	**275**	**863**	**1,138**
Additions	1	50	51
Disposals and write offs	(1)	(60)	(61)
Changes to scope of consolidation	-	15	15
Translation and other	(1)	(3)	(4)
Gross value on December 31, 2009	**274**	**865**	**1,139**
Accumulated depreciation to December 31, 2008	**(34)**	**(624)**	**(658)**
Additions	(4)	(77)	(81)
Disposals and write offs	1	57	58
Changes to scope of consolidation	-	(3)	(3)
Translation and other	-	3	3
Accumulated depreciation to December 31, 2009	**(37)**	**(644)**	**(681)**
Net value, December 31, 2009	**237**	**221**	**458**

Land and buildings

As at December 31, 2009, the net book value of land and buildings that Publicis owns outright amounts to 182 million euros.

The Group's principal real property asset is its corporate headquarters located at 133 avenue des Champs-Elysées in Paris. This seven-story building comprises about 12,000 square meters of office space primarily occupied by Group companies and 1,500 square meters of commercial property occupied by the Publicis Drugstore and two public cinemas.

Other property and equipment

The Group's equipment includes primarily significant IT equipment used in the creation and production of advertising, the management of media buying, and administrative functions.

Assets under finance leases

The net book value of such assets in the consolidated balance sheet is 55 million euros to December 31, 2009.

The main asset in this category is the Leo Burnett building at 35 West Wacker Drive in Chicago, Illinois, USA. Leo Burnett's finance lease represents a gross value of 74 million euros, depreciable over 30 years.

Property and equipment includes the following amounts for assets held under finance leases:

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Gross value on January 1, 2006	76	78	81
Depreciation	(21)	(19)	(23)
Net value	**55**	**59**	**58**

Note 13. Investments in associates

Investments accounted for by the equity method as at December 31, 2009 amounted to 49 million euros (compared to 44 million euros as at December 31, 2008 and 49 million euros as at December 31, 2007.)

(in millions of euros)	**Balance sheet value**
Amount at January 1, 2007	**44**
Acquisitions	7
Disposals	-
Share in net income of associates	9
Dividends paid	(11)
Effect of translation and other	-
Amount at December 31, 2007	**49**
Acquisitions	-
Disposals	-
Share in net income of associates	2
Dividends paid	(10)
Effect of translation and other	3
Amount at December 31, 2008	**44**
Acquisitions	3
Disposals	-
Share in net income of associates	4
Dividends paid	(8)
Effect of translation and other	6
Amount at December 31, 2009	**49**

The main account balances in the balance sheets and the income statements of associates are as follows:

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Share in balance sheets of associates			
Non-current assets	23	20	33
Current assets	138	139	155
Total assets	**161**	**159**	**188**
Non-current liabilities	2	3	8
Current liabilities	110	112	131
Total liabilities	**112**	**115**	**139**
Net assets	**49**	**44**	**49**

(in millions of euros)	***2009***	***2008***	***2007***
Share of income statements of associates			
Revenue	91	108	105
Net Income	4	2	9
Carrying amount of the investment	49	44	49

Our principal associates are Bartle, Bogle Hegarty (BBH), Bromley Communications, International Sports and Entertainment (iSe) and Burrell Communications. As at December 31, 2009, the carrying amounts of our investments in BBH, Bromley Communications, iSe and Burrell Communications amount, respectively, to 15 million euros, 6 million euros, 8 million euros and 5 million euros.

The consolidation of Razorfish in 2009 included the acquisition of a 19.35% stake in “Dentsu Razorfish”, for 3 million euros.

iSe, which was created jointly in 2003 between Publicis (45%) and Dentsu (45%), managed the Hospitality and Prestige Ticketing program of the 2006 World Cup Football Championship. This company is currently under liquidation.

The disposal of equity investments on December 31, 2009 concern OnSpot Digital Network and SC PDS Seoul.

Note 14. Other financial assets

"Other financial assets" include mainly investments categorized as available for sale.

The portion of "other financial assets" maturing in less than one year is classified in current assets.

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Available-for-sale financial assets			
- IPG securities	25	14	29
- Other	7	7	8
Loans and advances to associates and non-consolidated companies	5	14	13
Other non-current financial assets	84	92	88
Gross value	**121**	**127**	**138**
Impairment	(27)	(26)	(26)
Net value	**94**	**101**	**112**

Publicis held 1.00% of Interpublic Group (IPG) as at December 31, 2009, an unconsolidated equity investment categorized under securities available for sale. The historical cost of an IPG share is US $3.87. The listed price as at December 31, 2009 was US $7.38.

Summary data on IPG (most recent published consolidated figures):

(in millions of dollars)	***2008***
Revenue	6,963
Net income	265
Shareholders' equity as at December 31	**2,476**

Note 15. Inventory and costs billable to clients

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Gross value	295	326	397
Impairment of inventories and costs billable to clients	(5)	(7)	(6)
Net value	**290**	**319**	**391**

In 2009 write-downs of inventories and costs billable to clients amount to 2 million euros, while depreciation amounted to 4 million euros.

Note 16. Accounts receivable

(in millions of euros)	*December 31, 2009*	*December 31, 2008*	*December 31, 2007*
Trade accounts receivable	4,962	4,925	4,955
Notes receivable	11	9	46
Gross value	**4,973**	**4,934**	**5,001**
Opening impairment of doubtful accounts	(91)	(75)	(66)
Impairment in the year	(42)	(35)	(24)
Reversals in the year	36	19	18
Change in scope of consolidation	(1)	-	(4)
Translation and other	-	-	1
Closing impairment of doubtful accounts	**(98)**	**(91)**	**(75)**
Net value	**4,875**	**4,843**	**4,926**

These receivables are due in less than one year.

Note 17. Other receivables and other current assets

(in millions of euros)	*December 31, 2009*	*December 31, 2008*	*December 31, 2007*
Taxes receivable	187	183	176
Advances to suppliers	185	272	114
Prepayments	56	55	53
Derivatives hedging current assets and liabilities	1	10	4
Derivatives on intercompany loans and borrowings	30	23	4
Derivative hedging fair value of Eurobond 2012	15	7	-
Other receivables and other current assets	79	81	85
Gross value	**553**	**631**	**436**
Impairment	(5)	(3)	(4)
Net value	**548**	**628**	**432**

Note 18. Cash and cash equivalents

(in millions of euros)	*December 31, 2009*	*December 31, 2008*	*December 31, 2007*
Cash and bank balances	304	449	679
Short-term liquid investments	1,276	418	634
Total	**1,580**	**867**	**1,313**

Short-term liquid investments are comprised mainly of UCITS (Undertakings for Collective Investment in Transferable Securities) classified in the AMF "Monetary euros" category, and are subject to a negligible risk of change in value.

Note 19. Shareholders' Equity

The statement of changes in shareholders' equity is included with the consolidated financial statements.

Share capital of the parent company

Changes in the Group's capital stock over the past three years are as follows:

(in shares)	***2009***	***2008***	***2007***
Share capital at January 1	196,020,983	202,387,354	198,709,229
Capital increase	1,562,129	1,562,129	3,451,155
Exercise of stock options	-	71,500	226,970
Cancellation of shares	-	(8,000,000)	-
Shares composing the share capital as at December 31	**197,583,112**	**196,020,983**	**202,387,354**
Treasury share as at December 31	(10,414,344)	(17,166,682)	(18,786,943)
Shares in circulation as at December 31	**187,168,768**	**178,854,301**	**183,600,411**

Publicis Groupe SA's share capital increased by 624,852 euros in 2009, representing 1,562,129 shares with a par value of 0.40 euros each, issued in redemption of the ORANE fifth tranche.

As at December 31, 2009 the Company's share capital amounted to 79,033,245 euros, representing 197,583,112 shares with a par value of 0.40 euro each.

Deduction of treasury stock existing as at December 31, 2009

Treasury shares held at the end of the period, including shares held under the liquidity contract, are subtracted from shareholders' equity.

The following movements took place in the treasury share portfolio in 2007, 2008 and 2009:

	Number of shares	**Gross value** *(millions of euros)*
Treasury share held on December 31, 2006	**15,105,351**	**387**
Acquisitions (other than under liquidity contract)	6,396,490	202
Disposals (exercises of stock-options)	(3,262,398)	(85)
Movements in the context of the liquidity contract	547,500	18
Treasury shares held on December 31, 2007 (1)	**18,786,943**	**522**
Cancellation of treasury shares	(8,000,000)	(221)
Acquisitions (other than under liquidity contract)	8,047,583	196
Disposals (exercises of stock-options)	(1,120,344)	(30)
Movements in the context of the liquidity contract:		
– termination of contract with Rothschild Bank	(547,500)	(18)
– new contract with Société Générale	-	-
Treasury shares held on December 31, 2008 (1)	**17,166,682**	**449**
Partial payment in shares to acquire Razorfish	(6,500,000)	(170)
Acquisitions (other than under liquidity contract)	31,040	1
Disposals (exercises of stock-options)	(286,878)	(8)
Trading under the liquidity contract	3,500	-
Treasury shares held on December 31, 2009 (1)	**10,414,344**	**272**

(1) Including shares held under the liquidity contract (547,500 shares as at December 31, 2007, none as at December 31, 2008 and 3,500 as at December 31, 2009)

Dividends voted and proposed

	Per share data *(in euros)*	**Total** *(in millions of euros)*
Dividends paid in 2009 (in respect of the 2008 financial year)	0.60	107
Dividends proposed to the 2010 Shareholders Meeting (in respect of the 2009 financial year)	0.60	119 (1)

(1) Estimate on the basis of existing shares as at December 31, 2009, including treasury stock

The proposed distribution for the 2009 fiscal year will have no tax consequences for the Company.

Capital management

The Group's policy is to maintain a solid equity base in order to retain the confidence of investors, creditors, and the market, as well as to support future business expansion. The Group's management pays close attention to the debt-to-equity ratio –which is defined as net borrowing (financial liabilities minus cash and cash equivalents) divided by shareholders' equity (including minority interests)- and has determined that the ideal debt-to-equity ratio is lower than 0.50. The debt-to-equity ratio was 0.14 as at December 31, 2009 (compared to 0.29 and 0.38 as at December 31, 2008 and 2007).

Senior management also pays particular attention to the dividend payout ratio, defined as dividends per share divided by net earnings per share. This rate is expected to be 30.2% for the fiscal year 2009, which takes into account the dividend payment (0.60 euro per share) that will be proposed at the next Shareholders' Meeting, compared to 27.1% and 27.5% for the 2008 and 2007 fiscal years.

The Group purchases its own shares on the market pursuant to the delegation granted by the General Shareholders'Meeting to the Management Committee on June 3, 2008, which was renewed at the General Shareholders' Meeting of June 9, 2009. In 2007, 2008, and 2009, the Group purchased its own shares directly in order to satisfy its obligations under stock option plans, or with a view to the cancellation of such shares. During these same years, the Group also indirectly purchased and sold its own shares through the intermediary of a investment services provider acting in the name of and behalf of Publicis Groupe S.A., while remaining fully independent from this company outside of its influence, pursuant to a liquidity contract in compliance with an ethics charter recognized by the French Financial Markets Authority (AMF).

The General Shareholders' Meeting of June 9, 2009 also renewed the authorization to decrease the company's share capital throught the cancellation of treasury shares held by Publicis Groupe S.A., up to a maximum amount of 10% of such share capital, over a 26 month period.

Note 20. Provisions

(in millions of euros)	Restructuring	Vacant property	Sub-Total	Pensions and other post-employment benefits	Litigation and claims	Other	Total
January 1, 2007	**24**	**136**	**160**	**256**	**36**	**173**	**625**
Increases	10	3	**13**	31	8	31	**83**
Releases on use	(10)	(20)	**(30)**	(40)	(7)	(38)	**(115)**
Other release	-	(17)	**(17)**	-	(1)	-	**(18)**
Changes to scope of consolidation	3	25	**28**	4	-	4	**36**
Actuarial (gains) losses	-	-	**-**	(11)	-	-	**(11)**
Translation and other	(2)	(18)	**(20)**	(17)	(9)	2	**(44)**
December 31, 2007	**25**	**109**	**134**	**223**	**27**	**172**	**556**
Increases	17	9	**26**	25	2	41	**94**
Releases on use	(13)	(18)	**(31)**	(31)	(3)	(38)	**(103)**
Other release	(1)	(17)	**(18)**	-	(3)	(23)	**(44)**
Changes to scope of consolidation	-	-	**-**	-	-	-	**-**
Actuarial (gains) losses	-	-	**-**	45	-	-	**45**
Translation and other	(3)	-	**(3)**	-	2	22	**21**
December 31, 2008	**25**	**83**	**108**	**262**	**25**	**174**	**569**
Increases	22	14	**36**	19	6	43	**104**
Releases on use	(20)	(19)	**(39)**	(32)	(14)	(25)	**(110)**
Other release	(1)	(6)	**(7)**	-	(1)	(6)	**(14)**
Changes to scope of consolidation	-	11	**11**	-	-	1	**12**
Actuarial (gains) losses	-	-	**-**	4	-	-	**4**
Translation and other	(2)	(5)	**(7)**	(5)	1	(5)	**(16)**
December 31, 2009	**24**	**78**	**102**	**248**	**17**	**182**	**549**
Of which short-term	16	18	**34**	31	8	27	**100**
Of which long-term	8	60	**68**	217	9	155	**449**

Restructuring and vacant property provisions

The majority of the provisions for restructuring costs and vacant property relate to the Bcom3 acquisition.

Restructuring provisions

These provisions are based on estimated closing or restructuring costs for certain activities as a result of plans announced publicly but not yet carried out at year-end 2009 (principally severance pay). The plans, detailed by project and nature, were approved by General Management before being announced. The plans are monitored centrally in order to ensure that the provision is applied to costs incurred and in order to justify the remaining balance on the basis of outstanding costs to be incurred.

Vacant property provisions

Vacant property provisions comprise mainly provisions relating to the acquisition of Bcom3, for an amount of 31 million euros on December 31, 2009. These provisions relate mainly to property in New York City representing a total amount of 27 million euros, including 19 million euros for the rental contract on the property at 375 Hudson Street. Valuations were carried out by discounting rent, less expected sub-lease income, at an annual rate of 5%.

Obligations in respect of employee benefits

Obligations in respect of employee benefits (see Note 21) include:

- defined benefit pension plans
- retirement medical plans
- long-term benefits such as deferred compensation and long-service awards.

Note 21. Defined benefit pension commitments and post-employment health cover

The Group has a certain number of obligations under defined benefit plans (pension plans and health coverage). Commitments under material plans are calculated in accordance IAS 19 on an annual basis.

The calculations for these defined benefit plans have been carried out by independent experts in the United States, England, Germany, France and Japan.

Change in the actuarial benefit obligation

(in millions of euros)	***December 31, 2009***			***December 31, 2008***			***December 31, 2007***		
	Pension plans	**Health cover**	**Total**	**Pension plans**	**Health cover**	**Total**	**Pension plans**	**Health cover**	**Total**
Actuarial benefit obligation at start of year	**(378)**	**(20)**	**(398)**	**(420)**	**(21)**	**(441)**	**(454)**	**(24)**	**(478)**
Service cost	(11)	-	(11)	(16)	-	(16)	(18)	-	(18)
Interest expense on benefit obligation	(22)	(1)	(23)	(21)	(1)	(22)	(22)	(1)	(23)
Contributions by plan participants	-	(1)	(1)	-	(1)	(1)	-	-	-
Plan amendments	-	-	-	(3)	-	(3)	-	-	-
Acquisitions/disposals	-	-	-	-	-	-	-	-	-
Reductions in headcount and plan settlements	3	1	4	1	-	1	2	-	2
Actuarial gains (losses)	(25)	-	(25)	23	1	24	6	(1)	5
Benefits paid	28	2	30	25	2	27	30	3	33
Translation adjustments	(5)	1	(4)	33	-	33	36	2	38
Actuarial benefit obligation at end of year	**(410)**	**(18)**	**(428)**	**(378)**	**(20)**	**(398)**	**(420)**	**(21)**	**(441)**

Change in the fair value of plan assets

(in millions of euros)	*December 31, 2009*			*December 31, 2008*			*December 31, 2007*		
	Pension plans	Health cover	Total	Pension plans	Health cover	Total	Pension plans	Health cover	Total
Fair value of plan assets at start of year	**193**	**-**	**193**	**274**	**-**	**274**	**277**	**-**	**277**
Actual return on plan assets	35	-	35	(51)	-	(51)	25	-	25
Employer contributions	18	-	18	20	-	20	23	-	23
Contributions by plan participants	-	-	-	-	-		-	-	-
Plan amendments	-	-	-	-	-	-	-	-	-
Acquisitions/disposals	-	-	-	-	-	-	-	-	-
Reductions in headcount and plan settlements	-	-	-	-	-	-	-	-	-
Benefits paid	(19)	-	(19)	(19)	-	(19)	(24)	-	(24)
Translation adjustments	5	-	5	(31)	-	(31)	(27)	-	(27)
Fair value of plan assets at end of year	**232**	**-**	**232**	**193**	**-**	**193**	**274**	**-**	**274**

Surplus (deficit)	**(178)**	**(18)**	**(196)**	**(185)**	**(20)**	**(205)**	**(146)**	**(21)**	**(167)**
Unrecognized past service cost	2	(7)	(5)	1	(8)	(7)	-	(10)	(10)
Effect of ceiling on value of assets	**(1)**	**-**	**(1)**	**(1)**	**-**	**(1)**	**-**	**-**	**-**
Net provision for defined benefit pension commitments and post-employment health cover	**(177)**	**(25)**	**(202)**	**(185)**	**(28)**	**(213)**	**(146)**	**(31)**	**(177)**
Provision for other long-term benefits	**(46)**	**-**	**(46)**	**(49)**	**-**	**(49)**	**(46)**	**-**	**(46)**
Total provision for pensions commitments and other post-employment benefits	**(223)**	**(25)**	**(248)**	**(234)**	**(28)**	**(262)**	**(192)**	**(31)**	**(223)**

Net periodic pension cost

(in millions of euros)	*December 31, 2009*			*December 31, 2008*			*December 31, 2007*		
	Pension plans	Health cover	Total	Pension plans	Health cover	Total	Pension plans	Health cover	Total
Service cost	(11)	-	(11)	(16)	-	(16)	(18)	-	(18)
Interest exspense on benefit obligation	(22)	(1)	(23)	(21)	(1)	(22)	(22)	(1)	(23)
Expected return on plan assets (1)	14	-	14	18	-	18	19	-	19
Amortization of unrecognized past service cost	-	1	1	(1)	1	-	-	2	2
Reductions in headcount and plan settlements	3	1	4	1	-	1	2	-	2
Defined benefit plan expense	**(16)**	**1**	**(15)**	**(19)**	**-**	**(19)**	**(19)**	**1**	**(18)**
Expenses of other plans (including defined contribution plans)	**(57)**	**-**	**(57)**	**(58)**	**-**	**(58)**	**(57)**	**_**	**(57)**
Net periodic pension cost	**(73)**	**1**	**(72)**	**(77)**	**-**	**(77)**	**(76)**	**1**	**(75)**

(1) Being a net financial expense of 9 million euros in 2009 classified in "Other financial income and expense" (see Note 7).

Sensitivity analysis and changes in medical expenses

	Pension plans		Health cover	
(in millions of euros)	**Increase of 1%**	**Decrease of 1%**	**Increase of 1%**	**Decrease of 1%**
Change in discount rate				
Effect on actuarial benefit obligation at end of year	(40)	48	(1)	2
Change in inflation rate				
Effect on actuarial benefit obligation at end of year	20	(17)	-	-

The rate of the increase of medical expenses adopted for 2009 is 9.18% with a progressive reduction in the rate of increase to a rate of 4.87% for 2010 and subsequent years.

A variation of 1% of the estimated increase of medical expenses would have the following impacts:

(in millions of euros)	**Increase of 1%**	**Decrease of 1%**
Impact on service cost and interest expense on the benefit obligation	-	-
Effect on the benefit obligation at end of year	(1)	1

Actuarial assumptions (weighted average rates)

	Pension plans				Post-employment health cover			Total
December 31, 2009	**North America**	**europe**	**Rest of the world**	**Total**	**North America**	**europe**	**Total**	**Group**
Discount rate	5.50%	5.55%	1.75%	5.50%	5.50%	5.80%	5.55%	5.50%
Expected return on assets (1)	7.60%	6.19%	n/a	6.78%	n/a	n/a	n/a	6.78%
Future wage increases	n/a	3.90%	2.00%	3.86%	5.50%	n/a	5.00%	3.95%
Future pension increases	n/a	3.04%	n/a	3.04%	n/a	n/a	n/a	3.04%

	Pension plans				Post-employment health cover			Total
December 31, 2008	**North America**	**europe**	**Rest of the world**	**Total**	**North America**	**europe**	**Total**	**Group**
Discount rate	6.00%	6.15%	1.75%	6.04%	6.00%	6.75%	6.15%	6.05%
Expected return on assets (1)	7.70%	6.77%	n/a	7.14%	n/a	n/a	n/a	7.14%
Future wage increases	n/a	3.79%	2.00%	3.76%	5.00%	n/a	5.00%	4.91%
Future pension increases	n/a	2.67%	n/a	2.67%	n/a	n/a	n/a	2.67%

	Pension plans				Post-employment health cover			Total
December 31, 2007	**North America**	**europe**	**Rest of the world**	**Total**	**North America**	**europe**	**Total**	**Group**
Discount rate	6.00%	5.64%	1.75%	5.75%	6.0%	5.75%	5.94%	5.76%
Expected return on assets (1)	7.70%	6.81%	n/a	7.17%	n/a	n/a	n/a	7.17%
Future wage increases	n/a	4.18%	2.00%	4.16%	5.00%	n/a	5.00%	4.92%
Future pension increases	n/a	3.09%	n/a	3.09%	n/a	n/a	n/a	3.09%

(1) The return on each portfolio of assets is calculated on the basis of the expected return and the weighting of each of its component categories of assets. The rate of return on each investment is based on the discount rate increased or decreased by a premium applied to each asset according to its risk profile.

Historical data and analysis of experience adjustments

	Pension plans				
(in millions of euros)	*2009*	*2008*	*2007*	*2006*	*2005*
Actuarial benefit obligation	(410)	(378)	(420)	(454)	(445)
Fair value of plan assets	232	193	274	277	261
Plan surplus (deficit)	**(178)**	**(185)**	**(146)**	**(177)**	**(184)**
Actuarial gains (losses) arising from changes in assumptions	(32)	25	1	(4)	(34)
Actuarial gains (losses) arising from experience adjustments	7	(2)	5	(3)	(8)
Actuarial gains (losses) generated on the benefit obligation	**(25)**	**23**	**6**	**(7)**	**(42)**
Actuarial gains (losses) arising from experience adjustments	21	(69)	6	7	12
Actuarial gains (losses) generated on plan assets	**21**	**(69)**	**6**	**7**	**12**
Total Actuarial gains (losses) in the period	**(4)**	**(46)**	**12**	**-**	**(30)**

	Health cover				
(in millions of euros)	*2009*	*2008*	*2007*	*2006*	*2005*
Actuarial benefit obligation	(18)	(20)	(21)	(24)	(45)
Fair value of plan assets	-	-	-	-	-
Plan surplus (deficit)	**(18)**	**(20)**	**(21)**	**(24)**	**(45)**
Actuarial gains (losses) arising from changes in assumptions	-	-	-	8	(5)
Actuarial gains (losses) arising from experience adjustments	-	1	(1)	(3)	5
Actuarial gains (losses) generated on the benefit obligation	**-**	**1**	**(1)**	**5**	**-**
Actuarial gains (losses) arising from experience adjustments	-	-	-	-	-
Actuarial gains (losses) generated on plan assets	**-**	**-**	**-**	**-**	**-**
Total Actuarial gains (losses) in the period	**-**	**1**	**(1)**	**5**	**-**

Allocation of plan assets

	2009	***2008***	***2007***
Shares	55.6%	54.8%	61.0%
Bonds	39.5%	41.0%	34.9%
Real Estate	1.8%	3.2%	2.0%
Other	3.1%	1.0%	2.1%
Total	**100%**	**100%**	**100%**

Estimate of employer contributions and of future benefits payable

(in millions of euros)	Pension plans	Health cover	Total
Estimate of employer contributions for 2010	18	-	18

	December 31, 2009		
(in millions of euros)	**Pension plans**	**Health cover**	**Total**
Estimate of future benefits payable:			
2010	28	2	30
2011	26	2	28
2012	24	2	26
2013	24	2	26
2014	24	1	25
Years 2015 to 2019	118	8	126
Total over the next 10 financial years	**244**	**17**	**261**

Breakdown between US and non-US plans

(in millions of euros)	*December 31, 2009*			*December 31, 2008*			*December 31, 2007*		
	US	**Non US**	**Total**	**US**	**Non US**	**Total**	**US**	**Non US**	**Total**
Actuarial benefit obligation at end of year	(177)	(251)	(428)	(175)	(223)	(398)	(163)	(278)	(441)
Fair value of plan assets at year end	94	138	232	81	112	193	110	164	274
Surplus (deficit)	**(83)**	**(113)**	**(196)**	**(94)**	**(111)**	**(205)**	**(53)**	**(114)**	**(167)**
Unrecognized past service cost	(7)	2	(5)	(9)	2	(7)	(10)	-	(10)
Impact of ceiling on plan assets	-	(1)	(1)	-	(1)	(1)	-	-	-
Net provision for defined benefit pension commitments	**(90)**	**(112)**	**(202)**	**(103)**	**(109)**	**(212)**	**(63)**	**(114)**	**(177)**

(in millions of euros)	*December 31, 2009*			*December 31, 2008*			*December 31, 2007*		
	US	**Non US**	**Total**	**US**	**Non US**	**Total**	**US**	**Non US**	**Total**
Service cost [1]	(2)	(9)	(11)	(8)	(8)	(16)	(9)	(9)	(18)
Interest expense on benefit obligation	(11)	(12)	(23)	(9)	(13)	(22)	(10)	(13)	(23)
Expected return on plan assets	6	8	14	8	10	18	8	11	19
Amortization of unrecognized past service cost	1	-	1	-	-	-	2	-	2
Reductions in headcount and plan settlements	-	4	4	-	1	1	-	2	2
Defined benefit plan expense	**(6)**	**(9)**	**(15)**	**(9)**	**(10)**	**(19)**	**(9)**	**(9)**	**(18)**
Expenses under other plans (including defined contribution plans)	**(31)**	**(26)**	**(57)**	**(29)**	**(29)**	**(58)**	**(30)**	**(27)**	**(57)**
Net periodic pension cost	**(37)**	**(35)**	**(72)**	**(38)**	**(39)**	**(77)**	**(39)**	**(36)**	**(75)**

(1) As of April 1, 2009, the principal defined benefit plan in US has been frozen.

Note 22. Financial debt

Number of securities at Dec. 31, 2009	*(in millions of euros)*	December 31, 2009	December 31, 2008	December 31, 2007
	Bonds (excluding accrued interest) issued by Publicis Groupe:			
505,725	Eurosbond 4.125% - January 2012 (Effective rate 4.30%)	537	782	736
253,242	Eurosbond 4.25% - March 2015 (Effective rate 3.85%)	258	-	-
3,242,523	OCÉANE 2.75% - January 2018 (Effective rate 2.75%)	147	243	238
25,761,647	OCÉANE 3.125% - July 2014 (Effective rate 5.50%)	643	-	-
	OCÉANE 0.75% - July 2008 (Effective rate 6.61%)	-	-	652
1,562,129	ORANEs 0.82% variable - September 2022 (Effective rate 8.50%)	24	26	30
	Other debt:			
	Accrued interest	18	14	16
	Other borrowings and lines of credit	55	72	37
	Bank overdrafts	33	30	24
	Debt related to finance leases	75	77	73
	Debt related to acquisition of shareholdings	105	181	149
	Debt arising from commitments to purchase minority interests	115	116	157
	Total financial debt	**2,010**	**1,541**	**2,112**
	Of which short-term	**214**	**218**	**819**
	Of which long-term	**1,796**	**1,323**	**1,293**

On January 19, 2009, the Group redeemed 2,241,811 OCÉANE 2018 for a total amount of 95 million euros (corresponding to the nominal amount of 88 million euros). Following this purchase, 3,242,523 OCÉANE bonds remain outstanding, representing a nominal amount of 127 million euros (excluding redemption premium).

In addition, in order to address the company's general financing needs and to help extend the maturities of its financial resources, Publicis Groupe has carried out the following transactions:

- issued 25,761,647 OCÉANE on June 24, 2009 (bonds redeemable for new or existing shares) with a par value of 27.90 euros each, which represents a conversion premium of 35.5% over the reference price of Publicis shares as at June 16, 2009. The issuance raised 718,749,951 euros. The bonds will accrue interest at the annual rate of 3.125%, payable semi-annually and for the first time on January 30, 2010. They will be redeemed at par on July 30, 2014 and may be subject to an early redemption at the discretion of the Publicis Groupe under certain conditions. Bondholders may request the conversion or exchange of bonds at a ratio of one share per bond, at any time after August 3, 2009 but no later than the seventh working day preceding the maturity date. As a result of the application of IAS 39, the OCÉANE proceeds are divided into equity and a debt portions. As at December 31, 2009, the debt portion of the OCÉANE 2014 (or 643 million euros) represents its amortized cost minus the costs relating to the issuance.
- launched a public exchange offer on December 2, 2009 pursuant to which holders of the Eurobond 2012 may exchange them for newly issued Publicis bonds

maturing on March 2015. A principal amount of 244 million euros of these bonds coupled with an interest rate of 4.125% maturing in 2012 was contributed to this exchange offer, representing approximately 33% of the total oustandind Eurosbond 2012. Following this transaction the Eurosbond 2012 amounted to 537 million euros, representing 505,725 bonds. In exchange, Publicis Groupe issued 253 million euros in new bonds carrying 4.25% interest and maturing March 31, 2015 (Eurobond 2015), for an issuance price of 99.98% the principal and e return of 4.258%. As at December 31, 2009 the 2015 Eurosbond debt amounted to 258 million euros representing 253,242 bonds and reflected the impact of the bond exchange minus issuance costs. The terms of the Eurobond 2015 are substantially the same as the Eurobond 2012, hence the transaction was not treated as the discharge of a debt, but rather as an exchange. The impact of the exchange of bonds constitues an adjustment to the book value of the Eurosbond 2015 and is amortized over the remaining life of the liability thus modified.

The bonds issued by Publicis Groupe are at fixed rates and are denominated in euros.

Pursuant to IAS 39, the fixed-euros-rate/variable-dollar-rate swap was initially designated as:

- hedging of the net investment, as a result of which, changes in the fair value of derivatives are to be carried in equity,
- and with regard to the interest rate portion, a fair value hedge of the Eurobond 2012 liability. Accordingly, the portion of the Eurobond 2012 debt swapped into variable rate was remeasured at fair value on the balance sheet date.

The Group unwound the foreign exchange component of the swap during 2007 and, on so doing, received a balancing payment of 52 million euros, which had no impact on the consolidated income statement (since the foreign exchange component was treated as a hedge of a net investment, for which changes in the fair value of derivatives are to be carried in equity.)

In December 2009, the interest rate portion of the swap was unwound with respect to the fraction of the Eurobond 2012 that had been exchanged. The Group received a balancing payment of 8 million euros, which had no impact on the consolidated income statement Simultaneously a new fixed euros rate/variable euros rate swap was entered into, deemed to be a fair value hedge of the Eurosbond 2015 liability.

The fair value of the swap on the Eurobond 2012 is recorded in “Other receivables and other current assets” in the amount of 15 million euros as at December 31, 2009 and 7 million euros as at December 31, 2008, compared to a fair value of 39 million euros recorded in “Other creditors and other current liabilities” as at December 31, 2007. Furthermore, the fair value of the swap on the Eurobond 2015 is recorded in “Other debts and current liabilities” for 2 million euros as at December 31, 2009.

Debt relating to agreements to repurchase minority interests, as well as earn-out clauses, are identified on a centralized basis and are valued on the basis of contractual clauses and the most recent available data as well as on projections for the relevant figures over the period.

Changes in liabilities as a result of agreements to purchase minority interests are presented below:

(in millions of euros)	**Debt arising from commitments to purchase minority interests**
To December 31, 2007	**157**
Debts contracted in the period	9
Buyouts exercised	(15)
Revaluation of the debt and translation adjustments	(35)
To December 31, 2008	**116**
Debts contracted in the period	9
Buyouts exercised	(23)
Revaluation of the debt and translation adjustments	13
To December 31, 2009	**115**

The buyouts in the financial year were paid in cash. The same will apply to future buyouts relating to the liability existing as at December 31, 2009.

Analysis by date of maturity

		December 31, 2009					
(in millions of euros)	**Total**	**Maturity**					
		2010	***2011***	***2012***	***2013***	***2014***	***More than 5 y.***
Bonds and other bank borrowings	1,715	129	11	540	3	764	268
Debt related to finance leases	75	-	-	-	-	-	75
Debt related to acquisition of shareholdings	105	41	52	4	7	1	-
Debt arising from commitments to purchase minority interests	115	44	39	25	3	2	2
Total	**2,010**	**214**	**102**	**569**	**13**	**767**	**345**

		December 31, 2008					
(in millions of euros)	**Total**	**Maturity**					
		2009	***2010***	***2011***	***2012***	***2013***	***More than 5 y.***
Bonds and other bank borrowings	1,167	105	17	3	785	3	254
Debt related to finance leases	77	-	-	-	-	-	77
Debt related to acquisition of shareholdings	181	64	31	63	22	1	-
Debt arising from commitments to purchase minority interests	116	49	31	24	5	4	3
Total	**1,541**	**218**	**79**	**90**	**812**	**8**	**334**

		December 31, 2007					
(in millions of euros)	**Total**	**Maturity**					
		2008	***2009***	***2010***	***2011***	***2012***	***More than 5 y.***
Bonds and other bank borrowings	1,733	730	5	3	3	739	253
Debt related to finance leases	73	-	-	-	-	-	73
Debt related to acquisition of shareholdings	149	43	31	37	36	1	1
Debt arising from commitments to purchase minority interests	157	46	13	45	25	10	18
Total	**2,112**	**819**	**49**	**85**	**64**	**750**	**345**

Analysis by currency

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
euros	1,708	1,191	1,795
US dollars	139	167	166
Other currencies	163	183	151
Total	**2,010**	**1,541**	**2,112**

Following the unwinding of the foreign exchange component of the Eurobond 2012 swap during 2007, the Eurobond, which had previously been considered as US dollar-denominated debt, is now classified as euros-denominated debt.

Analysis by interest rate type

See Note 26, « Management of market risks — exposure to interest rate risk. »

Exposure to liquidity risk

The future repayments relating to financial liabilities, before the effects of present-discounting (and excluding debt related to finance leases), are as follows:

		December 31, 2009					
(in millions of euros)	**Total**	**Maturity**					
		2010	***2011***	***2012***	***2013***	***2014***	***More than 5 y.***
Bonds and other bank borrowings	2,122	138	24	585	15	994	366
Debt related to acquisition of shareholdings	111	42	55	5	8	1	-
Debt arising from commitments to purchase minority interests	123	46	41	27	4	2	3
Total	**2,356**	**226**	**120**	**617**	**27**	**997**	**369**

							December 31, 2008
(in millions of euros)	**Total**	**Maturity**					
		2009	***2010***	***2011***	***2012***	***2013***	***More than 5 y.***
Bonds and other bank borrowings	1,441	114	25	16	891	15	380
Debt related to acquisition of shareholdings	197	66	33	71	26	1	-
Debt arising from commitments to purchase minority interests	125	51	34	26	5	5	4
Total	**1,763**	**231**	**92**	**113**	**922**	**21**	**384**

							December 31, 2007
(in millions of euros)	**Total**	**Maturity**					
		2008	***2009***	***2010***	***2011***	***2012***	***More than 5 y.***
Bonds and other bank borrowings	2,026	798	47	44	50	800	387
Debt related to acquisition of shareholdings	165	44	34	42	43	1	1
Debt arising from commitments to purchase minority interests	185	48	15	51	31	13	27
Total	**2,476**	**280**	**96**	**137**	**922**	**814**	**415**

In order to manage its liquidity risk, Publicis has, first, substantial cash (cash and cash equivalents in an amount of 1,580 million euros as at December 31, 2009) and, second, unused credit lines (amounting to 2,388 million euros as at December 31, 2009, comprising 2,155 million euros of confirmed credit lines and 233 million euros of unconfirmed credit lines). The main component of these credit lines is a syndicated multi-currency loan facility of 1,500 million euros expiring in 2012 with an option to extend until July 2014, with an agreement from the banks. No other lines of credit were being negotiated to December 31, 2009. These available or nearly immediately available sums provide the Group with ample means to satisfy the short-term portion of its financial liabilities.

Apart from bank overdrafts, most of the Group's debt consists of bonds that do not contain specific covenants. They only include standard credit default event clauses (i.e., liquidation, bankruptcy, or default, either on the debt itself or on repayment of another debt if above a given euros amount) and generally apply above a threshold of 25 million euros. The only early redemption options exercisable by bondholders are on the OCÉANE 2018 and are exercisable successively in January 2010 and 2014.

As the date hereof, the Group has not implemented credit derivatives.

Finance lease commitments

The reconciliation between future minimum payments required under finance lease contracts and the present value of net minimum payments under these leases is as follows:

(in millions of euros)		***December 31, 2009***					
	Total	**Maturity**					
		2010	***2011***	***2012***	***2013***	***2014***	***More than 5 y.***
Minimum payments	232	8	8	8	9	9	190
Effect of discounting	(157)	(8)	(8)	(8)	(9)	(9)	(115)
Present value of minimum payments	**75**	**-**	**-**	**-**	**-**	**-**	**75**

(in millions of euros)		***December 31, 2008***					
	Total	**Maturity**					
		2009	***2010***	***2011***	***2012***	***2013***	***More than 5 y.***
Minimum payments	247	8	8	9	9	9	204
Effect of discounting	(170)	(8)	(8)	(9)	(9)	(9)	(127)
Present value of minimum payments	**77**	**-**	**-**	**-**	**-**	**-**	**77**

(in millions of euros)		***December 31, 2007***					
	Total	**Maturity**					
		2008	***2009***	***2010***	***2011***	***2012***	***More than 5 y.***
Minimum payments	241	7	8	8	8	8	202
Effect of discounting	(168)	(7)	(8)	(8)	(8)	(8)	(129)
Present value of minimum payments	**73**	**-**	**-**	**-**	**-**	**-**	**73**

Note 23. Other creditors and current liabilities

(in millions of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Advances and deposits received	347	361	372
Liabilities to personnel	310	324	323
Tax liabilities (excl. income taxes)	185	184	175
Deferred revenue	210	212	242
Fair value of derivates backed by current assets or liabilities	1	11	5
Derivatives on intercompany loans and borrowings	6	32	3
Derivative hedging fair value of Eurobond 2015 (1) and 2012 (2)	2	-	39
Other current liabilities	160	174	191
Total	**1,221**	**1,298**	**1,350**

(1) As at December 31, 2009 the fair value of the derivative hedging the Eurobond 2015 was 2 million euros.

(2) As at December 31, 2009 and 2008 the fair value of the derivative hedging the Eurobond 2012 was positive and therefore carried in "Other receivables and current assets" (see Note 17). At December 31, 2007 the 39 million euros represented only the fair value of the derivative hedging the Eurobond 2012.

"Other creditors and current liabilities" reflect maturities of less than one year. However, any payable with a distant maturity date would be measured at its present value.

Note 24. Off-balance sheet commitments

Operating lease commitments

(in millions of euros)	Total	December 31, 2009					
		Maturity					
		2010	2011	2012	2013	2014	More than 5 y.
Commitments given							
Operating lease commitments	1,396	209	176	165	130	118	598
Commitments received							
Sub-lease commitments	17	7	5	4	1	-	-

(in millions of euros)	Total	December 31, 2008					
		Maturity					
		2009	2010	2011	2012	2013	More than 5 y.
Commitments given							
Operating lease commitments	1,545	216	185	161	145	122	716
Commitments received							
Sub-lease commitments	36	10	8	7	7	1	3

(in millions of euros)	Total	December 31, 2007					
		Maturity					
		2008	2009	2010	2011	2012	More than 5 y.
Commitments given							
Operating lease commitments	1,335	225	196	168	147	142	457
Commitments received							
Sub-lease commitments	42	10	10	8	6	6	2

Lease rental payments (net of sub-lease income) amounted to 211 million euros in 2009, 197 million euros in 2008 and 189 million euros in 2007.

Other commitments

(in millions of euros)	Total	December 31, 2009		
		Maturity		
		Under 1 year	1 to 5 years	More than 5 y.
Commitments given				
Commitments to sell investments	8		8	
Guarantees [1]	153	43	62	48
Other commitments [2]	371	75	238	58
Total	**532**	**118**	**308**	**106**
Commitments received				
Unutilized credit facilities [3]	2,388	438	1,950	-
Other obligations [4]	93	24	68	1
Total	**2,481**	**462**	**2,018**	**1**

(1) As at December 31, 2009, guarantees include a guarantee of payment of real estate taxes and operating expenses relating to the Leo Burnett building in Chicago, for a total amount of 94 million euros until 2019. They also include approximately 26 million euros of guarantees on media buys.

(2) These include 275 million euros in minimum fees guaranteed under media usage contracts. In addition, the Group has committed to minimum buys over 5 years which if not concluded could entail up to 85 million euros in payments (cash and services) for the entire term of the contrat expiring on December 31, 2014 (maximum of 17 million euros each year).

(3) Unused credit facilities include of 2,155 million euros of confirmed credit lines.

(4) This refers to 17 million euros of annual billing commitments received for a 5-year period starting in 2010.

(in millions of euros)	Total	*December 31, 2008* Maturity		
		Under 1 year	*1 to 5 years*	*More than 5 y.*
Commitments given				
Commitments to sell investments	6	6	-	-
Guarantees (1)	177	57	60	60
Other obligations (2)	310	48	166	96
Total	**493**	**111**	**226**	**156**
Commitments received				
Unutilized credit facilities (3)	1,931	431	1,500	-
Other obligations	6	5	-	1
Total	**1,937**	**436**	**1,500**	**1**

(1) As at December 31, 2008, guarantees include a guarantee of payment of real estate taxes and operating expenses relating to the Leo Burnett building in Chicago, for a total of 107 million euros until 2019. They also include approximately 31 million euros of guaranteed media buys.

(2) These include 306 million euros of minimum fees guaranteed under media usage contracts.

(3) The 5-year credit facility was used during 2008 and was fully repaid by December 31, 2008. Furthermore, the unutilized credit facilities include of 1.666 million euros of confirmed credit lines.

(in millions of euros)	Total	*December 31, 2007* Maturity		
		Under 1 year	*1 to 5 years*	*More than 5 y.*
Commitments given				
Commitments to sell investments	8	8	-	-
Guarantees (1)	184	74	41	69
Other obligations (2)	64	33	31	-
Total	**256**	**115**	**72**	**69**
Commitments received				
Unutilized credit facilities	1 989	489	1 500	-
Other obligations	7	6	-	1
Total	**1,996**	**495**	**1,500**	**1**

(1) As at December 31, 2007, guarantees include a guarantee of payment of real estate taxes and operating expenses relating to the Leo Burnett building in Chicago, for a total of 110 million euros until 2019. They also include approximately 46 million euros of guarantees on media buys.

(2) These include 46 million euros of minimum fees guaranteed under media usage contracts.

Commitments related to loans and to ORANES

- OCÉANE 2018 – 2.75% actuarial January 2018

  With respect to the OCÉANE 2018, bondholders may request that bonds be converted, at the rate of one share for each bond (which bonds had a unit value of 39.15 euros on issue), at any time from January 18, 2002 until the seventh business day before the maturity date (January 2018). Similarly to the early redemptions made in February 2005, in January 2006 and January 2009, Publicis Groupe has an obligation, if conversion is requested, to deliver 3,242,523 shares of stock which may, at Publicis Groupe's discretion, be either new, unissued shares or existing shares held in its portfolio.

  In addition, the bondholders have the possibility of requesting early redemption in cash, of all or part of the bonds they own, on January 18, 2010 (also see Note 30 on post-closing events) and 2014. The early redemption price is calculated in such a way as to provide a gross annual actuarial yield on the bond of 2.75% on the date of redemption.

- ORANE (Bonds redeemable in new or existing shares(– September 2022

  After the redemption of the first five tranches of the bond issue on the anniversary date in September 2005, 2006, 2007 and 2008, each ORANE gives a right to 13 new or existing Publicis Groupe shares, at the rate of one share per year until the twentieth anniversary of the bond issuance. The Publicis Groupe is therefore required to deliver 1,562,129 shares each year from year 2010 to 2022, representing a total of 20,307,667 shares which may be, at Publicis Groupe's discretion, either new, unissued shares or existing shares held in its portfolio.

- OCÉANE 2014 – 3.125% of July 2014, issued June 24, 2009

  As for the OCÉANE 2014, bondholders may request that bonds be converted, at the rate of one share for each bond (which had a value of 27.90 euros when they were issued), at any time from August 3, 2009 until the seventh business day prior to the maturity date (July 2014). Publicis Groupe is therefore required, if conversion is requested, to deliver 25,761,647 shares that may be, at the Publicis Groupe's discretion, either new, unissued shares or existing shares held in its portfolio.

  These bonds should be fully amortizable on July 30, 2014 by redemption at par. However, the Publicis Groupe retains an option to redeem all or part of the bonds at any time from July 30, 2012 forward if Publicis Groupe SA stock trades at 130% of the bond's par value.

- OCÉANE 2008 – 0.75% actuarial July 2008

  With respect to the OCÉANE 2008, bondholders may request that bonds be converted, at the rate of one share for each bond (which had a unit value of 29.00 euros when they were issued), at any time from August 26, 2003 until the seventh business day prior to the maturity date (July 2008). Publicis Groupe is therefore required to deliver 23,172,413 shares that may be, at the Publicis Groupe's discretion, either new, unissued shares or existing shares held in its portfolio. On July 17, 2008, the Group redeemed the OCÉANE 2008 for a total principal amount of 672 million euros, thus satisfying its obligation to the bondholders.

Obligations related to equity warrants

The exercise of the equity warrants, which can occur at any time between September 24, 2013 and September 24, 2022 would lead to an increase in Publicis Groupe's capital stock. After cancelling the equity warrants we repurchased in 2005 and 2006, Publicis Groupe is committed to issue (assuming all equity warrants are exercised) 5,602,699 shares with a par value of 0.40 euros and a premium of 30.10 euros.

Other obligations

As at December 31, 2009, there were no significant commitments such as pledges, guarantees or collateral, or any other significant off-balance sheet commitments according to the accounting standards in force.

Note 25. Financial instruments

Balance sheet by category of financial instrument

December 31, 2009

(in millions of euros)	Carrying amount	Fair valuer through profit and loss	Available-for-sale asset	Loans & receivables, borrowing & liabilities	Assets held to maturity	Debt at amortized cost	Derivative instru-ments
Other financial assets	94	-	29	63	2	-	-
Accounts receivable	4,875	-	-	4,875	-	-	-
Other receivables and other current assets [(1)]	120	-	-	74	-	-	46
Cash and cash equivalents	1,580	1,580	-	-	-	-	-
Assets	**6,669**	**1,580**	**29**	**5,012**	**2**	**-**	**46**
Long term financial debt (more than 1 year)	1,796	-	-	-	-	1,796	-
Short-term financial debt (less than 1 year)	214	-	-	-	-	214	-
Total financial debt	**2,010**	**-**	**-**	**-**	**-**	**2,010**	**-**
Account payable	5,835	-	-	5,835	-	-	-
Other creditors and other current liabilities [(2)]	169	-	-	160	-	-	9
Liabilities	**8,014**	**-**	**-**	**5,995**	**-**	**2,010**	**9**

December 31, 2008

(in millions of euros)	Carrying amount	Fair value through profit & loss	Available-for-sale assets	Loans & receivables, borrowing & liabilities	Assets held to maturity	Debt at amortized cost	Derivative instru-ments
Other financial assets	101	-	19	78	4	-	-
Accounts receivable	4,843	-	-	4,843	-	-	-
Other receivables and other current assets [(1)]	118	-	-	78	-	-	40
Cash and cash equivalents	867	867	-	-	-	-	-
Assets	**5,929**	**867**	**19**	**4,999**	**4**	**-**	**40**
Long-term financial debt (more than 1 year)	1,323	-	-	-	-	1,323	-
Short-term financial debt (less than 1 year)	218	-	-	-	-	218	-
Total financial debt	**1,541**	**-**	**-**	**-**	**-**	**1,541**	**-**
Accounts payable	5,802	-	-	5,802	-	-	-
Other creditors and other current liabilities [(2)]	217	-	-	174	-	-	43
Liabilities	**7,560**	**-**	**-**	**5,976**	**-**	**1,541**	**43**

December 31, 2007

(in millions of euros)	Carrying amount	Fair value through profit and loss	Available-for-sale assets	Loans & receivables, borrowing & liabilities	Assets held to maturity	Debt at amortized cost	Derivative instru-ments
Other financial assets	112	-	34	64	14	-	-
Accounts receivable	4,926	-	-	4,926	-	-	-
Other receivables and other current assets [(1)]	89	-	-	81	-	-	8
Cash and cash equivalents	1,313	1,313	-	-	-	-	-
Assets	**6,440**	**1,313**	**34**	**5,071**	**14**	**-**	**8**
Long-term financial debt (more than 1 year)	1,293	-	-	-	-	1,293	-
Short-term financial debt (less than 1 year)	819	-	-	-	-	819	-
Total financial debt	**2,112**	**-**	**-**	**-**	**-**	**2,112**	**-**
Accounts payable	5,662	-	-	5,662	-	-	-
Other creditors and other currrent liabilities [(2)]	238	-	-	191	-	-	47
Liabilities	**8,012**	**-**	**-**	**5,853**	**-**	**2,112**	**47**

(1) Excluding tax receivables, advances and deposits given to suppliers and deferred expenses (see Note 17)

(2) Excluding advances and deposits received, liabilities to employees, tax liabilities and deferred revenue (see Note 23)

Income statement by category of financial instrument

December 31, 2009

(in millions of euros)	Valuation at fair value	Interest on assets revalued at fair value	Dividends on assets available for sale	Impairment on assets held to maturity	Debt at amortized cost		Loans and receivables		Change in value of derivatives
					Foreign exchange gains or losses	Interest	Foreign exchange gains or losses	Impairment and reversal of impairment	
Net operating income	-	-	-	(1)	-	-	-	(45)	-
Cost of net financial liabilities	-	16	-	-	-	(77)	-	-	-
Other financial income (expense) [(1)]	-	-	2	-	-	-	(41)	(2)	43

December 31, 2008

(in millions of euros)	Valuation at fair value	Interest on assets revalued at fair value	Dividends on assets available for sale	Impairment on assets held to maturity	Debt at amortized cost		Loans and receivables		Change in value of derivatives
					Foreign exchange gains or losses	Interest	Foreign exchange gains or losses	Impairment and reversal of impairment	
Net operating income	-	-	-	(1)	-	-	-	(37)	-
Cost of net financial liabilities	-	37	-	-	-	(118)	-	-	-
Other financial income (expense) [(1)]	-	-	2	-	-	-	18	2	(11)

(in millions of euros)	Valuation at fair value	Interest on assets revalued at fair value	Dividends on assets available for sale	Impairment on assets held to maturity	Debt at amortized cost		Loans and receivables		Change in value of derivatives
					Foreign exchange gains or losses	Interest	Foreign exchange gains or losses	Impairment and reversal of impairment	
Net operating income	-	-	-	(1)	-	-	-	(26)	-
Cost of net financial liabilities	(1)	51	-	-	1	(124)	-	-	-
Other financial income (expense) [(1)]	-	-	2	-	-	-	-	-	2

December 31, 2007

(1) Excluding financial cost related to unwinding of discount on long-term real estate provisions and from pension provisions (see Note 7).

Fair value

The table below sets out a comparison, by category of assets and liabilities, of the carrying amounts and the fair values of all the Group's financial instruments.

Financial assets belonging to the "held-for-trading" and "available-for-sale" categories are already valued at fair value in the financial statements.

Financial liabilities are valued at amortized cost in the financial statements, using the effective interest rate method.

(in millions of euros)	December 31, 2009		December 31, 2008		December 31, 2007	
	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets excluding operating assets:						
Available-for-sale assets (IPG and others)	29	29	19	19	34	34
Other financial assets	65	65	82	82	78	78
Total other financial assets	**94**	**94**	**101**	**101**	**112**	**112**
Account receivables	4,875	4,875	4,843	4,843	4,926	4,926
Derivatives in asset position	46	46	40	40	8	8
Other receivables & current assets (excluding derivatives	74	74	78	78	81	81
Total other receivables & current assets	**120**	**120**	**118**	**118**	**90**	**90**
Cash and cash equivalents	1,580	1,580	867	867	1,313	1,313
Financial liabilities including operating liabilities:						
Convertible bonds (OCÉANE) – debt component	809	790	225	243	861	890
ORANEs – debt component	108	24	115	26	117	30
Eurobond	819	795	800	782	767	736
Debt related to finance leases	153	75	161	77	136	73
Commitments to purchase minority commitments and earn-outs payable	220	220	297	297	306	306
Other debt	106	106	116	116	77	77
Total financial debt	**2,215**	**2,010**	**1,714**	**1,541**	**2,264**	**2,112**
Account payables	5,835	5,835	5,802	5,802	5,662	5,662
Derivatives in liability position	9	9	43	43	47	47
Other debt and current liabilities (excluding derivatives)	160	160	174	174	191	191
Total other debt and current liabilities	**169**	**169**	**217**	**217**	**238**	**238**

The fair values of the Eurobond and of the debt components of convertible bonds and ORANEs have been calculated by discounting the expected future cash flows at market interest rates.

Fair value hierarchy

The table below breaks down financial instruments recognized at fair value by the measurement method used. The different levels of fair value have been defined as follows.

Level 1: Quoted market price

Level 2: Observable data other than quoted market price

Level 3: Non-observable data

(in millions of euros)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	25	4	-	29
Derivative asset instruments	-	46	-	46
	25	**50**	**-**	**75**
Derivative liability instruments	-	(9)	-	(9)
Total	**25**	**41**	**-**	**66**

Note 26. Management of market risks

Exposure to interest rate risk

Group management determines the mix between fixed and variable-rate debt and periodically reviews its decision based on interest rate trend forecasts

At the end of 2009, the Group's gross financial indebtedness after taking account of the effects of the swap on the Eurobond (excluding debt related to acquisition of shareholdings and debt relating to agreements to purchase minority interests) is comprised:

- for 51 % of its amount by fixed rate loans with an average interest rate for 2009 of 5.8%,
- for 49 % of its amount by variable rate loans with an average interest rate for 2009 of 2.7%.

Variable rate debt as at December 31, 2009 after deducting cash and cash equivalents and other financial assets shows a positive (net debit) value of 757 million euros. An increase of 1% in short-term interest rates would, on this basis, have a positive effect of 8 million euros on the Group's pre-tax profits.

An increase of 1% in short-term interest rates applied to the position at short term variable rates would have a positive effect of 15 million euros on the Group's pre-tax profits.

The following table sets out the carrying amount by maturity as at December 31, 2009 of the Group's financial instruments that are exposed to interest rate risk:

(in millions of euros)	***Total at December 31, 2009***	**Maturity** *less than 1 year*	***1 to 5 years***	***More than 5 years***
Fixed rate				
Eurobond 2012 & 2015	782	-	522	260
OCÉANEs (debt component)	790	28	762	-
ORANEs – debt component	24	3	11	10
Debt related to finance leases	75	-	-	75
Net liability (asset) at fixed rate before management	**1,671**	**31**	**1,295**	**345**
Effect of swap on Eurobond	**(782)**	**-**	**(522)**	**(260)**
Net liability (asset) at fixed rate after management	**889**	**31**	**773**	**85**
Variable rate				
Bank borrowings	73	65	8	-
Bank overdrafts	33	33	-	-
Cash and cash equivalents	(1,580)	(1,580)	-	-
Other financial assets	(65)	-	(2)	(63)
Net liability (asset) at variable rate before management	**(1,539)**	**(1,482)**	**6**	**(63)**
Effect of swap on Eurobond	**782**	**-**	**522**	**260**
Net liability (asset) at variable rate after management	**(757)**	**(1,482)**	**528**	**197**

Exposure to exchange rate risk

The following table shows the Group's net assets as at December 31, 2009 broken down by principal currencies:

(in millions of euros)	***Total at December 31, 2009***	**euros [1]**	**US Dollar**	**Pounds Sterling**	**Other**
Assets	**12,730**	2,764	6,193	762	3,011
Liabilities	**(9,892)**	(3,443)	(3,913)	(490)	(2,046)
Net assets	**2,838**	**(679)**	**2,280**	**272**	**965**
Effect of foreign exchange hedges [2]	-	1,377	(1,115)	(126)	(136)
Net assets after hedging	**2,838**	**698**	**1,165**	**146**	**829**

(1) Currency used to present consolidated financial statements

(2) The financial instruments used to hedge foreign exchange risk are mainly currency swaps.

In addition, changes in exchange rates against the euros, the reporting currency used in the Group's financial statements, can have an impact of the Group's consolidated balance sheet and consolidated income statement.

The breakdown of Group revenues by transaction currency is as follows:

	2009	***2008***	***2007***
euros	22%	24%	23%
US Dollar	45%	41%	43%
Pound Sterling	7%	9%	10%
Other	26%	26%	24%
Total revenues	**100%**	**100%**	**100%**

The impact of a drop of 1% in the euros's exchange rate against the US dollar and the pound sterling would be (favorable impact):

- 24 million euros on 2009 consolidated revenue,
- 5 million euros on 2009 operating margin.

The majority of our commercial dealings are done in the local currencies of the countries in which they are transacted. As a result, exchange rate risk relating to such transactions is not very significant and is occasionally hedged through foreign currency hedging contracts.

As regards intercompany loans and borrowings, these are subject to appropriate hedges if they present a significant net exposure to exchange rate risk. It should however be noted that, as most treasury needs of subsidiaries are financed at country level through cash pooling mechanisms, international financing operations are limited in number and in duration.

Derivatives used are generally forward foreign exchange contracts.

The table below summarizes foreign currency hedging contracts in place on December 31, 2009. These contracts hedge both recognized assets and liabilities and future cash flows. It should be noted that Publicis recognizes changes in the fair value of derivatives relating to future cash flows through profit and loss because of the immaterial impact of such items.

Currency sold	Currency purchased	Face value of currency sold (millions of local currency)	Face value of currency bought (millions of local currency)	Fair value (in millions of euros)
AUD	USD	(50.5)	44.8	(0.1)
CHF	EUR	(0.4)	0.3	0.0
DKK	EUR	(21.5)	2.9	0.0
EUR	AUD	(60.4)	97.4	0.3
EUR	CAD	(104.2)	161.8	2.7
EUR	GBP	(35.7)	32.0	0.4
EUR	JPY	(9.2)	1,200.1	(0.2)
EUR	MXN	(4.9)	91.4	(0.1)
EUR	USD	(1,222.7)	1,792.7	22.1
GBP	CHF	(0.3)	0.5	0.0
GBP	USD	(0.1)	0.2	0.0
HKD	EUR	(70.0)	6.3	0.0
NOK	EUR	(46.9)	5.6	(0.1)
NZD	EUR	(25.3)	12.4	(0.3)
SEK	EUR	(348.1)	33.4	(0.6)
USD	EUR	(37.5)	26.1	0.0
USD	GBP	(162.2)	100.5	0.6
Total				**24.7**

Exposure to client counterparty risk

The Group analyzes its trade accounts receivables, focusing in particular on improving the time taken to recover such receivables, in the context of management of its working capital requirements and assisted by its "Focus on cash" program. The Group Treasury department monitors overdue receivables for the entire Group. In addition, the Group periodically reviews the list of its main clients in order to determine exposure to client counterparty risk at Group level and, if necessary, it puts in place specific monitoring in the form of a weekly summary of the Group's exposure to certain clients.

Any write-downs required are assessed on an individual basis and take into account different criteria such as the customer's situation and delays in payment. No general provisions are recorded on an overall basis.

The following tables show the aging of invoiced trade receivables for the last three financial years.

(in millions of euros)				**December 31, 2009**				
		Overdue receivables						
Trade receivables, net	*Amounts not yet due*	*Total*	*Up to 30 days*	*31 to 60 days*	*61 to 90 days*	*91 to 120 days*	*Over 120 days*	*Impairment*
3,723	3,228	495	321	87	34	21	120	(88)

(in millions of euros)				**December 31, 2008**				
		Overdue receivables						
Trade receivables, net	*Amounts not yet due*	*Total*	*Up to 30 days*	*31 to 60 days*	*61 to 90 days*	*91 to 120 days*	*Over 120 days*	*Impairment*
3,707	2,931	776	487	136	67	31	146	(91)

(in millions of euros)				**December 31, 2007**				
		Overdue receivables						
Trade receivables, net	*Amounts not yet due*	*Total*	*Up to 30 days*	*31 to 60 days*	*61 to 90 days*	*91 to 120 days*	*Over 120 days*	*Impairment*
3,835	3,152	683	447	110	48	33	120	(75)

Exposure to bank counterparty risk

Publicis has established a group-wide policy for selecting authorized counterparty banks. This policy requires that deposits be made in authorized banks and that in general all banking services be provided exclusively by these banks. The list of authorized banks is reviewed periodically by the corporate treasury office. Exceptions to this policy are handled centrally for the entire Group by the treasury office.

Additionally, studies are carried out in order to make ensure that almost all cash and cash equivalents are deposited in authorized banks.

Exposure to risks related to shareholdings

The main shareholdings that are exposed to a significant market risk are our shares in Interpublic Group (IPG). They are classified as available-for-sale assets and a 10% decrease in their market value would not have an impact on earnings but would have an impact on shareholders' equity to December 31, 2009.

Impact of a 10% decline in the market value of the IPG shares held by the Group:

	(in millions of euros)
Effect on balance sheet assets	(3)
Effect on shareholders' equity	(3)
Effect on net income	-

The Group also holds treasury shares. A fall in their value would not impact the income statement as the purchase cost of treasury shares is recorded as a deduction from shareholders' equity.

Note 27. Segment reporting

Information by business sector

Since January 1, 2009, the Publicis Groupe has applied IFRS 8 "Operating Segments", which replaces IAS 14.

The Publicis Groupe structure, developed over several years, is designed to provide the Group's clients with comprehensive, holistic communication services involving all disciplines.

The Group has identified nine operating divisions which correspond to our networks of agencies and which may be categorized since they have similar economic features (similar margins across the various operating segments) and provide similar services (a full range of advertising and communications services) and do so for similar types of clients (the Group's top 20 clients are clients of several operating segments). Our nine operating divisions are brought into one single segment for reporting purposes.

Disclosures concerning major clients

Our 20 largest clients represent 43% of 2009 consolidated Group revenues, and represented the same percentage in 2008 and 2007.

Information by geographical area

Given of the importance of geography in the analysis of our business, the Group has chosen to provide specific information by geographical area.

The data are sorted on the basis of the location of the agency.

(in millions of euros)	**eurospe**	**North America**	**Latin America**	**Asia Pacific**	**Middle-East & Africa**	**Total**
Financial year 2009						
Income statement items:						
Revenue [1]	1,579	2,094	218	498	135	**4,524**
Depreciation and amortization expense (excluding intangibles from acquisitions)	(35)	(42)	(3)	(10)	(2)	**(92)**
Operating margin	105	446	44	66	19	**680**
Amortization of intangibles from acquisitions	(8)	(19)	(1)	(2)	-	**(30)**
Impairment	(15)	(3)	-	(10)	-	**(28)**
Share in net income of associates	2	2	-	-	-	**4**
Balance sheet items:						
Goodwill and intangible assets, net	1,423	2,748	162	364	66	**4,763**
Property and equipment, net	268	152	9	24	5	**458**
Deferred tax assets	36	14	7	13	3	**73**
Investments in associates	28	15	1	3	2	**49**
Other financial assets	21	54	2	16	1	**94**
Current assets (liabilities) [2]	(189)	(1,247)	10	(98)	18	**(1,506)**
Deferred tax liabilities	(64)	(148)	(1)	(1)	-	**(214)**
Long-term provisions	(189)	(187)	(12)	(30)	(31)	**(449)**
Disclosures in respect of the cash flow statement:						
Purchases of property and equipment and intangible assets	(49)	(14)	(2)	(7)	(2)	**(74)**
Purchases of investments and other financial assets, net	7	1	3	(2)	1	**10**
Acquisitions of subsidiaries	(66)	(206)	(4)	(17)	(5)	**(298)**
Non-cash expenses on stock-options and similar items	11	9	1	2	1	**24**
Other non-cash expenses	4	7	-	-	-	**11**

(1) As a result of the manner in which this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

(2) Current assets (liabilities) consist of the following balance sheet items: inventories and costs billable to clients, accounts receivable, other receivables and other current assets, accounts payable, income taxes payable, short-term provisions and other creditors and current liabilities.

(in millions of euros)	**eurospe**	**North America**	**Latin America**	**Asia Pacific**	**Middle-East & Africa**	**Total**
Financial year 2008						
Income statement items:						
Revenue [1]	1,805	2,008	238	519	134	**4,704**
Depreciation and amortization expense (excluding intangibles from acquisitions)	(44)	(44)	(3)	(11)	(2)	**(104)**
Operating margin	242	397	51	67	28	**785**
Amortization of intangibles from acquisitions	(8)	(18)	(1)	(2)	-	**(29)**
Impairment	(10)	(3)	-	-	-	**(13)**
Share in net income of associates	5	(3)	-	-	-	**2**
Balance sheet items:						
Goodwill and intangible assets, net	1,318	2,583	163	375	48	**4,487**
Property and equipment, net	266	174	10	26	4	**480**
Deferred tax assets	33	36	6	15	1	**91**
Investments in associates	27	15	-	-	2	**44**
Other financial assets	37	45	4	14	1	**101**
Current assets (liabilities) [2]	(94)	(1,329)	(4)	(64)	3	**(1,488)**
Deferred tax liabilities	(136)	(91)	(1)	(4)	-	**(232)**
Long-term provisions	(180)	(222)	(4)	(15)	(38)	**(459)**
Disclosures in respect of the cash flow statement:						
Purchases of property and equipment and intangible assets	(41)	(37)	(5)	(8)	(1)	**(92)**
Purchases of investments and other financial assets, net	-	2	(1)	(2)	-	**(1)**
Acquisitions of subsidiaries	(30)	(112)	(10)	(19)	(1)	**(172)**
Non-cash expenses on stock-options and similar items	3	5	-	1	-	**9**
Other non-cash expenses	4	4	-	-	-	**8**

(1) Because of the way this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

(2) Current assets (liabilities) consist of the following balance sheet items: inventories and costs billable to clients, accounts receivable, other receivables and other current assets, accounts payable, income taxes payable, short-term provisions and other creditors and current liabilities.

	eurospe	North America	Latin America	Pacific Asia	Middle-East & Africa	Total
Financial year 2007						
Income statement items:						
Revenue (1)	1,799	2,016	237	502	117	4,671
Depreciation and amortization expense (excluding intangibles from acquisitions)	(42)	(50)	(4)	(11)	(2)	(109)
Operating margin	269	398	39	51	22	779
Amortization of intangibles from acquisitions	(8)	(19)	(1)	(2)	-	(30)
Impairment	(3)	(2)	-	-	(1)	(6)
Share in net income of associates	6	3	-	-	-	9
Balance sheet items:						
Goodwill and intangible assets, net	1,396	2,418	145	367	46	**4,372**
Property and equipment, net	283	174	9	30	5	**501**
Deferred tax assets	38	87	7	15	1	**148**
Investments in associates	28	19	-	-	2	**49**
Other financial assets	40	54	3	14	1	**112**
Current assets (liabilities) (2)	(139)	(1,196)	(13)	(116)	(5)	**(1,469)**
Deferred tax liabilities	(146)	(91)	(1)	(3)	1	**(240)**
Long-term provisions	(182)	(215)	(3)	(9)	(40)	**(449)**
Disclosures in respect of the cash flow statement:						
Purchases of property and equipment and intangible assets	(35)	(38)	(3)	(10)	(2)	**(88)**
Purchases of investments and other financial assets, net	(8)	-	6	(4)	-	**(6)**
Acquisitions of subsidiaries	(142)	(815)	(7)	(35)	(7)	**(1,006)**
Non-cash expenses on stock-options and similar items	7	12	1	2	-	**22**
Other non-cash expenses	4	5	-	-	-	**9**

(1) Because of the way this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

(2) Current assets (liabilities) consist of the following balance sheet items: inventories and costs billable to clients, accounts receivable, other receivables and other current assets, accounts payable, income taxes payable, short-term provisions and other creditors and current liabilities.

Note 28. Publicis Groupe SA stock option and free share plans

The stock option plans in force as at December 31, 2009 have the following features:

- Long Term Incentive Plan (LTIP) 2006-2008 (twenty second tranche in 2006 and twenty-third tranche in 2007):

  Options granted under this plan grant a right to acquire one share for an exercise price equal to the average Publicis share price for the 20 days preceding the date of grant. The number of options that may be exercised out of the total number granted was determined in April 2009 based on the growth and profitability levels achieved over the entire 2006-2008 period. For the first half of the options, the exercise period began in 2009, while the second half will be exercisable starting in April 2010. The options expire 10 years after the grant date.
- Plan granted in 2006 (twenty first tranche):

  Options granted under this plan grant a right to acquire one share for an exercise price equal to the average Publicis share price for the 20 days preceding the date of grant. Options may be exercised after a period of 4 years and expire 10 years after the date of grant.
- Long Term Incentive Plan (LTIP) 2003-2005 (seventeenth tranche in 2003, nineteenth tranche in 2004, twentieth tranche in 2005):

  Options granted under this plan grant a right to acquire one share for an exercise price equal to the average cost of the portfolio treasury shares on the date of the grant. The number of options that may be exercised out of the total number granted was determined in April 2006 based on the growth and profitability levels achieved over the entire 2003-2005 period. For the first half of the options, the exercise period began in 2006, while the second half were exercisable as of April 2007. The options expire 10 years after the grant date.
- Plan granted in 2001 (eleventh tranche):

  Options granted under this plan grant a right to acquire one share for an exercise price equal to the average Publicis share price for the 20 days preceding the date of grant. Options may be exercised after a period of 4 years and expire 10 years after the date of grant.
- Plan granted in 2000 (eleventh tranche):

  Options granted under this plan grant a right to acquire one share for an exercise price equal to the average Publicis share price for the 20 days preceding the date of grant. Options may be exercised after a period of 5 years and expire 10 years after the date of grant.

The free share plans in force as at on December 31, 2009 have the following features:

- Free share plan for employees of French entities (May 2009)

  Under this plan for France, 50 free shares were awarded on May 20, 2009 to all employees working part-time or more in a majority-owned French subsidiary. Receipt of the shares is contingent on at least two years of employment. The free shares will be delivered to the beneficiaries in May 2011, who will then become the owners thereof and will be able to exercise their rights as shareholders. Pursuant to the French laws applicable to free share plans, the employees must hold these shares for two additionnal years before they are able to dispose of them, i.e. until May 2013.

- Free shares granted as part of the co-investment program (March 2009)

  Under this plan, offered to 160 managers of the Group, each beneficiary is awarded two free shares for each Publicis share purchased on their behalf by LionLead, a specific structure dedicated to this operation. These shares are subject to conditions: i.e., that the entire investment remain unsold and that employment continues throughout the 4-year vesting period, except for tax residents of France who have a shorter, 3-year vesting period but an additional 2-year holding period. Furthermore, the second free share is subject to additional performance criteria, so that the total number of shares received will depend on the growth and profitability objectives attained over the 2009-2011 period. Free shares awarded to corporate officers depend entirely on performance criteria. These shares were awarded in March 2009 and will be delivered in March 2013, except for French employees who will receive their shares in March 2012.

- Free share plan for certain employees of Razorfish (December 2009)

  At the time of the Razorfish acquisition, some of its employees had received Microsoft Restricted Share Units between 2007 and 2009. On December 1, 2009 a new Publicis Groupe free share plan was implemented, subject to actual employment and for the same beneficiaries, whereby the same number of shares were awarded after being converted into Publicis Groupe shares with the same vesting dates as the prior plans (which for most beneficiaries was between January 2010 and September 2015). The number of restricted shares of Microsoft stock acquired was converted into Publicis Groupe shares, using the existing ratio of the average Microsoft price over the last 20 trading days and the Publicis Groupe share price on the acquisition date (October 13, 2009).

Stock-options originated by Publicis Groupe

Characteristics of Publicis Groupe stock option plansin force at December 31, 2009

Shares with 0.40 euros par value	Type of option	Grant date	Exercise price of options (in euros)	Options outstanding on 12/31/09	Exercisable on 12/31/09	Expiry date	Remaining contract life (in years)
10th tranche	Acquisition	07/09/2000	43.55	100,000	100,000	2010	0.68
11th tranche	Acquisition	23/04/2001	33.18	343,000	343,000	2011	1.30
13th tranche	Acquisition	18/01/2002	29.79	77,200	77,200	2012	2.04
14th tranche	Acquisition	10/06/2002	32.43	5,000	5,000	2012	2.44
15th tranche	Acquisition	08/07/2002	29.79	220,000	220,000	2012	2.51
16th tranche	Acquisition	28/08/2003	24.82	478,400	478,400	2013	3.65
17th tranche	Acquisition	28/08/2003	24.82	3,315,046	3,315,046	2013	3.65
19th tranche	Acquisition	28/09/2004	24.82	1,160,208	1,160,208	2014	4.74
20th tranche	Acquisition	24/05/2005	24.76	395,190	395,190	2015	5.39
21st tranche	Acquisition	21/08/2006	29.27	100,000	-	2016	6.64
22nd tranche	Acquisition	21/08/2006	29.27	4,820,571	2,410,285	2016	6.64
23rd tranche	Acquisition	24/08/2007	31.31	802,316	401,156	2017	7.64
Total of all tranches				**11,816,931**	**8,905,485**		
Average exercise price (€)				27.64	27.02		

Movements on Publicis Groupe stock option plans in 2009

Shares with 0.40 euros par value	Exercise price of options (euros)	Options outstanding on 12/31/08	Options granted in 2009	Options levées en 2009	Options cancelled or lapsed in 2009	Options outstanding on 12/31/09
10th tranche	43.55	100,000	0	0	0	100,000
11th tranche	33.18	353,000	0	0	(10,000)	343,000
13th tranche	29.79	85,200	0	0	(8,000)	77,200
14th tranche	32.43	5,000	0	0	0	5,000
15th tranche	29.79	220,000	0	0	0	220,000
16th tranche	24.82	480,067	0	0	(1,667)	478,400
17th tranche	24.82	3,719,299	0	(110,262)	(293,991)	3,315,046
19th tranche	24.82	1,227,571	0	(19,091)	(48,272)	1,160,208
20th tranche	24.76	417,596	0	(6,677)	(15,729)	395,190
21st tranche	29.27	100,000	0	0	0	100,000
22nd tranche(1)	29.27	7,965,250	0	0	(3,144,679)	4,820,571
23rd tranche(1)	31.31	1,422,233	0	0	(619,917)	802,316
Total of all tranches		**16,095,216**	**0**	**(136,030)**	**(4,142,255)**	**11,816,931**
Average exercise price (€)		28.0	0	24.82	29.20	27,64
Average price on exercise (€)				23.30		

- *In April 2009 the number of options that vested under the 2006-2008 three-year plan was adjusted to account for a final percentage of achievement of objective of 62.59%.*

Movements in Publicis Groupe stock option plans in 2008

Shares with 0.40 euros par value	Exercise price of options (euros)	Options outstanding on 12/31/07	Options granted in 2008	Options exercised in 2008	Options cancelled or lapsed in 2008	Options outstanding on 12/31/08
8th tranche	8.66	21,000		(21,000)	0	0
9th tranche	10.24	54,500		(50,500)	(4,000)	0
10th tranche	43.55	100,000		0	0	100,000
11th tranche	33.18	360,000		0	(7,000)	353,000
13th tranche	29.79	88,200		0	(3,000)	85,200
14th tranche	32.43	5,000		0	0	5,000
15th tranche	29.79	220,000		0	0	220,000
16th tranche	24.82	485,067		0	(5,000)	480,067
17th tranche	24.82	3,999,348		0	(280,049)	3,719,299
19th tranche	24.82	1,251,459		0	(23,888)	1,227,571
20th tranche	24.76	475,655		0	(58,059)	417,596
21st tranche	29.27	100,000		0	0	100,000
22nd tranche	29.27	9,208,050		0	(1,242,800)	7,965,250
23rd tranche	31.31	1,564,400		0	(142,167)	1,422,233
Total of all tranches		**17 932 679**		**(71 500)**	**(1 765 963)**	**16 095 216**
Average exercise price (€)		27.99		9.78	28.48	28.02
Average price on exercise (€)				21.88		

Movements in Publicis Groupe stock option plans in 2007

Shares with 0.40 euros par value	Exercise price of options (euros)	Options outstanding on 12/31/06	Options granted in 2007	Options exercised in 2007	Options cancelled or lapsed in 2007	Options outstanding on 12/31/07
7th tranche	5.63	17,510	-	(9,470)	(8,040)	0
8th tranche	8.66	27,000	-	(6,000)	-	21,000
9th tranche	10.24	266,000	-	(211,500)	-	54,500
10th tranche	43.55	100,000	-	-	-	100,000
11th tranche	33.18	367,000	-	-	(7,000)	360,000
13th tranche	29.79	93,400	-	-	(5,200)	88,200
14th tranche	32.43	5,000	-	-	-	5,000
15th tranche	29.79	220,000	-	-	-	220,000
16th tranche	24.82	496,067	-	-	(11,000)	485,067
17th tranche	24.82	5,679,827	-	(1,547,680)	(132,799)	3,999,348
18th tranche	24.82	11,000	-	-	(11,000)	-
19th tranche	24.82	1,517,004	-	(201,608)	(63,937)	1,251,459
20th tranche	24.76	779,761	-	(264,769)	(39,337)	475,655
21st tranche	29.27	100,000	-	-	-	100,000
22nd tranche	29.27	10,097,850	-	-	(889,800)	9,208,050
23rd tranche	31.31	-	1,574,400	-	(10,000)	1,564,400
Total of tranches		**19,777,419**	**1,574,400**	**(2,241,027)**	**(1,178,113)**	**17,932,679**
Average exercise price (€)		27.21	31.31	23.31	28.17	27.99
Average share price on exercise (€)				31.44		

Determination of the fair value of options granted in the last three years

No new options were granted during this financial year.

The following table summarizes the main assumptions and calculations concerning the tranches granted in 2007 and 2008:

	23rd tranche	
Grant date	*August 24, 2008*	
	(a)	(b)
Number of options granted in the year	787,200	787,200
Initial value of the option granted, in euros	5.98	7.02
Assumptions:		
Price of the share at the date of grant (in euros)	31.31	31.31
Exercise price (in euros)	31.31	31.31
Volatility of the Publicis share	25.00%	25.00%
Average duration of the option (in years)	2.8	3.8
Dividend yield	1.60%	1.60%
Risk free rate	4.39%	4.43%

(a) Conditional options whose exercise is subject to continued employment and to meeting objectives over the course of a 3 year plan, exercisable as from May 2009.

(b) Conditional options whose exercise is subject to continued employment and to meeting objectives over the course of a 3 year plan, exercisable as from May 2010.

Group free share plans

Characteristics of Publicis Groupe free share plans outstanding at December 31, 2009

Shares with 0.40 euros par value	Beneficiaries	Grant date	Number of shares yet to vest on December 31, 2009	Date of irrevocable vesting of shares	Remaining contract life (in years)
Co-investment plan (1)	French	03/19/2009	831,000	19/03/2012	2.22
Co-investment plan (1)	Outside France	03/19/2009	2,713,176	19/03/2013	3.22
Free shares plan, all employees	French	05/20/2009	185,575	20/05/2011	1.38
Total of free share plans			**3,729,751**		

(1) Conditional shares for which vesting is subject to continued employment (for all shares) and to meeting objectives over a 3-year plan (for half of them, except for the senior corporate officers ("mandataires sociaux") for whom the grant is entirely subject to performance.

- *After this date the French beneficiaries must observe an additional two-year lock-up period.*

Movements in Publicis Groupe free share plans in 2009

Shares with 0.40 euros par value	Beneficiaries	Number of shares yet to vest on December 31, 2009	Shares granted in 2009	Shares cancelled or lapsed in 2009	Shares vesting in 2009	Number of shares yet to vest on December 31, 2009
Co-investment plan (1)	French	0	831,000	0	0	831,000
Co-investment plan (1)	Outside France	0	2,713,176	0	0	2,713,176
Free shares plan, all employees	French	0	210,125	(24,550)	0	185,575
Total of free share plans		**0**	**3,729,751**	**(24,550)**	**0**	**3,729,751**

(1) Conditional shares granted subject to continued employment (for all shares) and to meeting objectives over a 3-year plan (for half of them, except for the senior corporate officers ("mandataires sociaux") for whom the grant is entirely subject to performance.

Determination of the fair value of the free shares granted in 2009

- Free shares granted to employees of French entities

Date of Management Board meeting	***May 20, 2009***
Number of shares granted	210,125
Initial valuation of shares granted (in euros)	21.90
Assumptions:	
Share price on the date of grant (in euros) (1)	23.09
Vesting period (in years)	2
Non-transferability period (in years)	2

- Free share granted in the co-investment program

Date of Management Board meeting	***March 19, 2009***	
	France [2]	Out of France [2]
Number of shares granted during the year	831,000	2,713,176
Initial valuation of shares granted (in euros)	16.56	15.90
Assumptions:		
Share price on the date of grant (in euros) [1]	18.37	18.37
Vesting period (in years)	3	4
Non-transferability period (in years)	2	-

(1) The grant date corresponds to the date at which the parties reached a shared understanding of the features and conditions of the agreement. Regarding shares granted as part of the co-investment plan, the grant date corresponds to the subscription period of the LionLead shares which took place between February 16th and 27th, 2009.

(2) Conditional shares granted subject to continued employment (for all shares) and to meeting objectives over a 3-year plan (for half of them, except for the senior corporate officers ("mandataires sociaux") for whom the grant is entirely subject to performance.

It should be noted that for both of these plans, the only adjustment made in the fair value of the free shares was to account for lost dividends during the vesting period; any non-transferability discount was excluded since the effect was considered to be negligible.

Publicis Groupe free share plans granted to certain Razorfish employees

The new Publicis Groupe free share plan, implemented on December 1, 2009 to replace the plans granted to certain Razorfish employees that were in effect at the time of the acquisition, resulted in the granting of 493,832 free shares of Publicis Groupe. For the majority of shares the vesting period runs for four years (2010-2013), with a small number running untill 2018. As at December 31, 2009, 477,511 free shares had not yet vested.

Date of Management Board meeting	***December 1, 2009***
Number of shares granted	493,832
Initial valuation of shares granted (in euros)	25.31
Assumptions :	
Share price on the date of grant (in euros)	25.91
Vesting period (in years)	0 (1 month) to 9
Non-transferability period (in years)	2

Stock-option and free share plans originated by Digitas

On the acquisition of Digitas, these plans were converted into Publicis Groupe stock option plans, applying the ratio existing between the purchase price of our public offer for Digitas (translated into euros) and the Publicis Groupe share price at the completion date of the merger. The subscription price was correspondingly adjusted.

Characteristics of Digitas stock option plans outstanding at December 31, 2009

Shares with 0.40 euros par value	Grant date		Exercise price of options (euros)		Options outstanding on 12/31/09	Exercisable on 12/31/09	Expiry date		Remaining contract life (in years)
	min	max	min	max			min	max	
Digitas plans:									
1999	12/01/1999	10/03/2000	21.36	21.36	10,061	10,061	01/12/2009	10/03/2010	0.11
2000	04/03/2000	01/02/2001	13.73	50.65	44,284	44,284	03/04/2010	01/02/2011	0.71
2001	03/01/2001	24/01/2007	5.08	35.42	549,835	517,571	01/03/2011	24/01/2017	4.87
2005 UK	06/01/2005	01/12/2006	21.70	35.42	7,040	5,833	01/06/2015	01/12/2016	6.52
Modem Media plans:									
1997	03/26/1997	29/09/2004	18.30	19.18	370	370	01/01/2008	29/09/2014	4.74
1999	04/12/2000	22/06/2004	2.62	54.05	5,232	5,232	12/04/2010	22/06/2014	2.79
2000	10/12/2000	25/05/2004	16.35	16.35	1,191	1,191	12/10/2010	25/05/2014	0.78
total tranches					618,013	**584,542**			
Average exercise price (€)					23.87	23.71			

Movements in Digitas stock option plans in 2009

Shares with 0.40 par value	Exercise price of options (euros)		Options outstanding on 12/31/08	Options exercised in 2009	Options cancelled or lapsed in 2009	Options outstanding on 12/31/09
	min	max				
Digitas plans:						
1999	21.36	21.36	25,188	(2,974)	(12,153)	10,061
2000	13.73	50.65	47,228	(315)	(2,629)	44,284
2001	5.08	35.42	769,648	(114,370)	(75,443)	549,835
2005 UK	21.70	35.42	5,784	(211)	1,467	7,040
Modem Media plans:						
1997	18.30	19.18	1,840	0	(1,470)	370
1999	2.62	54.05	5,657	(88)	(337)	5,232
2000	16.35	16.35	1,191	0	0	1,191
Total of tranches			**856,536**	**(147,958)**	**(90,565)**	**618,013**
Average exercise price (€)			22.22	13.04	18.73	23.87
Average share price on exercise (€)				23.30		

Furthermore, a plan to grant Restricted Shares of Digitas put in place between January 4, 2005 and January 23, 2007, is in operation. It was converted into Publicis Groupe shares using the same ratios as for ordinary stock-option plans (see above). On the acquisition date, outstanding Restricted Shares of Digitas represented the equivalent of 396,654 Publicis shares.

The 42,188 free shares still outstanding to December 31, 2009 will cease to be locked up as of January 23, 2010. Once this restriction period is completed, and provided conditions are met regarding continued employment, the 42,188 free shares outstanding to December 31, 2009 will become equivalent to shares of Publicis Groupe common stock.

Effect of Publicis Groupe, Digitas and Razorfish stock option and free share plans on the 2009 income statement

The total impact of these plans on the 2009 income statement was 24 million euros (excluding taxes and social security costs), compared to 9 million euros in 2008 and 22 million euros for 2007 (cf. Note 3 – Personnel expenses).

In April 2009, the extent to which the objectives of the "Long Term Incentive Plan" 2006-2008 was reviewed. The final percentage award that resulted from this review was 62.59%. As the expense had previously been calculated on the basis of a 60% award, it was adjusted in the 2009 financial statements.

With regards to the free shares granted as part of the co-investment program, for which half of the shares (or of the totality for the corporate officers) are awarded subject to performance criteria as well as to continued employment, a probability of 85% of achievement of the objectives was adopted to calculate the number of "performance shares" that were likely to be granted under these plans in the financial statements ending December 31, 2009.

Note 29. Related party disclosures

The following related-party transaction occurred during 2009.

	2009		*2008*		*2007*	
(in millions of euros)	**Revenue (1)**	**Impairment of receivables**	**Revenue (1)**	**Impairment of receivables**	**Revenue (1)**	**Impairment of receivables**
Dentsu	23		(9)	-	5	-

(1) This is the difference between purchases and sales made by the Group with Dentsu. These transactions were made at market prices.

	2009			*2008*			*2007*		
(in millions of euros)	**Receivables /loans**	**Impairment of receivables /loans**	**Trade & bank payables**	**Receivables /loans**	**Impairment of receivables /loans**	**Trade & bank payables**	**Receivables /loans**	**Impairment of receivables /loans**	**Trade & bank payables**
Dentsu	11	-	7	7	-	1	3	-	2
ISe	-	-	-	-	-	-	-	-	-
Onspot Digital	-	-	-	-	-	2	-	-	2
Somupi	2	-	-	13	-	-	12	-	-
Bromley	1	-	-	1	-	-	2	-	-

Terms and conditions of related-party transactions

- On November 30, 2003 Publicis Groupe S.A. and Dentsu signed an agreement pursuant to commitments made in the merger agreement of March 7, 2002 between (a) Publicis Groupe and its subsidiaries Philadelphia Merger Corp. and Philadelphia Merger LLC and (b) Bcom3 Group, Inc. pursuant to which Philadelphia Merger Corp. absorbed Bcom3. The main provisions of these commitments are described in the securities note concerning the Bcom3 business combination, which memorandum was approved by the French COB (securities commission) on May 16, 2002, no. 02-564.

The agreement includes provisions concerning Publicis Groupe's management (composition of the Supervisory Board, change in corporate legal form and Dentsu's representation on the Audit Committee) and about the transfer of Publicis Groupe S.A. shares and options held by Dentsu (particularly a 15% limit on Dentsu's voting rights in Publicis Groupe S.A.) The agreement further provides a clause protecting Dentsu from dilution and a clause requiring equity-method accounting by Dentsu of their investment in Publicis Groupe. This agreement will terminate July 12, 2012 unless the parties agree to a ten-year extension. The plan was publicly released in the AMF Decisions & Information dated January 09, 2004, as document 204C0036.

- Some members of the Group's Supervisory Board hold management positions at financial institutions that have business relationships with the Group, including the following:
  a) In connection with the OCÉANE 2014 issue, a banking syndicate led by BNP Paribas and Société Générale, among others, acted as advisors and underwriters.
  b) In 2009 the Company established 5-year confirmed lines of credit of 100 million euros each with BNP Paribas and Société Générale.
  c) An agreement was signed with BNP Paribas to structure and market a public offer on December 2, 2009 to swap the Eurobond 2012s for a new issue of Eurobond 2015.

Remuneration of Supervisory board and Management Board members

Remuneration of individuals who were members of Supervisory Board and Management Board, on the balance sheet date or during the financial year then ended, is as follows.

(in millions of euros)	***2009***	***2008***	***2007***
Overall gross compensation (1)	(12)	(11)	(12)
Post-employment benefits (2)	(1)	1	(1)
Termination or end-of- contract (3)	-	-	-
Other long-term benefits (4)	2	-	(3)
Share-based payments (5)	(2)	(1)	(3)

(1) Salaries, bonuses, indemnities, directors' fees and benefits in king paid during the year.

(2) Change in pension provisions (net impact on income statement).

(3) Expense recognized in the income statement under provisions for termination or end of contract payments.

(4) Expense recognized in the income statement under provisions for deferred conditional remuneration and bonuses.

(5) Expense recognized in the income statement under Publicis Groupe stock-option and free share plans.

The total accounting provision on December 31, 2009 for post-employment and other long-term benefits for senior management amounts to 25 million euros (this number was 26 million euros on December 31, 2008 and 22 million euros on December 31, 2007).

Note 30. Post-balance sheet events

- Under the terms of the securities note dated January 10, 2002 concerning the Publicis Groupe OCÉANE issue of January 18, 2002, any bondholder could request the early redemption of all or part of the OCÉANEs held as of that date for a price of 45.19 euros per bond. As a result, 617,985 OCÉANEs were redeemed representing a total amount of 27,926,742.15 euros. The number of outstandind OCÉANEs is 2,624,538 bonds, or 14.9% of the 17,624,521 originally issued.
- Pursuant to the authorization granted by the June 9, 2009 Combined Ordinary and Extraordinary Shareholders Meeting, on January 8, 2010 the Company entered into an agreement with an authorized intermediary to purchase 2.7 million Publicis Groupe shares.

Note 31. Fees of the statutory auditors and members of their networks

The fees paid by Publicis Groupe during 2009 and 2008 to all of the Group's statutory auditors were as follows.

	Ernst & Young				Mazars				Total			
(in millions of euros)	Total (excl. VAT)		%		Total (excl. VAT)		%		Total (excl. VAT)		%	
	2009	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*
Audit												
Statutory audit, audit opinion, review of individual and consolidated accounts												
Publicis Groupe S.A. (parent company)	0.7	0.6	12%	10%	0.4	0.4	10%	11%	1.1	1.0	11%	10%
Subsidiaries	3.8	4.3	64%	68%	3.3	2.9	83%	81%	7.1	7.2	72%	73%
Sub-total	4.5	4.9	76%	78%	3.7	3.3	93%	92%	8.2	8.2	83%	83%
Other work and services directly related to the audit engagement												
Publicis Groupe S.A. (parent company)	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%
Subsidiaries	1	1.1	17%	17%	0.2	0.3	5%	8%	1.2	1.4	12%	14%
Sub-total	1.0	1.1	17%	17%	0.2	0.3	5%	8%	1.2	1.4	12%	14%
Other services												
Tax	0.4	0.3	7%	5%	0.1	-	2%	0%	0.5	0.3	5%	3%
Sub-total	1.4	0.3	7%	22%	0.3	-	7%	0%	1.7	0.3	5%	3%
Total	**5.9**	**6.3**	**100%**	**100%**	**4.0**	**3.6**	**100%**	**100%**	**9.9**	**9.9**	**100%**	**100%**

Note 32. List of main consolidated companies on December 31, 2009

A) Fully consolidated companies

The companies below are our operating companies with revenue in excess of 10 million euros.

Name	Control %	% interest	Country
Publicis Conseil	99.61%	99.61%	France
Publicis Activ France [(1)]	99.94%	99.55%	France
Publicis Dialog	100.00%	99.61%	France
Publicis Consultants I France	99.97%	99.97%	France
Saatchi & Saatchi	100.00%	100.00%	France
Leo Burnett	100.00%	100.00%	France
SCAP	100.00%	99.61%	France
Group ZenithOptimedia	100.00%	100.00%	France
Metrobus publicité	67.00%	67.00%	France
Vivaki Communication	100.00%	100.00%	France
Boz	100.00%	99.90%	France
Publicis Net	99.98%	99.59%	France
World Advertising Movies	99.87%	99.87%	France
Publicis Frankfurt	100.00%	100.00%	Germany
Publicis Kommunikations agentur Erlangen	100.00%	100.00%	Germany
Saatchi & Saatchi	100.00%	100.00%	Germany
Leo Burnett	100.00%	100.00%	Germany
Zenithmedia Dusseldorf	100.00%	100.00%	Germany
Optimedia Gesellschaft für Media-Services	100.00%	100.00%	Germany
Vivaki Services [(2)]	100.00%	100.00%	Germany
ZenithOptimedia Australia	100.00%	64.20%	Australia
Saatchi & Saatchi Communications Australia	100.00%	100.00%	Australia
Starcom MediaVest Group	100.00%	100.00%	Australia
Publicis Mojo	100.00%	64.20%	Australia
Publicis Loyalty [(2)]	64.20%	64.20%	Australia
Duval Guillaume	100.00%	100.00%	Belgium
Publicis Brasil Comunicaçao	99.99%	99.99%	Brazil
Finance Nazca Saatchi & Saatchi Publicidade	51.00%	51.00%	Brazil
Leo Burnett Publicidade e Propaganda (1)	99.99%	99.99%	Brazil
Publicis Canada	70.00%	70.00%	Canada
Leo Burnett Company	100.00%	100.00%	Canada
Saatchi & Saatchi Great Wall Advertising	100.00%	100.00%	China
Leo Burnett	100.00%	100.00%	China
Leo Burnett Shanghai Advertising	70.00%	70.00%	China
Publicis Advertising	85.00%	85.00%	China
Publicis Comunicacion Espana	100.00%	100.00%	Spain
Optimedia	100.00%	100.00%	Spain
Zenith Media	100.00%	100.00%	Spain
Publicis USA	100.00%	100.00%	United States
Publicis & Hal Riney	100.00%	100.00%	United States
Publicis NY	96.69%	96.69%	United States
Saatchi & Saatchi North America	100.00%	100.00%	United States
Conill Advertising	100.00%	100.00%	United States
Saatchi & Saatchi X	100.00%	100.00%	United States
Leo Burnett Company	100.00%	100.00%	United States
Leo Burnett Detroit	100.00%	100.00%	United States
Martin Retail Group	70.00%	70.00%	United States
Arc Worldwide	100.00%	100.00%	United States
Fallon Group	100.00%	100.00%	United States
The Kaplan Thaler Group	100.00%	100.00%	United States
Manning Selvage & Lee	100.00%	100.00%	United States

Name	Control %	% interest	Country
Capps Digital	100.00%	100.00%	United States
Medicus Group International	100.00%	100.00%	United States
Saatchi & Saatchi Healthcare Communications	100.00%	100.00%	United States
Publicis Selling Solutions	100.00%	100.00%	United States
Starcom MediaVest Group	100.00%	100.00%	United States
Optimedia International U.S.	100.00%	100.00%	United States
Zenith Media Services	100.00%	100.00%	United States
Digitas	100.00%	100.00%	United States
Kekst and Company	100.00%	100.00%	United States
Publicis Groupe Operating Divisions (2)	100.00%	100.00%	United States
VivaKi (2)	100.00%	100.00%	United States
Razorfish (2)	100.00%	100.00%	United States
eurospean Advertising Organisation SA of Advertisements Promotion & Publications	100.00%	100.00%	Greece
TLG India	100.00%	100.00%	India
Publicis	100.00%	100.00%	Italy
Saatchi & Saatchi	100.00%	100.00%	Italy
Leo Burnett Company	100.00%	100.00%	Italy
Starcom Mediavest Group Italia	100.00%	100.00%	Italy
Beacon Communications KK	66.00%	66.00%	Japan
MMS Communications KK	100.00%	100.00%	Japan
Starcom Worldwide (2)	100.00%	100.00%	Mexico
Saatchi & Saatchi	100.00%	100.00%	New Zealand
Starcom	100.00%	100.00%	Poland
Publicis	100.00%	100.00%	United Kingdom
Saatchi & Saatchi Group	100.00%	100.00%	United Kingdom
Leo Burnett	100.00%	100.00%	United Kingdom
Arc Integrated Marketing	100.00%	100.00%	United Kingdom
Name	Control	Interest	Country
Fallon London	100.00%	100.00%	United Kingdom
Publicis Healthcare Communications Group	100.00%	100.00%	United Kingdom
D'Arcy Masius Benton & Bowles	100.00%	100.00%	United Kingdom
ZenithOptimedia	100.00%	100.00%	United Kingdom
Freud Communications	56.26%	56.26%	United Kingdom
Leo Burnett	100.00%	100.00%	Russia
OOO Publicis United	100.00%	100.00%	Russia
Publicis Groupe Media Eurasia	100.00%	100.00%	Russia
MMS Communications Singapore	100.00%	100.00%	Singapore
JKL	100.00%	100.00%	Sweden
Publicis Werbeagentur	100.00%	100.00%	Switzerland
Saatchi & Saatchi (1)	100.00%	100.00%	Switzerland
Leo Burnett	100.00%	100.00%	UAE
Starcom MediaVest Group	100.00%	100.00%	UAE

(1) Change in company name

Name in 2009	Name in 2008	Country
Publicis Activ France	Publicis Constellation	France
Leo Burnett Publicidade e Propanganda	Leo Burnett Propanganda	Brazil
Saatchi & Saatchi	Saatchi & Saatchi Simko	Switzerland

(2) Companies on the 2009 list but not on the 2008 list

- Companies acquired in 2009: Razorfish (United States)
- Entities whose revenue in the year has become greater than the threshold for publication:

Name in 2009	Country
Vivaki Services	Germany
Publicis Loyalty	Australia
Vivaki	United States
Publicis Groupe Operating Divisions	United States
Starcom Worldwide	Mexico

B) Equity accounted companies (associates)

Name	Control %	% interest	Country
BBH Communications	49.00%	49.00%	United Kingdom
Bromley Communications	49.00%	49.00%	United States
Burrell Communications Group	49.00%	49.00%	United States
Dentsu Razorfish	19.35%	19.35%	Japan
iSe-Hospitality	45.00%	45.00%	Switzerland

20.2 CORPORATE ACCOUNTS

Income Statement

(in thousands of euros)	*Note*	*2009*	*2008*	*2007*
Billings (goods and services)	*3*	33,847	17,935	22,498
Release of provisions		2,141	3,143	2,324
Other revenues		0	1,073	0
Total operating revenues		**35,988**	**22,151**	**24,822**
Other purchases and external charges		(11,189)	(9,887)	(11,899)
Taxes other than income taxes		(1,136)	(1,547)	(1,282)
Personnel expenses		(26,526)	(5,056)	(5,643)
Depreciation, amortization and increases in provisions		(4,056)	(5,896)	(6,202)
Other expenses		(581)	(1,612)	(557)
Total operating expenses		**(43,488)**	**(23,998)**	**(25,583)**
Operating (loss) income		**(7,500)**	**(1,847)**	**(761)**
Investment income		258,432	317,058	161,095
Interest and other financial revenue		11,126	8,282	63,003
Release of provisions		216,548	27,621	10,630
Total financial revenue		**486,106**	**352,961**	**234,728**
Increases of provisions		(77,627)	(215,932)	(66,498)
Interest and other financial expenses		(117,086)	(165,849)	(184,986)
Total financial expenses		**(194,713)**	**(381,781)**	**(251,484)**
Share of results of partnerships		1,044	896	900
Financial income (expense), net	*4*	**292,437**	**(27,924)**	**(15,856)**
Net (loss) income before exceptional items and taxes		**284,937**	**(29,771)**	**(16,617)**
Exceptional revenue on operational transactions		0	2	0
Exceptional revenue on capital transactions		4,446	0	770,107
Total exceptional income		**4,446**	**2**	**770,107**
Exceptional expenses on operational transactions		0	0	0
Exceptional expenses on capital transactions		(23)	0	(610,251)
Total exceptional expenses		**(23)**	**0**	**(610,251)**
Exceptional items	*5*	**4,423**	**2**	**159,856**
Income taxes	*6*	**30,332**	**59,438**	**20,454**
Net income		**319,692**	**29,669**	**163,693**

Balance sheet as at December 31

(in thousands of euros)	*Note*	*2009*	*2008*	*2007*
ASSETS				
Intangible assets				
Concessions and legal goodwill		2,991	2,989	2,989
Accumulated amortization		(478)	(438)	(398)
Property and equipment:	*7.1*			
Land		3,627	3,627	3,627
Buildings		11,463	11,463	11,463
Equipment		6,969	6,621	6,704
Other		19,504	12,284	9,225
Accumulated depreciation of property and equipment		(21,859)	(20,571)	(19,666)
Non-current financial assets:				
Investments	*7.2*	5,670,521	5,670,348	5,670,717
Provisions on investments	*7.2*	(3,634)	0	0
Loans and advances to invested entities	*7.3*	1,054,598	1,014,125	1,077,420
Other non-current securities	*7.4*	0	449,239	503,985
Loans and other financial assets		492	487	514
Provisions on non-current financial assets	*7.4*	(32)	(131,999)	(35,993)
Non-current assets		**6,744,162**	**7,018,175**	**7,230,587**
Advances paid to suppliers		0	21	6
Accounts receivable		15,780	3,545	3,154
Other receivables		12,108	16,372	20,328
Marketable securities	*8*	300,882	28,885	15,054
Cash		56	14	14
Current assets		**328,826**	**48,837**	**38,556**
Prepayments		0	0	113
Deferred expenses	*9*	13,559	4,143	5,172
Bond redemption premiums	*10*	25,768	48,312	53,482
Translation adjustment asset	*11*	68,531	86,443	19,446
TOTAL ASSETS		**7,180,846**	**7,205,910**	**7,347,356**

Balance sheet as at December 31

(in thousands of euros)	***Note***	***2009***	***2008***	***2007***
LIABILITIES & EQUITY				
Capital stock		79,033	78,408	80,955
Additional paid in capital		2,649,191	2,602,170	2,742,960
Legal reserves		8,095	8,095	7,884
Retained earnings		399,323	477,004	419,087
Shareholders' equity before net income (loss) for year		**3,135,642**	**3,165,677**	**3,250,886**
Net income (loss) for year		319,692	29,669	163,693
Shareholders' equity	***13***	**3,455,334**	**3,195,346**	**3,414,579**
Proceeds from issuance of participating securities (ORANEs)		619,384	667,029	714,674
Other equity	***14***	**619,384**	**667,029**	**714,674**
Provisions for contingencies and charges	***15***	**125,734**	**118,248**	**88,000**
Bonds	***16***	1,662,981	1,048,590	1,726,577
Bank borrowings and overdrafts	***17***	481	378	144
Borrowings and other financial liabilities	***18***	1,302,890	2,162,871	1,388,006
Trade payables		7,551	6,537	6,971
Tax and employee related payables		3,606	3,615	4,065
Other creditors		1,252	818	1,183
Deferred income		0	0	0
Liabilities		**2,979,280**	**3,222,809**	**3,126,946**
Translation adjustment liability		1,633	2,478	3,157
TOTAL LIABILITIES AND EQUITY		**7,180,846**	**7,205,910**	**7,347,356**

Cash Flow Statement

(in thousands of euros)	*2009*	*2008*	*2007*
Cash flows from operating activities			
Net income (loss) for the year	**319,692**	**29,669**	**163,693**
Capital (gains) losses on disposal	(3,565)	11,022	(158,856)
Reversals of provisions (net of provision expense)	(119,121)	217,404	138,490
Transfer to deferred charges, net of amortizations	1,529	1,029	2,649
Amortization of redemption premiums on the OCÉANEs and the Eurobond	3,078	5,170	4,935
GROSS OPERATING CASH FLOW	***201,613***	***264,294***	***150,911***
Change in net working capital for operations	17,448	(92,704)	(11,316)
Net cash provided by operating activities (I)	**219,061**	**171,590**	**139,595**
Cash flows from investing activities			
Purchases of property and equipment and intangible assets	(7,568)	(2,976)	(987)
Proceeds from sale of property and equipment and intangible assets	0	0	0
Proceeds from sale of investments and other financial assets, net [1]	408,860	13,290	(24,694)
Acquisitions of subsidiaries	0	0	(943,688)
Disposals of subsidiaries	0	0	131,052
Net cash flows provided by used in investing activities (II)	**401,292**	**10,314**	**(838,317)**
Cash flows from financing activities			
Dividends paid to parent company shareholders	(107,350)	(105,566)	(91,954)
Cash proceeds of capital increases	0	699	2,271
Cash received on new bond issues	718,750	0	536
Cash paid on redemption of bonds	(99,406)	(672,000)	(7,500)
Increases in other borrowings	0	1,230,335	963,847
Decreases in other borrowings	(866,343)	(450,000)	(88,210)
Buyback of equity warrants	0	0	0
Buyback of treasury stock	(599)	(196,110)	(202,340)
Sale of treasury stock	6,531	24,335	90,499
Net cash flows provided by (used in) financing activities (III)	**(348,417)**	**(168,307)**	**667,149**
CHANGE IN CASH AND CASH EQUIVALENTS (I + II + III)	**271,936**	**13,597**	**(31,573)**
Cash and cash equivalents at January 1	28,521	14,924	46,497
Cash and cash equivalents at December 31	300,457	28,521	14,924
CHANGE IN CASH AND CASH EQUIVALENTS	**271,936**	**13,597**	**(31,573)**

(1) 2009 amount includes 449,239 thousand euros for the transfer of treasury stock previously classified under "Other non- current securities" to "Marketable securities" (which are part of "Cash and cash equivalents") after their allocation to stock option and free share plans.

Notes to the statutory accounts of Publicis Groupe S.A.

The company's business mainly involves managing its investments and providing services to all Group companies.

Additionally, and to a lesser degree, the company receives rental income from leasing its property assets.

Note 1. Significant events of the financial year

The following significant events occurred during 2009:

- The issue on June 24, 2009 of convertible bonds for 719 million euros maturing in 2014.
- A public exchange offer launched in December 2009 involving Eurobond 2012, in order to issue new bonds maturing in 2015.

These two operations were intended to extend the maturity of the Company’s financings and reinforce its financial resources.

- The award of free shares of Publicis Groupe to certain key executives of the Group as part of a co-investment program, contingent on continued employment (with respect to all the shares) and on attaining the objectives of a 3-year plan (with respect to half of the shares, with the exception of corporate officers, for whom the entire award is based on performance).
- The award of 50 free shares of Publicis Groupe to every employee of the Group’s French companies provided, that they remain with the Company for two years.

Note 2. Accounting policies

The statutory accounts for 2009 have been prepared in accordance with the French General Accounting Plan (Plan Comptable Général) and in conformity with legal and regulatory texts applicable in France.

Comparability of financial statements

The accounting policies used in the preparation of the 2009 financial statements are identical to those used to prepare the accounts for the previous financial year.

Intangible assets

Intangible assets subject to amortization consist of the concession in respect of parking spaces, which is amortized over the 75 year period (length of the concession), and of the legal goodwill of the Publicis Cinema, which is fully amortized.

Property and equipment

Property and equipment is recognized at net acquisition cost and is subject to annual depreciation calculated on a straight-line basis over the following periods:

- 50 years — Building on the Avenue des Champs-Élysées, Paris,
- 25 years — Building on the rue du Dôme in Boulogne-Billancourt,
- 20 to 10 years — Fixtures and fittings
- 10 years — Equipment
- 4 years — Vehicles
- 3 years — Computer equipment

Investments

The gross value of investments is comprised of the purchase price of the stock excluding ancillary expenses. Foreign currency securities purchased are recognized at their purchase price translated into euros at the exchange rate applicable on the date of the transaction.

Provisions are recognized whenever the investment's value in use is lower than its carrying amount. Value in use is determined on the basis of objective criteria, such as revalued net assets, capitalized earnings and market capitalization, associated where necessary with more subjective criteria, such as specific industry indicators or ratios determined, in the context of economical assumptions and the company's growth forecasts, on the basis of the present value of projected future cash flows, and the strategic nature of the investment to the Group.

Marketable securities

Marketable securities primarily include treasury stock, which are classified according to their intended purpose.

A provision for loss is recognized in relation with treasury stock allocated to stock purchase plans or free share plans in order to reflect the difference between the subscription price (zero for the free shares) and their historical cost.

A provision is recognized for treasury shares that are not allocated to such a plan, as well as "other marketable securities," whenever their current value on the balance sheet date is lower than their carrying amount. The current value of publicly traded shares equals the average quoted price for the last month of the reporting period; and for non-listed securities, the probable selling price.

Bonds

Bonds are recognized at their par value.

In cases where a redemption premium exists, the bond liability is increased by the total amount of such a premium. This entry is balanced by recognition in assets of an identical redemption premium amount, which is amortized over the life of the bond on an actuarial basis.

In cases where an issue premium exists, the bond liability is recognized at par value and the issue premium is recognized as an asset. The original issue premium is amortized over the life of the bond.

ORANEs, being bonds reimbursable in new or existing shares, are recognized in other equity because of their intrinsic characteristics.

Provisions for contingencies and charges

Provisions for contingencies and charges are recognized to cover liabilities which are foreseen but whose amount is not known with certainty.

Provisions for contingencies and charges include, among other items:

- A provision for retirement benefits. Pension obligations are recognized as from December 31, 2006 on the basis of an actuarial valuation performed by independent appraisers pursuant to CNC recommendation 2003 R-01,

- A provision for other conditional long-term commitments to employees,
- The balance on the provision for taxes on the capital gain generated on an asset contribution carried out in the context of a reorganization of activities in America in 2000,
- A provision for work that must be carried out in the head office building in Paris,
- A provision for foreign exchange loss on the sterling loan granted to MMS UK,
- A provision for loss on treasury stock to cover any difference between the subscription price and the cost of such shares when allocated to stock option or free share plans.

Financial income and expense

Financial income is recognized by applying the usual rules, i.e.:

- Dividends : on the date of the distribution decision by the Annual General Meeting,
- Financial income on current accounts, term deposits and bonds: on a continuous basis as earned,
- Interest and dividends on marketable securities: at the date of receipt.

Financial costs related to the Eurobond 2012 as well as the Eurobond 2015 are presented net of the interest income arising on the interest rate swap.

The "partnership net income attributable to the parent" recognized in the income statement represents our company's share (49%) in the 2009 earnings of Régie 1, in accordance with the express provisions of that entity's articles of association.

Exceptional items

These include capital gains and losses on sale of property & equipment, intangible assets and fixed financial assets and particularly capital losses corresponding to the purchase price of equity warrants and capital gains and losses arising on the early redemption of bonds.

In addition, in order not to hamper interpretation of its "net(loss)income before exceptional items and taxes", the Company recognizes in exceptional items such increases (releases) of provisions on investments which, because of their source and amount, are of an exceptional nature.

Note 3. Billings

Billings are mainly composed of:

- Rent received from the building located at 133 Champs Elysées in Paris,
- Services invoiced to Group companies.

Note 4. Financial income (expense), net

(in thousands of euros)	***2009***	***2008***	***2007***
Dividends	207,293	254,551	93,759
Other income from investments	51,139	62,507	67,336
Financial income from investments	**258,432**	**317,058**	**161,095**
Other financial income	6,494	3,328	6,843
Foreign exchange gains [1]	4,632	4,954	56,160
Interest and other financial income	**11,126**	**8,282**	**63,003**
Reversal of provisions against investments	0	4,229	6,808
Reversal of provision for impairment of treasury stock	131,999	0	0
Reversal of provision for contingencies on treasury stock	0	5,246	1,842
Reversal of other financial provisions	84,549	18,146	1,980
Reversal of financial provisions and expense transfers	**216,548**	**27,621**	**10,630**
Total financial income	**486,106**	**352,961**	**234,728**
Increase of provision for impairment of treasury stock	0	(125,410)	(40,189)
Amortization of bond premiums and issue costs	(4,604)	(5,027)	(7,121)
Allowance to provision for foreign exchange losses	(68,436)	(84,549)	(18,146)
Provision expense for impairment of equity investments	(3,634)	0	0
Increases of other financial provisions	(953)	(946)	(1,042)
Increases in financial provisions and amortization of financial assets	**(77,627)**	**(215,932)**	**(66,498)**
Bond-related expenses	(43,798)	(68,297)	(61,315)
Other financial expenses	(68,343)	(93,268)	(33,940)
Foreign exchange losses	(4,945)	(4,284)	(89,731)
Interest and other financial expenses	**(117,086)**	**(165,849)**	**(184,986)**
Total financial expenses	**(194,713)**	**(381,781)**	**(251,484)**
Share in results of partnerships	1,044	896	900
Financial income (expense), net	**292,437**	**(27,924)**	**(15,856)**

(1) In 2007, 52 million euros was recognized in foreign exchange gains, .corresponding to the balancing payment received at the time of unwinding, during 2007, of the foreign currency component of the swap on the Eurobond

Note 5. Exceptional items

2009 net exceptional income represents the capital gains realized on the partial redemption of the OCÉANE 2018 on January 19, 2009, involving 2,241,811 bonds or 12.72% of the original issue.

No material exceptional items were recorded in 2008.

Exceptional items in 2007 represent, in net terms, income of 159,856 thousand euros mainly composed of the capital gain of 158,930 KEUR on the contribution of the shares owned in Publicis USA Holdings and MMM USA Holdings to Publicis Groupe Investments

Note 6. Income taxes

In the 2009 financial year the company, which is the parent company of the French tax group (which includes 35 subsidiaries), recognized a taxable loss of 118,906 thousand euros on a standalone basis.

The gain on tax consolidation recognized in 2009 by Publicis Groupe amounted to 30,332 thousand euros. This gain from tax consolidation is recognized, per the tax consolidation agreements signed by the member companies, in the income statement of the tax group's parent company.

Tax loss carryforwards of the French tax group at 31 December 2008, which can be carried forward for an indefinite period of time, amount to 352,275 thousand euros.

Note 7. Non-current assets

7.1 Property and equipment

In December 2007, Publicis exercised the call option which it held under its finance lease contract regarding two floors of the building located at rue du Dôme. An amount of 2,921 thousand euros was capitalized in this respect.

As from this date, Publicis owns the entire building (except for a number of parking places). Its total net carrying amount in the financial statements is 5,937 thousand euros at December 31, 2009.

7.2 Investments

There were no significant movements in investments in 2009, with the exception of a 3,634 thousand euros impairment provision on MMS France Holdings investment.

It is recalled that, in the context of the acquisition of Vivaki Communications (ex Business Interactif), put options were granted to beneficiaries of stock options and free shares that were not exercisable at the closing date of the mandatory squeeze-out offer. These commitments represent 837 thousand euros at December 31, 2009, as compared with 664 thousand euros in 2008.

There were no significant movements in investments in 2008.

In 2007, the gross amount of equity investments increased by 1,035,429 thousand euros. This increase results from:

- the contribution of shares in Publicis USA Holdings and MMS USA Holdings to Publicis Groupe Investments, which resulted in a decrease in investments of 436,645 thousand euros and an increase in the investment in Publicis Groupe Investments of increased our stake in Publicis Groupe Investments by 595,575 thousand euros,
- participation in an amount of 833,060 KEUR in a capital increase of Publicis Groupe Investments.

7.3 Loans and advances to invested entities

Loans and advances to invested entities amounted to 1,054,598 thousand euros at December 31, 2009; they are mainly comprised of two loans granted to Group companies:

- MMS USA Holdings for a foreign currency amount equivalent to 743,493 thousand euros,
- MMS UK Holdings for a foreign currency amount equivalent to 238,319 thousand euros.

These receivables amounted to 1,014,125 thousand euros at December 31, 2008. The increase of in this account caption in 2009 is due largely to a change of 53,267 thousand euros in the current account opened with MMS France Holdings in connection with the French cash pool.

7.4 Other non-current securities

As at December 31, 2008 other non-current securities are mainly composed of treasury stock (excluding shares held as part of the liquidity contract).

Since this stock is assigned to employees or kept available for future allocations already granted, treasury shares held in this way now appear under "marketable securities." Therefore, all treasury stock at December 31, 2009 is carried in marketable securities, whereas treasury stock held at the end of 2008 (with the exception of liquidity contracts) appeared as "other long-term securities."

At December 31, 2008 a provision for impairment of 131,999 thousand euros was recognized to adjust the value of the portfolio to its market value at that date.

Note 8. Marketable securities

The liquidity contract signed with Société Générale continued through 2009.

Marketable securities are broken down as follows at December 31, 2009:

(in thousands of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Excluding liquidity contract:			
Treasury Stock	272,294	-	-
Held under the liquidity contract:			
Monetary mutual funds	28,488	28,885	1,005
Treasury Stock	100	-	18,276
Provision for impairment of treasury stock	-	-	(4,227)
Total marketable securities (net carrying amount)	**300,882**	**28,885**	**15,054**

Activities for the year, excluding the liquidity contract, and the end-of-year positions are summarized in the following table:

(In thousands of euros except for share data)	***Number of shares***	***Gross carrying amount***	***Provision for impairment***	***Net carrying amount***
Treasury stock held at December 31, 2008 (1)	**17,166,682**	**449,239**	**(131,999)**	**317,240**
Reversal of impairment provision	-	-	131,999	131,999
Purchase of shares	31,040	599	-	599
Exercised options	(286,878)	(7,505)	-	(7,505)
Shares delivered in Razorfish acquisition	(6,500,000)	(170,039)		(170,039)
Treasury stock held at December 31, 2009 outside the liquidity contract	**10,410,844**	**272,294**	**0**	**272,294**

(1) As explained in Note 7.4 (Other long-term securities) treasury stock held at December 31, 2008 are carried as "Other long-term securities" on the balance sheet of that date.

Note 9. Deferred charges

This caption includes deferred charges in respect of bond issue costs. It also includes deferred charges in respect of putting in place syndicated credit facilities. The amount recognized in assets corresponds to the amount remaining to be amortized over the remaining period to maturity of the bonds and to expiry of the credit facilities.

Deferred charges as at December 31, 2009 are composed of:

- 11,550 thousand euros attributable to the issuance of bonds, including 8,059 thousand euros of OCÉANE 2014 costs, 1,372 thousand euros for the OCÉANE 2018, 1,228 thousand euros for the Eurobond 2015 and 891 thousand euros for the Eurobond 2012,
- 1,162 thousand euros representing the capital loss on the Eurobond 2012 exchange, net of the balancing amount received when the corresponding interest rate swap was unwound,
- 847 thousand euros attributable to the costs of establishing syndicated credit facilities.

Note 10. Bond issue and redemption premiums

These represent, respectively (net carrying amount at December 31, 2009):

- a redemption premium of 24,216 thousand euros on the OCÉANE 2018,
- a redemption premium of 1,552 thousand euros on the Eurobond.

Note 11. Translation adjustment assets and liabilities

The unrealized foreign exchange loss results primarily from the revaluation of the 211,652 thousand euros loan to MMS UK.

Note 12. Average headcount

The Company's average headcount was 2 executives.

Note 13. Shareholders' equity

Publicis Groupe capital stock has changed over the last five reporting periods as follows:

Dates	*Capital transactions*	*Changes in share capital Shares with 0.4 euros par value* — *Number of shares*	*Par value* (in thousands of euros)	*Additional paid-in capital* (in thousands of euros)	*Total cumulative amount of capital* (in thousands of euros)	*Cumulative number of shares in the Company*
As at January 1, 2005					**78,188**	**195,471,061**
2005	Exercise of options under the Publicis plan	75,820	30	515	78,218	195,546,881
	Redemption of ORANEs (1st tranche)	1,562,129	625	47,020	78,843	197,109,010
2006	Exercise of options under the Publicis plan	38,090	16	316	78,859	197,147,100
	Redemption of ORANEs (2nd tranche)	1,562,129	625	47,020	79 484	198,709,229
2007	Exercise of options under the Publicis plan	226,970	91	2,180	79,575	198,936,199
	Redemption of ORANEs (3rd tranche)	1,562,129	625	47,020	80,200	200,498,328
	Remuneration of the contribution of Digitas France shares	1,889,026	755	62,149	80,955	202,387,354
2008	Exercise of options under the Publicis plan	71,500	29	670	80,984	202,458,854
	Cancellation of shares (February 2008)	(8,000,000)	(3 200)	(188,481)	77,784	194,458,854
	Redemption of ORANEs (4th tranche)	1,562,129	624	47,020	78,408	196,020,983
2009	Redemption of ORANEs (5th tranche)	1,562,129	625	47,020	79,033	197,583,112
Position at December 31, 2009					**79,033**	**197,583,112**

The change in shareholders' equity between January 1, 2009 and December 31, 2009 was as follows:

(in thousands of euros)	*January 1, 2009*	*Capital increase*	*Allocation of 2008 net income*	*Distribution of dividends*	*2009 net income*	*December 31, 2009*
Capital stock	78,408	625	-		-	79,033
Additional paid-in capital	2,602,170	47,020	-		-	2,649,190
Legal reserve	8,095	-	-		-	8,095
Retained earnings	477,004	-	29,669	(107,349)	-	399,324
Sub-total	3,165,677	47,645	29,669	(107,349)	0	3,135,642
Net income for year	29,669	-	(29,669)		319,692	319,692
Total	**3,195,346**	**47,645**	**0**	**(107,349)**	**319,692**	**3,455,334**

Note 14. Other equity

Other equity consists of a 20-year bond redeemable in new or existing shares (ORANEs) issued on September 24, 2002 in the context of the Bcom3 Group acquisition.

The initial amount of the bond was 857,812 thousand euros. It was reduced to 619,384 thousand euros following redemption of the first five tranches every September from 2005 to 2009. At December 31, 2009 there remain 1,562,129 ORANEs with a par value of €396.50, each entitled to 13 new or existing Publicis Groupe shares at the rate of one per year from September 1, 2010 to September 1, 2022, making a total of 20,307,677 shares to be issued. In parallel, the unit value of each ORANE is reduced by €30.50 per year on each of these dates.

ORANEs bear interest at a minimum rate of 0.82% of par value. This interest rate was reviewed for the second time on payment of the coupon due on September 1, 2008 on the basis of 110% of the average dividends over the last three financial years; the new coupon, for the period September 2008 to September 2011, represents annual interest of 1.75% of par value.

Note 15. Provisions for contingencies and charges

(in thousands of euros)	*Amount at January 1 2009*	*Increase in 2009*	*Reversal in 2009 (provision used)*	*Reversal in 2009 (provision not used)*	*Amount at December 31, 2009*
Provision for tax [(1)]	6,647	-	-	-	6,647
Provision for retirement indemnities	4,439	48	-	-	4,487
Provision for conditional long-term commitments to employees	17,351	2,900	-	-	20,251
Provisions for foreign exchange losses	84,549	68,436	(84,549)	-	68,436
Provision for contingencies on treasury stock [(2)]	0	22,492	-	-	22,492
Other provisions for contingencies [(3)]	5,262	300	(2,141)	-	3,421
Total	**118,248**	**94,176**	**(86,690)**	**0**	**125,734**

(1) Refers to the provision for tax on the capital gain on the transfer of shares to Publicis USA Holdings in March 2000, in respect of which taxation is deferred in accordance with article 210-A of the French General Tax Code. A portion of this provision was reversed in 2008 (see Note 1: Significant events of the financial year)

(2) This provision reflects the loss on treasury stock classified as marketable securities (See Note 8 – Marketable securities)

(3) These provisions include an amount of 1,787 thousand euros provided at December 31, 2008 for repairs to comply with applicable standards to be performed on the company's head office building in Paris.

Note 16. Bonds

(in thousands of euros)

Number of securities	*Category of bond*	*December 31, 2009*	*December 31, 2008*	*December 31, 2007*
3 242 523	OCÉANE 2.75% actuarial - January 2018	126,943	214,710	214,710
	OCÉANE 2.75% - redemption premium	43,910	74,268	74,268
-	OCÉANE 0.75% - July 2008	-	-	672,000
25 761 647	OCÉANE 3.125% - July 2014	718,750	-	-
505 725	Eurobond 4.125% - January 2012	505,725	750,000	750,000
253 242	Eurobond 4.250% - March 2015	253,242	-	-
	Total excl. accrued interest	**1,648,570**	**1,038,978**	**1,710,978**
	Accrued interest	14,411	9,612	15,599
	Balance sheet total	**1,662,981**	**1,048,590**	**1,726,577**

- **OCÉANE 2.75% actuarial - January 2018**

  The 16-year bond convertible into new or existing shares (OCÉANEs), issued on January 18, 2002 for a total original amount of 690 million euros (excluding premium), was composed of 17,624,521 bonds of 39.15 euros each (representing a premium of 35% over the Publicis share reference price at the time of the issue), issued at par and bearing interest at the annual rate of 1%. These bonds are reimbursable in full on maturity, on January 18, 2018, for an amount equal to their par value plus a redemption premium of 34.59%. A 62.36% portion of these bonds was reimbursed in February 2005 and a further 6.52% was reimbursed in February 2006, reducing the overall amount of the debt to 215 million euros, The remaining bonds will be redeemed in full at their maturity, on January 18, 2018, for an amount corresponding to 134.59% of par. However, they may be redeemed prior to maturity, either through purchase on public markets or by public tender or exchange offers, at any time after January 18, 2007. Bondholders have the possibility of requesting early redemption on January 18 in either 2010 or 2014. Additionally, Publicis Groupe has a right to redeem the bonds at any time after January 18, 2007 in the event that the share price exceeds 125% of the early redemption price. Bondholders may request the conversion or exchange of bonds at any time after January 18, 2002 and no later than the seventh working day preceding the maturity date, on the basis of one share per bond. Shares issued may, at the discretion of the company, be either existing or new shares.

- **OCÉANE 0.75% - July 2008**

  The 5-year bond convertible into existing or new shares (**OCÉANE**), issued on July 8, 2003 for a total amount of 672 million euros was redeemed in full on July 17, 2008. It had been composed of 23,172,413 bonds of €29.00, issued at par and bearing interest at the annual rate of 0.75%.

- **OCÉANE 3.125% - July 2014**

  The 5-year bond convertible into new or existing shares (OCÉANEs), issued on June 24, 2009 for a total amount of 719,000 thousand euros consisted of 25,761,647 bonds of €27.90 each (representing a premium of 35.5% over the reference Publicis share price at the time of issue), issued at par and bearing interest at the annual rate of 3.125% payable semi-annually. They will be redeemed at par on July 30, 2014 and may be subject to an early redemption under certain conditions. Bondholders may request the conversion or exchange of bonds at a ratio of one share per bond, at any time after August 3, 2009 but no later than the seventh working day preceding the maturity date. Shares issued may be either existing or new shares, at the Company's discretion.

- **Eurobond 4.125% - January 2012**

  The standard bond issued on January 28, 2005, for an amount of 750 million euros bearing interest at 4.125 % and maturing in 2012, is comprised of 750,000 bonds with a par value of 1 thousand euros each. Issued at 99.3% of par, they bore an original issue premium of 5 million euros, amortized over the life of the bond.

  Following the public exchange offer launched on December 2, 2009, and in order to extend the maturity of this liability, 244,275 bonds worth 244 million euros were redeemed (representing nearly 33% of the total principal issued), reducing total liability to 506 million euros, representing 505,725 bonds.

  The remaining bonds will be redeemed at par when they mature on January 31, 2012.

- **Eurobond 4.25% - March 2015**

  Following the exchange offer launched on December 2, 2009 pursuant to which holders of the Eurobond 2012 were entitled to exchange it for newly issued, 4.25% euros-denominated bonds maturing on March 2015. In exchange for the 244,275 bonds tendered, Publicis Groupe issued a new Eurobond maturing in 2015 for 253 million euros, consisting of 253,242 bonds.

  These new bonds will be redeemed at par when they mature on March 31, 2015.

Note 17. Bank borrowings and overdrafts

This account is solely comprised of bank overdrafts.

Note 18. Borrowings and other financial liabilities

(in thousands of euros)	***December 31, 2009***	***December 31, 2008***	***December 31, 2007***
Long-term borrowings from Publicis Finance Services [(1)]	678,363	702,199	663,847
Long-term borrowings from Publicis Groupe Holdings [(2)]	300,000	300,000	300,000
Current accounts – short-term borrowings from subsidiaries and accrued interest	313,729	1,153,976	419,335
Sundry creditors	10,798	6,696	4,824
Total	**1,302,890**	**2,162,871**	**1,388,006**

[(1)] *On 28 November, 2007, Publicis Groupe contracted a loan of 977,250 thousand euros from Publicis Finance Services, a Group subsidiary that manages the international cash pool, in order to .partly finance the purchase, from Publicis Finance Services, of a loan granted to MMS USA Holdings, a subsidiary, for the acquisition of Digitas Inc at the start of 2007.*

[(2)] *The loan of 300 million euros is a subordinated convertible debenture granted by Publicis Groupe Holdings on October 5, 2007 with a term of 55 years.*

As at December 31, 2009, there was a marked decrease in miscellaneous borrowing due to the issue of the OCÉANE 2014 in June 2009 for 718,750 thousand euros which allowed the company to reduce its current account in euros with Publicis Finance Services. This current account had a particularly high balance on December 31, 2008, after redemption of the OCÉANE 2008 in July 2008 for an amount of 672 000 thousand euros.

Note 19. Maturity schedule for receivables and liabilities

All receivables included in current assets are due to be settled within less than one year.

The maturity schedule for liabilities is presented below:

(in thousands of euros)	***Total***	***Less than 1 year***	***1 to 5 years***	***More than 5 years***
Bonds	1,662,981	42,338	1,224,475	396,168
Bank borrowings and overdrafts	481	481	-	-
Borrowings and other financial liabilities	1,302,890	323,714		979,176
Trade payables	7,551	7,551	-	-
Tax and employee-related payables	3,606	3,606	-	-
Other creditors	1,252	1,252	-	-
Total liabilities	**2,978,761**	**378,942**	**1,224,475**	**1,375,344**

Note 20. Disclosures concerning related entities and investments

(in thousands of euros)	***Amount concerning entities which are related to the company***	***Amount concerning entities in which the company has an investment***
Balance Sheet		
Investments	5,664,928	1,959
Loans and advances to invested entities	1,053,594	
Accounts receivable	15,740	
Other receivables	9,765	
Borrowings and other financial liabilities	1,292,719	
Trade payables	634	
Debt for taxes	6,362	
Income Statement		
Billings (goods and services)	33,810	
Other purchases and external charges	(2,645)	
Investment income	207,193	
Interest and other financial revenue	51,144	
Investment income	1,144	
Increases of financial provisions	(3,634)	
Interest and other financial expenses	(67,273)	

Note 21. Off-balance sheet commitments

Off-balance sheet commitments given

Commitments related to bonds and to ORANEs

- **OCÉANE 2018 – 2.75% actuarial January 2018**

  With respect to the OCÉANE 2018, bondholders may request that bonds be converted, at the ratio of one share for each bond (which had a unit value of €39.15 when issued), at any time from January 18, 2002 until the seventh business day before maturity (in January 2018). .Taking into account the early redemption in February 2005 and January 2006, Publicis Groupe has a commitment to deliver, if requests for conversion are made, 5,484,334 shares which may, at Publicis Groupe's discretion, be either new or existing shares held in its portfolio.

  In addition, the bondholders have the possibility of requesting early redemption in cash, of all or part of the bonds they own, on January 18 in 2010 and 2014. The early redemption price is calculated in such a way as to provide a gross annual actuarial yield on the bond of 2.75% at the date of redemption.

- **ORANE (Bonds redeemable in new or existing shares) – September 2022**

  After the redemption of the first four tranches of the bond in September 2005, 2006, 2007 and 2008, each ORANE gives a right to receive 14 new or existing Publicis Groupe shares, at the rate of one share per year until the twentieth anniversary of issuance of the bond. Publicis Groupe therefore has the obligation to deliver 1,562,129 shares each year from year 2009 to 2022, being a total of 21,869,806 shares which may, at Publicis Groupe's discretion, be either new shares to be issued or existing shares held in its portfolio.

- **OCÉANE – 3.125% July 2008**

  With respect to the OCÉANE 2014, bondholders may request that bonds be converted, at the rate of one share for each bond (which bonds had a unit value of €27.90 when issued), at any time from August 3, 2009 until the seventh business day before the maturity date (July 2014). Publicis Groupe will thus have an obligation, if conversion is requested, to deliver 25,761,647 shares which may, at the Publicis Groupe's discretion, be either new or existing shares currently held in its portfolio.

  These bonds should be amortizable in full on July 30, 2014 by redemption at par. However, Publicis Groupe retains the option to call all or part of the bonds at any time from July 30, 2012 onward if Publicis Groupe SA stock trades at 130 % of the bond's par value.

- **Eurobond 2012 and 2015**

  In January 2005, Publicis Groupe granted a long-term loan of 977 million USD to MMS USA Holdings, a 100% subsidiary of the Group.

  To hedge against future changes in the USD/euros exchange rate, in January 2005 the Publicis Groupe swapped its 750 million euros Eurobond 2012 issue into 977 million USD.

  Following the changes made to the terms of the swap in 2006, the original fixed rate euros issue (interest rate 4.125%) has been swapped into dollars at variable rate (6.33% for the last two months of 2006). In September 2007, the foreign currency component of the swap was unwound in the overall context of management of exposure of the Group's net assets to foreign exchange risk.

In December 2009, the interest rate portion of the swap was unwound with respect to the fraction of the January 2012 Eurobond that had been exchanged. The Group received a balance payment of 8 million euros, which had no impact on the income statement. At the same time, a new fixed/variable rate swap in euros was negotiated for the Eurobond 2015.

Commitments related to equity warrants

The exercise of equity warrants – which could occur at any time between September 24, 2013 and September 24, 2022 – would lead to an increase in Publicis Groupe's capital stock. After cancellation of the equity warrants bought back in 2005 and 2006, Publicis Groupe is committed to creating (if all equity warrants were to be exercised) 5,602,699 shares with a 0.40 euros par value and 30.1 euros of additional paid-in capital.

Publicis Groupe SA stock option and free share plans

Stock options originated by Publicis Groupe

Characteristics of Publicis Groupe stock option plans outstanding at December 31, 2009

Shares with 0.40 euros par value	***Type of option***	***Date of Grant***	***Exercise price of options (in euros)***	***Outstanding options at 31/12/08***	***Of which exercisable 31/12/08***	***Expiry date***	***Remaining contractual life (in years)***
10th tranche	Acquisition	07/09/2000	43.55	100,000	100,000	2010	0.68
11th tranche	Acquisition	23/04/2001	33.18	343,000	343,000	2011	1.30
13th tranche	Acquisition	18/01/2002	29.79	77,200	77,200	2012	2.04
14th tranche	Acquisition	10/06/2002	32.43	5,000	5,000	2012	2.44
15th tranche	Acquisition	08/07/2002	29.79	220,000	220,000	2012	2.51
16th tranche	Acquisition	28/08/2003	24.82	478,400	478,400	2013	3.65
17th tranche	Acquisition	28/08/2003	24.82	3,315,046	3,315,046	2013	3.65
19th tranche	Acquisition	28/09/2004	24.82	1,160,208	1,160,208	2014	4.74
20th tranche	Acquisition	24/05/2005	24.76	395,190	395,190	2015	5.39
21st tranche	Acquisition	21/08/2006	29.27	100,000	-	2016	6.64
22nd tranche	Acquisition	21/08/2006	29.27	4,820,571	2,410,285	2016	6.64
23rd tranche	Acquisition	24/08/2007	31.31	802,316	401,156	2017	7.64
Total of all tranches				**11,816,931**	**8,905,485**		
Average exercise price (€)				27.64	27.02		

Movements on Publicis Groupe stock option plans in 2009

Shares with 0.40 euros par value	***Exercise price of options (euros)***	***Outstanding options at December 31, 2008***	***Options granted in 2009***	***Options exercised in 2009***	***Options cancelled or lapsed in 2009***	***Options outstanding at December 31, 2009***
10th tranche	43.55	100,000	0	0	0	100,000
11th tranche	33.18	353,000	0	0	(10,000)	343,000
13th tranche	29.79	85,200	0	0	(8,000)	77,200
14th tranche	32.43	5,000	0	0	0	5,000
15th tranche	29.79	220,000	0	0	0	220,000
16th tranche	24.82	480,067	0	0	(1,667)	478,400
17th tranche	24.82	3,719,299	0	(110,262)	(293,991)	3,315,046
19th tranche	24.82	1,227,571	0	(19,091)	(48,272)	1,160,208
20th tranche	24.76	417,596	0	(6,677)	(15,729)	395,190
21st tranche	29.27	100,000	0	0	0	100,000
22nd tranche(1)	29.27	7,965,250	0	0	(3,144,679)	4,820,571
23rd tranche(1)	31.31	1,422,233	0	0	(619,917)	802,316
Total of all tranches		**16,095,216**	**0**	**(136,030)**	**(4,142,255)**	**11,816,931**
Average exercise price (€)		28.0	0	24.82	29.20	27.64
Average price on exercise (€)					23.30	

- *In April 2009 the number of options that vested under the 2006-2008 three-year plan was adjusted to account for a final percentage of achievement of objective of 62.59%.*

Movements in Publicis Groupe stock option plans in 2008

Shares with 0.40 euros par value	***Exercise price of options (euros)***	***Outstanding options at December 31, 2007***	***Options granted in 2008***	***Options exercised in 2008***	***Options cancelled or lapsed in 2008***	***Outstanding options at December 31, 2008***
8th tranche	8.66	21,000		(21,000)	0	0
9th tranche	10.24	54,500		(50,500)	(4,000)	0
10th tranche	43.55	100,000		0	0	100,000
11th tranche	33.18	360,000		0	(7,000)	353,000
13th tranche	29.79	88,200		0	(3,000)	85,200
14th tranche	32.43	5,000		0	0	5,000
15th tranche	29.79	220,000		0	0	220,000
16th tranche	24.82	485,067		0	(5,000)	480,067
17th tranche	24.82	3,999,348		0	(280,049)	3,719,299
19th tranche	24.82	1,251,459		0	(23,888)	1,227,571
20th tranche	24.76	475,655		0	(58,059)	417,596
21st tranche	29.27	100,000		0	0	100,000
22nd tranche	29.27	9,208,050		0	(1,242,800)	7,965,250
23rd tranche	31.31	1,564,400		0	(142,167)	1,422,233
Total of all tranches		**17 932 679**		**(71 500)**	**(1 765 963)**	**16 095 216**
Average exercise price (€)		27.99		9.78	28.48	28.02
Average price on exercise (€)					21.88	

Movements in Publicis Groupe stock option plans in 2007

Shares with 0.40 euros par value	***Exercise price of options (euros)***	***Outstanding options at December 31, 2006***	***Options granted in 2007***	***Options exercised in 2007***	***Options cancelled or lapsed in 2007***	***Outstanding options at December 31, 2007***
7th tranche	5.63	17,510	-	(9,470)	(8,040)	0
8th tranche	8.66	27,000	-	(6,000)	-	21,000
9th tranche	10.24	266,000	-	(211,500)	-	54,500
10th tranche	43.55	100,000	-	-	-	100,000
11th tranche	33.18	367,000	-	-	(7,000)	360,000
13th tranche	29.79	93,400	-	-	(5,200)	88,200
14th tranche	32.43	5,000	-	-	-	5,000
15th tranche	29.79	220,000	-	-	-	220,000
16th tranche	24.82	496,067	-	-	(11,000)	485,067
17th tranche	24.82	5,679,827	-	(1,547,680)	(132,799)	3,999,348
18th tranche	24.82	11,000	-	-	(11,000)	-
19th tranche	24.82	1,517,004	-	(201,608)	(63,937)	1,251,459
20th tranche	24.76	779,761	-	(264,769)	(39,337)	475,655
21st tranche	29.27	100,000	-	-	-	100,000
22nd tranche	29.27	10,097,850	-	-	(889,800)	9,208,050
23rd tranche	31.31	-	1,574,400	-	(10,000)	1,564,400
Total of tranches		**19,777,419**	**1,574,400**	**(2,241,027)**	**(1,178,113)**	**17,932,679**
Average exercise price (€)		27.21	31.31	23.31	28.17	27.99
Average share price on exercise (€)				31.44		

Publicis Groupe free share plans

Characteristics of Publicis Groupe free share plans outstanding at December 31, 2009

Shares with 0.40 euros par value	***Beneficiaries***	***Grant date***	***Number of shares yet to vest at December 31, 2009***	***Date of irrevocable vesting of shares***	***Remaining contract life (in years)***
Co-investment plan (1)	French	03/19/2009	831,000	19/03/2012	2.22
Co-investment plan (1)	Outside France	03/19/2009	2,713,176	19/03/2013	3.22
Free shares plan, all employees	French	05/20/2009	185,575	20/05/2011	1.38
Total of free share plans			**3,729,751**		

(1) Conditional shares for which vesting is subject to continued employment (for all shares) and to meeting objectives over a 3-year plan (for half of them, except for the senior corporate officers ("mandataires sociaux") for whom the grant is entirely subject to performance.

- *After this date the French beneficiaries must observe an additional two-year lock-up period.*

Movements in Publicis Groupe free share plans in 2009

Shares with 0.40 euros par value	***Beneficiaries***	***Number of shares yet to vest at December 31, 2009***	***Shares granted in 2009***	***Shares cancelled or lapsed in 2009***	***Shares vesting in 2009***	***Number of shares yet to vest at December 31, 2009***
Co-investment plan (1)	French	0	831,000	0	0	831,000
Co-investment plan (1)	Outside France	0	2,713,176	0	0	2,713,176
Free shares plan, all employees	French	0	210,125	(24,550)	0	185,575
Total of free share plans		**0**	**3,729,751**	**(24,550)**	**0**	**3,729,751**

(1) Conditional shares granted subject to continued employment (for all shares) and to meeting objectives over a 3-year plan (for half of them, except for the senior corporate officers ("mandataires sociaux") for whom the grant is entirely subject to performance.

Publicis Groupe free share plans granted to certain Razorfish employees

The new Publicis Groupe free share plan, established December 1, 2009 to replace the plans granted to certain Razorfish employees that were in effect at the time of the acquisition, resulted in the granting of 493,832 free shares of Publicis Groupe. For the majority of shares the vesting period runs for four years (2010-2013), with a smaller portion running untill 2018. As at December 31, 2009, 477,511 had not yet vested.

Stock-option and free share plans originated by Digitas

On the acquisition of Digitas, these plans were converted into Publicis Groupe stock option plans, applying the ratio existing between the purchase price of our public offer for Digitas (translated into euros) and the Publicis Groupe share price at the completion date of the merger. The subscription price was correspondingly adjusted.

Characteristics of Digitas stock option plans outstanding at December 31, 2009

Shares with 0.40 euros par value	***Date of grant***		***Exercise price of options (euros)***		***Options outstanding at 31/12/2009***	***Of which exercisable 31/12/2008***	***Expiry date***		***Remaining contract life (in years)***
	min	**max**	**min**	**max**			**min**	**max**	
Digitas plans:									
1999	12/01/1999	10/03/2000	21.36	21.36	10,061	10,061	01/12/2009	10/03/2010	0.11
2000	04/03/2000	01/02/2001	13.73	50.65	44,284	44,284	03/04/2010	01/02/2011	0.71
2001	03/01/2001	24/01/2007	5.08	35.42	549,835	517,571	01/03/2011	24/01/2017	4.87
2005 UK	06/01/2005	01/12/2006	21.70	35.42	7,040	5,833	01/06/2015	01/12/2016	6.52
Modem Media plans:									
1997	03/26/1997	29/09/2004	18.30	19.18	370	370	01/01/2008	29/09/2014	4.74
1999	04/12/2000	22/06/2004	2.62	54.05	5,232	5,232	12/04/2010	22/06/2014	2.79
2000	10/12/2000	25/05/2004	16.35	16.35	1,191	1,191	12/10/2010	25/05/2014	0.78
total tranches					618,013	**584,542**			
Average exercise price (€)					23.87	23.71			

Movements in Digitas stock option plans in 2009

Shares with 0.40 par value	***Exercise price of options (euros)***		***Options outstanding at 31/12/2008***	***Options exercised in 2009***	***Options cancelled or lapsed in 2009***	***Options outstanding at 31/12/2009***
	min	max				
Digitas plans:						
1999	21.36	21.36	25,188	(2,974)	(12,153)	10,061
2000	13.73	50.65	47,228	(315)	(2,629)	44,284
2001	5.08	35.42	769,648	(114,370)	(75,443)	549,835
2005 UK	21.70	35.42	5,784	(211)	1,467	7,040
Modem Media plans:						
1997	18.30	19.18	1,840	0	(1,470)	370
1999	2.62	54.05	5,657	(88)	(337)	5,232
2000	16.35	16.35	1,191	0	0	1,191
Total of tranches			**856,536**	**(147,958)**	**(90,565)**	**618,013**
Average exercise price (€)			22.22	13.04	18.73	23.87
Average share price on exercise (€)				23.30		

Furthermore, a plan to grant Restricted Shares of Digitas put in place between January 4, 2005 and January 23, 2007, is in operation. It was converted into Publicis Groupe shares using the same ratios as for ordinary stock-option plans (see above). On the acquisition date, outstanding Restricted Shares of Digitas represented the equivalent of 396,654 Publicis shares.

The 42,188 free shares still outstanding to December 31, 2009 will cease to be locked up as of January 23, 2010. Once this restriction period is completed, and provided conditions are met regarding continued employment, the 42,188 free shares outstanding to December 31, 2009 will become equivalent to shares of Publicis Groupe common stock.

Contractual guarantees given

- Guarantee until 2019 on behalf of Leo Burnett USA in favor of the owner of the premises at 35 West Wacker Drive in Chicago, for a maximum amount of 119,077 thousand USD in respect of of rental payment and of 136,083 thousand USD in respect of of real estate taxes and operating expenses related to the building.
- Guarantee until 2016 on behalf of Zenith Optimedia Ltd (UK) to the owner of the premises at 24 Percy Street, London, for a maximum amount of 17,398 thousand GBP in respect of rental payment and an amount of 2,342 thousand GBP in respect of operating expenses related to the building.
- Guarantee until 2022 on behalf of Fallon London Limited (UK) to the owner of the premises at 20-30 Great Titchfield Street, London, for a maximum amount of 26,564 thousand GBP in respect of rental payment and an amount of 2,642 thousand GBP in respect of operating expenses related to the building.
- Joint and several guarantees of the debts of Publicis Groupe Holdings, Publicis Holdings and Publicis Groupe Investments.

Commitments given the context of hedging of foreign currency loans granted to certain subsidiaries (other than the Eurobond swap described above):

Amount in currency (in thousands of units)	***$17,158***
Type of contract	Seller's hedge
Currency	USD/EUR
Expiration date	03/31/2010
Forward price	1.4342
Counterparty position (thousands of euros)	11,963
Market value at December 31, 2009 (thousands of euros)	11,910

Off-balance sheet commitments received

The unutilized credit facilities are unused credit lines amounting to 1,500 million euros as part of the multi-currency syndicated credit due in July 2012, with an option to extend, after obtaining the agreement of the banks, until July 2014.

There were unused bilateral credit lines amounting to 655 million euros as at December 31, 2009.

Note 22. Subsequent events

- Under the terms of the securities note dated January 10, 2002 concerning the Publicis Groupe OCÉANE issue of January 18, 2002, any bondholder could demand early redemption of all or part of his OCÉANEs of that date for the price of 45.19 euros per bond. As a consequence, 617,985 OCÉANEs were redeemed for a total of 27,926,742.15 euros. The number of these OCÉANEs currently outstanding is 2,624,538 bonds, or 14.9% of the 17,624,521 originally issued, corresponding to a potential dilution of 2,624,538 shares.
- Pursuant to the authorization granted on June 9, 2009 by the Combined Ordinary and Extraordinary Shareholders Meeting, on January 8, 2010 the Company entered into an agreement with an authorized intermediary to purchase 2.7 million Publicis Groupe shares.

Note 23. Subsidiaries and other investments at December 31, 2009

(Figures in thousands of euros except for shareholders' equity stated in local currency)

A – Subsidiaries and other investments whose book value exceeds 1% of Publicis Groupe capital stock

Company	Capital stock	Reserves and retained earnings	% ownership	Gross book value	Net book value	Loans and advances	Billings	Net income	Dividends received
1-Subsidiaries									
Publicis Groupe Investments B.V. Prof. W.H. Keesomlaan 12 1183 DJ Amstelveen Pays-Bas	69,742	7,564,192	100.00	5,375,438	5,375,438	0	0	171,474	171,995
MMS France Holdings 133, Champs-Elysées 75008 Paris France SIREN 444 714 786	114,607	0	99.61	248,670	245,036	0	0	23,550	7,610
Médias et Régies eurospe 1 Rond-Point Victor Hugol 92 137 Issy les Moulineaux SIREN 353 938 905	24,150	(5,836)	99.99	25,508	25,508	0	12,723	6,593	0
Metrobus 1 Rond-Point Victor Hugo 92 137 Issy les Moulineaux SIREN 327 096 426	1,840	17,370	32.30	17,508	17,508	0	133,097	(15,502)	1,486
2-Other investments									
eurospe 1 Immobilier 26bis, rue François 1er 75008 Paris SIREN 622 009 959	1,050	3,462	10.00	1,959	1,959	0	13,110	(2,187)	0

B - General information with regard to all subsidiaries and other investments

	Subsidiaries		*Equity investments*	
	French	Foreign	French	Foreign
Book value of shares held				
- gross	292,282	5,375,438	2,801	0
- net	292,282	5,375,438	2,801	0
Amount of dividends received	36,342	171,995	0	0

Details of securities at December 31, 2009

	% interest	*Net carrying value (in thousands of euros)*
I –Investments		
A. Investments in French companies		
380,517,041 shares in MMS France Holdings	99.61%	245,036
1,609,989 shares in Médias et Régies eurospe	99.99%	25,507
37,146 shares in Metrobus	32.30%	17,508
7,000 shares in eurospe 1 Immobilier	10.00%	1,959
245,000 shares in Régie 1	49.00%	373
9,097 shares in Publicis Finance Services	99.97%	186
3,700 shares in Publicis Groupe Services	100.00%	37
Vivaki Communications	(1)	837
Investments with a carrying value less than 15,000 euros, aggregate		6
Total French investments		**291,449**
B. Investments in foreign companies		
153,023 shares in Publicis Groupe Investments	100.00%	5,375,438
Investments with a carrying value less than 15,000 euros, aggregate		-
Total foreign investments		**5,375,438**
Total investments		**5,666,887**
II - Other fixed asset securities		
C. French securities		
Total other fixes asset securities		**0**
III- Other securities		
D. Other securities of French companies		
10,414,344 treasury shares of Publicis Groupe S.A. (2)	5.27%	272,394
Monetary funds		28,488
Securities with a carrying value less than 15,000 euros, aggregate		5
E. Other foreign securities		**14**
Total other securities		**300,901**
Total securities		**5,967,788**

(1) Shares to be purchased in the context of the liquidity contracts (see note 7.2 on investments)
(2) Shares held in the context of share buyback programs, excluding liquidity contract.

Results of Publicis Groupe over the last five years

	2009	2008	2007	2006	2005
Capital stock at year end					
Capital stock (in thousands of euros)	79,033	78,408	80,955	79,484	78,844
Number of shares in issue	197,583,112	196,020,983	202,387,354	198,709,229	197,109,010
Maximum number of future shares to be issued					
- under free shares plan for French employees	185,575	-	-	-	-
- under stock option plans	-	-	75,500	310,510	361,470
- through exercise of equity warrants [1]	-	-	-	5,602,699	-
- through the conversion of bonds [2]	49,311,847	50,526,553	52,088,682	53,650,811	56,362,527
Operations and results for the year (in thousands of euros)					
Billings, excluding VAT	33,847	17,935	22,498	20,898	25,574
Net income (loss), before taxes, depreciation, amortization and provisions	152,354	161,267	203,161	(39,537)	143,611
Income taxes (credit)	(30,332)	(59,437)	(20,454)	(17,293)	(33,554)
Net income (loss) after taxes, depreciation, amortization and provisions	319,692	29,669	163,693	(38,996)	254,045
Income distributed to shareholders	118,550	107,350	105,573	91,954	66,137
Earnings per share (in euros)					
Earnings per share after taxes but before depreciation, amortization and provisions	0.92	1.13	1.10	(0.11)	0.90
Earnings per share after taxes, depreciation, amortization and provisions	1.62	0.15	0.81	(0.20)	1.29
Dividends per share	0.60	0.60	0.60	0.50	0.36
Employees (In thousands of euros except headcount)					
Average salaried employee headcount	2	2	3	3	3
Gross salary expense	3,074	2,612	4,075	2,951	1,938
Social charges and benefits (social security, charities, and similar benefits)	959	798	1,568	1,370	671

[1] *The equity warrants were not taken into consideration except for 2006 when their exercise price of 30.5 euros was below the Publicis Groupe share price*

[2] *It was assumed that new shares would be issued to redeem both OCÉANEs and ORANEs*

[3] *Estimate on the basis of existing shares as at December 31, 2009, including treasury stock*

20.3 AUDIT OF THE FINANCIAL INFORMATION PRESENTED

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED AS AT DECEMBER 31, 2009

In our capacity as Statutory Auditors as mandated by your General Meeting, we hereby report to you concerning the fiscal year ending as at December 31, 2009, concerning:

- The audit of the accompanying consolidated financial statements of Publicis Groupe, attached hereto;
- The justification of our assessments;
- The specific verification required by law.

These consolidated financial statements have been approved by the Company's Management Board. Our role is to express an opinion on these financial statements based on our audit.

Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the consolidated financial statements for the year give a true and fair view of the assets, liabilities, financial position and results of the consolidated group of entities in accordance with IFRS as adopted by the eurospean Union.

Without calling into question the conclusion expressed above, we would like to bring to your attention Note 1, "Accounting Policies", which mentions that the Group will apply, starting on January 1, 2009, the revised IAS 1 standards, "Presentation of Financial Statements", and IFRS 8 "Operating Segments".

II. Justification of Assessments

In accordance with the requirements of article L. 823-9 of the French Commerce Code relating to the justification of our assessments, we bring to your attention the following matters:

- Note 1.2 "Accounting Policies" in our annexes to the consolidated financial statements describes the accounting policies and methods with respect to revenue recognition. In connection with our assessment of the accounting policies applied by your Group, we assessed the appropriateness of the accounting policies used for revenue recognition and we ensured that these accounting policies were correctly applied.

- Your company has recognized provisions as described in Note 20 "Provisions" and in Note 21 "Defined benefit pension commitments and post-employment health cover" included in the notes to the consolidated financial statements. These notes describe the methods of calculation and valuation of restructuring provisions, vacant property provisions, provision for litigation and claims and provisions for employee benefits. Our assessment of the valuation of these provisions was based on tests of the procedures followed by management in valuing these provisions and on the review of independent valuations performed by experts.
- Your company performs impairment tests with regard to the value of intangible assets, goodwill and property and equipment in accordance with the methods described in Note 1.2 "Accounting policies" and Note 5 "Depreciation, amortization and impairment" of the notes to the consolidated financial statements. We reviewed the manner in which these impairment tests were performed, as well as the cash flow forecasts and assumptions used by the company and independent experts.
- Your company has determined the fair values of options granted in the context of Publicis Groupe S.A. stock option plans, as described in note 28 "Publicis Groupe S.A. stock options" included in the notes to the consolidated financial statements. Our work consisted of reviewing the data used and in assessing the assumptions made by the company and the independent expert.

The assessments were thus made in the context of the performance of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the formation of our audit opinion expressed in the first part of this report.

III. Specific Verification

We have also verified the information given in the Group Management Report as required by French law.

We have no matters to report regarding its fair presentation and conformity with the consolidated financial statements.

Courbevoie and Neuilly-sur-Seine, February 17, 2010

by the Statutory Auditors

MAZARS	ERNST & YOUNG et Autres	
Philippe Castagnac	Jean Bouquot	Valérie Desclève

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
YEAR ENDING AS AT DECEMBER 31, 2009

In our capacity as Statutory Auditors as mandated by your General Shareholders' Assembly, we hereby report to you for the year ending as at December 31, 2009 regarding:

- The audit of the accompanying consolidated financial statements of Publicis Groupe S.A,
- The justification of our assessments,
- The specific verifications required by law.

These consolidated financial statements have been approved by the Company's Management Board. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; these standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities as of December 31, 2009, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

II - Justification of Assessments

In accordance with the requirements of article L. 823-9 of the French *Code de Commerce* relating to the justification of our assessments, we bring to your attention the following matters:

Your company reviews the value in use of its investments as described in the "Investments" section of Note 2 "Accounting policies" in the annex to the annual financial statements. We assessed the appropriateness of the methods used by the company and we ensured ourselves of the reasonableness of the estimates made.

The assessments were thus made in the context of the performance of our audit of the financial statements taken as a whole and therefore contributed to the formation of our unqualified audit opinion expressed in the first part of this report.

III - Verifications and specific information

We have also performed the specific verifications required by applicable French law.

We have no observations on the fair presentation and the conformity with the financial statements of the information given in the Management Report and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

In accordance with the information provided in Article L. 225-102-1 of the French *Code de Commerce* relating to compensation and benefits paid to members of the management and supervisory bodies as well as commitments granted in their favor, we have verified their consistency with the financial statements and/or the data used in the preparation of said financial statements -or, if necessary, with elements gathered by your company from other companies that either have a controlling interest in your company or in which you have a controlling interest. Based on this work, we hereby certify the accuracy and fair presentation of such information.

In accordance with French law, we have ensured that the required information concerning the purchase of investments and controlling interests and the names of the principal shareholders has been properly disclosed in the Management Report.

Neuilly-sur-Seine and Courbevoie, February 17, 2010

by the Statutory Auditors

ERNST & YOUNG et Autres		MAZARS
Valérie Desclève	Jean Bouquot	Philippe Castagnac

20.4 DIVIDEND DISTRIBUTION POLICY

Dividend paid for fiscal year:	*Number of shares that received dividends*	*Dividend per share(in euros)*	*Total dividend distribution(in millions of euros)*	*Share price to December 3 (in euros)*	*Net earnings*
2005	183,713,196	0.36	66.1	29.40	1.22%
2006	184,117,525	0.50	92.1	31.95	1.56%
2007	175,954,392	0.60	105.6	26.78	2.24%
2008	178,944,210,	0.60	107.4	18.40	3.26%
2009	197,583,112*	0.60**	118.5	28.50	2.11%

(*) *Number of securities, including Group-held shares, at December 31, 2009.*

(**) *Dividend proposed to ordinary general shareholders' meeting on June 1, 2010.*

Dividends on shares that are not claimed within five years of the date of declared payment revert to the French government.

For the past several years, the Company's dividend distribution policy focused on ensuring regular dividend payments to its shareholders while maintaining sufficient self-financing capacity to finance the its development.

Despite a difficult year, the proposed dividend for 2009 will be equal to the one proposed for fiscal year 2008, i.e., 0.60 euro per share, which represents a pay out rate of 30.2%.

Given the ongoing uncertainties resulting from the global economic crisis, the Company believes it only reasonable to recommend that the dividend be maintained at the same level as the one paid for fiscal year 2008.

20.5 LEGAL AND ARBITRATION PROCEEDINGS

The Group is not aware of any existing, suspended or threatened judicial or arbitration proceedings against it, which may have or may have had over the course of the last twelve months a significant impact on the Group's or the Company's financial condition or earnings.

20.6 IMPORTANT CHANGES IN THE FINANCIAL OR COMMERCIAL SITUATION

No significant changes in the Group's financial position have occurred since December 31, 2009.

No significant changes in the Group's business position have occurred since December 31, 2009.

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COMPLEMENTARY INFORMATION

21.1 SHARE CAPITAL

21.1.1 SUBSCRIBED CAPITAL AND CLASS OF SHARES

Composition of share capital

To December 31, 2009, the total share capital was 79,033,244.80 euros, divided into 197,583,112 fully paid-up shares with a par value of 0.40 euros, of which 67,194,344 shares carried double voting rights.

Unissued authorized capital

The Company's extraordinary general shareholders' meeting held on June 4, 2007:

- In its twelfth resolution, it authorized the Management Board, for a period of twenty-six months, to issue shares (other than preferred stock) or other equity or debt securities giving access to capital or to the allocation of claims or likely to do so, subject to the employees' preferential subscription rights. This authorization allows to conduct one or several issuances of securities of the Company's subsidiaries in accordance with Article L.228-93 of the French *Code de Commerce*. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros, and the maximum nominal amount of debt securities must not exceed 900 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its tenth resolution.

- In its thirteenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares (other than preferred stock) or other equity or debt securities, which are not subject to any preferential subscription rights, and offer them to the public. This authorization allows to conduct one or several issuances of securities of the Company's subsidiaries in accordance with Article L.228-93 of the French *Code de Commerce*. In addition, this resolution authorizes the issuance of ordinary shares by the Company that would result from debt or equity security offerings by the Company's subsidiaries. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros, and the maximum nominal amount of debt securities must not exceed 900 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its eleventh resolution.

- In its fourteenth resolution, subject to the maximum of 10% of share capital per year, it authorized the Management Board, for a period of 26 months, to issue shares (other than preferred stock) or securities, which are not subject to any preferential subscription rights, and offer them to the public; the pricing of such offerings may be determined on the basis of market price, based on one of the following methods: (i) offer price equal to the average trading price of Publicis Groupe S.A. shares on the eurosnext Paris market calculated over a maximum period of six months prior to the issuance; or (ii) offer price equal to the average weighted trading price of the Publicis Groupe S.A. shares on the eurosnext Paris market on the day before the issuance with a maximum discount of 25%.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its twelfth resolution.

- In its fifteenth resolution, it authorized the Management Board, for a period of 26 months, to implement capital increases by incorporating reserves, gains or premiums or others the capitalization of which shall be possible by virtue of the law and bylaws, followed by the issuance and free grants of shares or increases in the par value of existing shares, or a combination of the two. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its thirteenth resolution.

- In its sixteenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or various securities, including equity warrants issued autonomously, in exchange for shares tendered as part of a public exchange offer launched by the Company with respect to the shares of another company listed on a regulated exchange in accordance with article L. 225-148 of the French *Code de Commerce* or any other such transaction involving another company whose shares are traded on an exchange regulated by foreign law. The resolution also provided for the elimination, if necessary, of the preferential subscription rights attached to such securities. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its fourteenth resolution.

- In its seventeenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or other equity or debt securities, subject to the maximum of 10% of the Company's share capital at the time of the issuance, compensate in-kind contributions of shares or other equity securities agreed by the Company when article L. 225-148 of the French *Code de Commerce* is not applicable.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by decision made in the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its fifteenth resolution.

- In its eighteenth resolution, it authorized the Management Board, for a period of 26 months, to increase the number of shares or equity securities issued in the event of an increase in the Company's share capital, with or without preferential subscription rights, within 30 days of the initial offer subscription period, subject to the 15% maximum of the initial issuance and at the same price as used in the initial issuance.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its sixteenth resolution.

- In its twentieth resolution, it authorized the Management Board, for a period of 38 months, to grant to employees or company officers of the Company or of companies or economic interest groups affiliated to it under the conditions set forth in article L.225-180 of the French *Code de Commerce*, or to some of them, and within the limits provided for in regulations in force, options granting the right to subscribe new shares of the Company to be issued pursuant to a capital increase and/or options granting the right to purchase shares acquired by the Company in accordance with legal provisions. The total number of shares so granted open and non exercised may not give right to a number of shares representing more than 10% of the Company capital.

The price of subscription or purchase of the shares shall be set by the Management Board on the date at which the options shall be granted, without any possibility of discount, within the limits and under the conditions provided for by the law. The beneficiaries may exercise the options for 10 years, starting on the day that the options are granted. The Management Board did not allocate share subscription or purchase options during the 2009 fiscal year.

Finally, the extraordinary general shareholders' meeting on June 4, 2007, in its twenty-first resolution, set the maximum amount of all capital increases through the issuance of shares or other securities made pursuant to the authorizations granted to the Management Board in the twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, nineteenth and twenty-second resolutions at the nominal global amount of 40 million euros due to the effect on share capital through the operation of legislative and regulatory provisions related to issuance of share or securities.

In its twenty-third resolution, it also authorized the Management Board, for a period of 18 months, to use the authorizations granted pursuant to the resolutions eleven to twenty-two in case of public offer targeting the securities of the Publicis Groupe, under the conditions provided for by article L. 233-33 of the French *Code de Commerce*.

The Company's extraordinary general shareholders' meeting held on June 3, 2008

- In its twenty-first resolution, in accordance with article L. 443-1 and subsequent provisions of the French Labor Code (*Code du travail*) and article L. 225-138-1 of the French Comercial Code and article L. 225-129-6 of the latter, it authorized the Management Board to increase share capital over a period of twenty-six months by issuing shares or marketable securities giving entitlement to shares of the Company with suspension of preferential subscription rights to participants in a corporate savings plan of the Company and companies in France and abroad linked to it under the terms and conditions of article L. 225-180 of the French *Code de Commerce* and article L. 444-3 of the Labor Code. The maximum par value amount of the share capital that may be created by virtue of this resolution plus the amount of any increase by virtue of resolution twenty-two below may not exceed two million eight hundred thousand euros, with the stipulation that this amount will be booked to the limit established in the twenty-first resolution of the general shareholders' meeting of June 4, 2007. The subscription price will be established under the terms and conditions of article L. 443-5 of the Labor Code, with a discount not to exceed 20% of the average closing prices over the twenty trading sessions immediately preceding the date of the decision establishing the opening subscription date. The shareholders also authorize the Management Board to reduce or eliminate the discount at its own discretion in order to reflect legal, accounting, tax and social benefit schemes that might exist locally. The Management Board may also decide to grant free shares to be issued or already issued or other securities to be issued or already issued giving entitlement to the share capital of the Company for the discount, provided that their monetary value established at the subscription price is taken into consideration and does not cause the limits established in articles L. 443-5 et L. 443-7 of the Labor Code to be surpassed, and that the characteristics of other shares giving entitlement to the share capital of the Company be established by the Management Board under the terms and conditions of applicable regulations. This authorization renders null and void the delegation given in the nineteenth resolution of the extraordinary general shareholders' meeting of June 4, 2007 in respect of any unused portion and the remaining time period of said delegation.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its seventeenth resolution.

- In its twenty-second resolution, pursuant to articles L. 225-129 and subsequent provisions and article L. 225-138 of the French *Code de Commerce* (Commercial Code), it authorized the Management Board to increase the share capital over a period of eighteen months in proportions and at such a times as it deems appropriate through the issuance of shares and any other marketable securities giving immediate or future access to the share capital of the Company with a suspension of the preferential subscription rights. The beneficiaries of subscription rights must be: (i) employees and corporate officers of companies of the Publicis Groupe tied to the Company under article L. 225-180 of the French *Code de Commerce* (Commercial Code) and article L. 444-3 of the French Labor Code with headquarters outside France; (ii) and/or investment funds or other entities, whether or not they are legal entities, employee shareholder plans invested in securities of the Company when the owners of units or shareholders are the individuals mentioned in (i) of this paragraph; (iii) and/or any bank or banking subsidiary acting at the request of the Company for the purpose of implementing a shareholder or savings plan for the individuals mentioned in (i) of this paragraph to the extent that the subscription rights of parties authorized pursuant to this resolution would allow the employees of subsidiaries abroad to benefit from equivalent share ownership or savings formulas in respect of their economic advantages as those available to other employees of the Publicis Groupe. The par value of the share capital increase owing to this resolution plus the amount of any increase pursuant to the twenty-first resolution above may not exceed two million eight hundred thousand euros. This amount will be booked to the total amount established in the twenty-first resolution of the general shareholders' meeting of June 4, 2007. The issue price of each share of the Company will be established by the Management Board with a maximum discount of 20% of the average of closing prices over the twenty trading days immediately preceding the date of the decision establishing the subscription price in respect of the share capital increase, or in the case of a share capital increase at the same time as a share capital increase reserved for members of the savings plan, the subscription price of this share capital increase (twenty-first resolution). The shareholders also authorize the Management Board to reduce or eliminate the discount at its own discretion in order to reflect legal, accounting, tax and social benefit schemes that might exist locally.

As of December 31, 2009, the Management Board had not used this delegation of authority.

This authorization expired -for the unused portion and the remaining time period- on June 9, 2009, by a decision of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009 in its eighteenth resolution.

- In its twenty-third resolution, pursuant to articles L. 225-197-1 and subsequent provisions of the French *Code de Commerce*, authorized the Management Board to grant free ordinary shares of the Company, either existing or to be issued, over a period of thirty-eight months, to salaried employees or eligible corporate officers (within the meaning of article L. 225-197-1 II paragraph 1 of the French *Code de Commerce*) of the Company of its own choosing or of companies or groups tied to it under the terms and conditions of article L. 225-197-2 of the French *Code de Commerce*, or to certain categories of them with suspension of preferential subscription rights. The total number of Company shares that may be freely given may not exceed 5% of the share capital of the Company, and the par value shall be recorded against the limit established in the twenty-first resolution of the general shareholders' meeting of June 4, 2007. This resolution renders the authorization given by the combined Ordinary and Extraordinary Shareholders' meeting of June 4, 2007, in its twenty-second resolution, null and void as of said date.

As of December 31, 2009, the Management Board made use of this delegation twice in March: with the allotment of 3,544,176 free shares of Publicis Groupe to certain managers within the framework of a co-investment program, and through the allocation of 210,215 free shares to all employees of the Group's French companies.

- In its twenty-fourth resolution, it authorized the Management Board to avail itself of the authorizations given in resolutions twenty through twenty-three of said general shareholders' meeting for a period of eighteen months in the event of a public offer for Company shares within the terms and conditions of article L. 233-33 of the French *Code de Commerce*, as well as the twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, twentieth, and twenty-first resolutions of the general shareholders' meeting of June 4, 2007.

As of December 31, 2009, the Management Board had not used this delegation of authority.

The Company's Extraordinary General Shareholders' Meeting held on June 9, 2009

- In its tenth resolution, it authorized the Management Board, for a period of twenty-six months, to issue shares (other than preferred stock) or other equity or debt securities giving access to the share capital or to the allocation of debt securities or likely to do so, subject to the employees' preferential subscription rights. This authorization authorizes one or several issuances of securities of the Company's subsidiaries in accordance with Article L.228-93 of the French *Code de Commerce* (Commercial Code). The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros, and the maximum nominal amount of debt securities must not exceed 900 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its eleventh resolution, it authorized the Management Board, for a period of 26 months, to issue shares (other than preferred shares) or other equity or debt securities, which are not subject to any preferential subscription rights, and offering them to the public or through an offer subject to paragraph II of article L 411-2 of the French Monetary and Financial Code. This authorization authorizes one or several issuances of securities of the Company's subsidiaries in accordance with Article L.228-93 of the French *Code de Commerce* (Commercial Code). In addition, this resolution authorizes the issuance of ordinary shares by the Company that would result from debt or equity security offerings by the Company's subsidiaries. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros, and the maximum nominal amount of debt securities must not exceed 900 million euros. The issuance of shares can be carried out pursuant to paragraph II of article L. 411-2 of the Monetary and Financial Code within the limit of 20% of the share capital per year.

As of December 31, 2009, the Management Board made use of this delegation of authority to issue, in July 2009, OCÉANE bonds with maturity in 2014.

- In its twelfth resolution, subject to the maximum of 10% of share capital per year, it authorized the Management Board, for a period of 26 months, to issue shares (other than preferred shares) or securities, which are not subject to any preferential subscription rights, and offer them to the public or through an offering subject to paragraph II of article L 411-2 of the French Monetary and Financial Code; the pricing of such offerings may be determined on the basis of their market price, based on one of the following methods: offering price equal to the average trading price of Publicis Groupe S.A. shares on the NYSE eurosnext Paris market calculated over a maximum period of six months prior to the issuance; or offer price equal to the average weighted trading price of the Publicis Groupe S.A. shares on the NYSE eurosnext Paris market on the day before the issuance with a maximum discount of 25%.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its thirteenth resolution, it authorized the Management Board, for a period of 26 months, to implement capital increases by incorporating reserves, gains or premiums or other the capitalization of which will be possible by virtue of the law and bylaws, followed by the issuance and grants of free shares or increases in the par value of existing shares, or a combination of the two. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its fourteenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or various securities, including equity warrants issued autonomously, in exchange for shares tendered as part of a public exchange offer launched by the Company with respect to the shares of another company listed on a regulated exchange in accordance with article L. 225-148 of the French *Code de Commerce* (Commercial Code) or any other such transaction involving another company whose shares are traded on an exchange regulated by foreign law. The resolution also provided for the elimination, if necessary, of the preferential subscription rights attached to such securities. The nominal amount of the capital increase resulting from all issuances under this resolution must not exceed 40 million euros.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its fifteenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or other equity or debt securities, subject to the maximum of 10% of the Company's share capital at the time of the issuance, to compensate in-kind contributions of shares or other equity securities agreed to by the Company when article L. 225-148 of the French *Code de Commerce* (Commercial Code) does not apply.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its sixteenth resolution, it authorized the Management Board, for a period of 26 months, to increase the number of shares or equity securities issued in the event of an increase in the Company's share capital, with or without preferential subscription rights, within 30 days of the initial offer subscription period, subject to the 15% maximum of the initial issuance and at the same price was used in the initial issuance.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its seventeenth resolution, pursuant to article L. 3332-1 and subsequent provisions of the French Labor Code (Code du travail) and article L. 225-138-1 of the French Comercial Code and article L. 225-129-6 of the latter, it authorized the Management Board to increase the share capital over a period of twenty-six months by issuing shares or marketable securities giving rights to shares of the Company with a suspension of preferential subscription rights to participants in a corporate savings plan of the Company and related companies in France and abroad under the terms and conditions of article L. 225-180 of the French *Code de Commerce* (Commercial Code) and article L. 3344-1 of the French Labor Code. The maximum par value amount of the share capital that may be created by virtue of this resolution plus the amount of any increase by virtue of resolution eighteen below, may not exceed two million eight hundred thousand euros, provided that this amount will be booked to the limit established in the twenty-first resolution of the general shareholders' meeting of June 4, 2007. The subscription price will be established under the terms and conditions of article L. 3332-19 of the Labor Code, with a discount not to exceed 20% of the average closing prices over the twenty trading sessions immediately preceding the date of the decision establishing the opening subscription date. The shareholders also authorize the Management Board to reduce or eliminate the discount at its own discretion in order to reflect legal, accounting, tax and social benefit schemes that might exist locally. The Management Board may also decide to grant free shares to be issued or already issued or other securities to be issued or already issued giving entitlement to the share capital of the Company for the discount, provided that their monetary value established at the subscription price is taken into consideration and does not cause the limits established in articles L. 3332-19 and L. 3332-11 to L. 3332-13 of the Labor Code to be exceeded, and that the characteristics of other shares giving entitlement to the share capital of the Company are established by the Management Board in accordance with the terms and conditions of applicable regulations.

As of December 31, 2009, the Management Board had not used this delegation of authority.

- In its eighteenth resolution, pursuant to articles L. 225-129 and subsequent provisions and article L. 225-138 of the French *Code de Commerce* (Commercial Code), it authorized the Management Board to increase the share capital over a period of eighteen months in the proportions and at such a times as it deems appropriate through the issuance of shares and any other marketable securities giving immediate or subsequent access to the share capital of the Company, with a suspension of preferential subscription rights. The beneficiaries of subscription rights must be: (i) employees and corporate officers of companies of the Publicis Groupe tied to the Company under article L. 225-180 of the French *Code de Commerce* and article L. 3344-1 of the French Labor Code with headquarters outside France; (ii) and/or investment funds or other entities, whether or not they are legal entities, employee shareholder plans invested in securities of the Company when the owners of units or shareholders are the individuals mentioned in (i) of this paragraph; (iii) and/or any bank or banking subsidiary acting at the request of the Company for the purpose of implementing a shareholder or savings plan for the individuals mentioned in (i) of this paragraph to the extent that the subscription rights of parties authorized pursuant to this resolution would allow the employees of subsidiaries abroad to benefit from equivalent share ownership or savings formulas in respect of their economic advantages as those available to other employees of the Publicis Groupe. The par value of the share capital increase authorized by this resolution plus the amount of any increase pursuant to the seventeenth resolution above may not exceed two million eight hundred thousand euros. This amount will be applied to the total amount established in the nineteenth resolution, below. The issue price of each share of the Company will be established by the Management Board with a maximum discount of 20% of the average of closing prices over the twenty trading days immediately preceding the date of the decision establishing the subscription price in respect of the share capital increase, or in the case of a share capital increase at the same time as a share capital increase reserved for members of the savings plan, the subscription price of this share capital increase (resolution seventeen). The shareholders also authorize the Management Board to reduce or eliminate the discount at its own discretion in order to reflect legal, accounting, tax and social benefit schemes that might exist locally.

As of December 31, 2009, the Management Board had not used this delegation of authority.

Finally, the Extraordinary General Shareholders' Meeting on June 9, 2009, in its nineteenth resolution, set the maximum amount of all capital increases through the issuance of shares or other securities made pursuant to the authorizations granted to the Management Board in resolutions ten to eighteen above, at the nominal global amount of 40 million euros due to the effect on share capital through the operation of legislative and regulatory provisions relating to the issuance of share or securities.

In its twentieth resolution, it also authorized the Management Board, for a period of 18 months, to use the authorizations granted pursuant to the resolutions above as well as those of the twentieth resolution of the of the general shareholders' meeting of June 4, 2007, as well as resolution twenty-three of the general shareholders' meeting of June 3, 2008, in the event of a public offer targeting the securities of the Publicis Groupe, under the conditions provided for by article L. 233-33 of the French *Code de Commerce* (Commercial Code).

21.1.2 Existence of Non-representative Shares, their Amount and their Main Characteristics

All shares are representative of the Company's share capital.

21.1.3 NUMBER, BOOK VALUE AND NOMINAL VALUE OF THE TREASURY SHARES, SHARES IN THE ISSUER'S NAME, OR SHARES HELD BY THE ISSUER'S SUBSIDIARIES

Treasury stock

The ordinary and extraordinary general shareholders' meeting of June 9, 2009, in its eighth resolution, authorized the Management Board to carry out, or to have carried out, purchases in order to fulfill the following objectives:

1) To grant or transfer shares to employees and/or management of the Company and/or of the Group in accordance with terms and conditions provided for by applicable law;

2) To deliver shares in order to honor commitments related to securities giving right to acquire Company shares giving access to the capital;

3) The retention and later delivery of shares (pursuant to an exchange, payment or other) or in the framework of external growth projects within the limit of 5% of the capital;

4) To stimulate the secondary market or liquidity of Publicis Groupe's shares through an investment services provider who acts independently and without being influenced by the Company, in the name and on the behalf of the Company, in accordance with a liquidity contract, which complies with the code of ethics recognized by the French Regulatory Authority (*Autorité des Marchés Financiers*) or any other applicable regulations;

5) To cancel shares acquired by the above-mentioned methods;

6) The implementation of any market practices admitted or that would become admitted by market authorities.

This repurchase program would also permit the Company to operate with any other authorized purpose or which would become so by the law or regulations in force. In such a case, the Company would inform its shareholders through a press release.

The maximum number of shares that may be repurchased cannot exceed 10% of the share capital, at any time, this percentage applying to a capital adjusted based on the transactions affecting it later than this Meeting, it being recalled that the Company owns, as of December 31, 2008, 17,166,682 shares of 0.40 euros each, acquired pursuant to the former authorizations and subject for this authorization to a global maximum set at 500 million euros.

The maximum share purchase price was set at 40 euros; this limit does not apply, however, to shares purchased to satisfy the free allocations of shares to employees or to satisfy option exercises of those shares.

The General Shareholders' Meeting decided that the Company may use this authorization and continue its share repurchase program, including during public tender offer for the shares or other securities of the Company, or initiated by the Company, subject to applicable regulation.

This authorization for a period of eighteen months expired -for the unused portion and the remaining time period- replacing the terms of the nineteenth resolution of the Combined Ordinary and Extraordinary Shareholders' meeting of June 3, 2008.

The description of the share repurchase program was made available on the AMF website and on the Publicis Groupe S.A. website on July 6, 2009.

Summary table of purchases under various plans since 2000

	Amount	Average purchase price
Visa 00 963 of 6/05/2000		
Period between the two general shareholders' meetings of 06/22/2000 and 08/28/2000	1,175,250	41.17
Visa 00 1399 of 8/9/2000		
Period between the two general shareholders' meetings of 08/02/2000 and 06/13/2001	4,610,000	38.15
Visa 00 627 of 5/23/2001		
Period between the two general shareholders' meetings of 6/14/2001 and 06/17/2002	2,065,290	25.28
Visa 02 659 du 5/31/2002		
Period between the two general shareholders' meetings of 06/18/2002 and 05/14/2003	7,660,253	21.49
Visa 03 331 of 4/28/2003		
Period between the two general shareholders' meetings of 05/15/2003 and 06/07/2004	339,000	22.68
Visa 04 455 of 5/18/2004		
Period between the two general shareholders' meetings of 06/08/2004 and 05/31/2005	1,429,749	23.31
Visa 05 373 of 5/11/2005		
Period between the two general shareholders' meetings of 06/01/2005 and 12/31/2005	1,327,144	26.72
Period from 01/01/2006 to 12/31/2006	4,154,434	29.45
Period from 01/01/2007 to 12/31/2007	8,437,786	32.31
Period from 01/01/2008 to 12/31/2008	10,306,003	23.80
Period from 01/01/2009 to 12/31/2009	2,717,068	22.96

Under the liquidity contract with Société Générale, in 2009 the Company acquired 2,686,028 shares at an average price of 23.00 euros, and sold 2,682,528 shares at an average price of 23.03 euros.

The amount of the trading costs and fees paid by the Company in 2009 for transactions carried out in the framework of the share repurchase program authorized by the Shareholders' Meeting of June 3, 2008, in its nineteenth resolution, and then by the Shareholders' Meeting of June 9, 2009, in its eight resolutions, is 130,000 euros.

These authorizations, which allow the Company to repurchase its own shares representing up to 10% of its share capital, were granted by the general shareholders' meetings on June 25, 1998, December 11, 1998, June 22, 2000, August 29, 2000, June 14, 2001, June 18, 2002 (visa COB no. 02-659 of May 5, 2002), May 15, 2003 (visa COB no. 03-331 of April 28, 2003), June 8, 2004 (visa AMF no. 04-455 of May 18, 2004), June 1, 2005 (visa AMF no. 05-0373 of May 11, 2005), June 7, 2006 and June 4, 2007, June 3, 2008 and June 9, 2009 (the description of the share repurchase program was made available on the AMF website and on the Publicis website on July 6, 2009). Publicis Groupe held 10,414,344 shares (5.27% of the Publicis Groupe S.A. capital) as of December 31, 2009. The net total cost of such shares was 272,393,981 euros, and the average unit price per share was 26.16 euros.

21.1.4 TOTAL AMOUNT OF CONVERTIBLE OR EXCHANGEABLE SECURITIES AND EQUITY WARRANTS, INCLUDING THE SPECIFIED TERMS AND CONDITIONS FOR CONVERSION, EXCHANGE OR SUBSCRIPTION

The distribution of shares as of December 31, 2009, on the basis of full dilution resulting from financial instruments issued by the Company, is the following:

	Shares held	*%*	*Voting rights*	*%*
Elisabeth Badinter (registered)	*20,072,339*	*7.95%*	*40,144,678*	*12.98%*
Dentsu Inc	*19,074,815*	*7.55%*	*38,149,630*	*12.33%*
SEP Dentsu-Badinter	*9,615,861*	*3.81%*	*19,231,722*	*6.22%*
Leone Meyer & Phison Capital SAS	*9,891,829*	*3.92%*	*18,733,658*	*6.06%*
Shares (held by the Company)	*10,414,344*	*4.13%*	*0*	*0.00%*
Public (registered and bearer)	*128,513,924*	*50.90%*	*138,103,424*	*44.65%*
ORANEs (1)	*20,307,677*	*8.04%*	*20,307,677*	*6.57%*
Equity warrants (2)	*5,602,699*	*2.22%*	*5,602,699*	*1.81%*
OCÉANEs 2018 (2)	*3,242,523*	*1.28%*	*3,242,523*	*1.05%*
OCÉANEs 2014 (2)	*25,761,647*	*10.20%*	*25,761,647*	*8.33%*
Total	*252,497,658*	*100.00%*	*309,277,658*	*100.00%*

(1) The Group issued 1,562,500 ORANEs exchangeable for 18 new or existing shares of the Company. As of December 31, 2009, 13 shares per ORANE are still to be exchanged.

(2) Securities below strike price at the most recent accounting date (February 10, 2010)

A shareholder holding 1% of the share capital of Publicis Groupe S.A. as at December 31, 2009, would hold 0.78% of the share capital of Publicis Groupe S.A. at that date, in case of exercise or conversion of rights attached to securities giving access to the capital (OCÉANEs, ORANEs, equity warrants) assuming these rights would be fully satisfied by the issuance of new shares.

No transaction significantly modifying the information in the table above has been carried out since the closing of the 2009 financial year.

The terms of conversion, exchange and subscription of convertible and exchangeable securities and equity warrants are described in note 24 to the consolidated financial statements in Chapter 20.1 of this document.

21.1.5 PLEDGES, GUARANTEES AND SURETIES

There is no indirect self-control of the Company. As of December 31, 2008, 3,719,326 registered shares managed by the Company, and 126,683 registered shares administered by others, were pledged, representing a total of 3,846,009 pledged shares.

Principal pledge

Name of registered shareholder	*Beneficiary– Creditor lienor*	*Opening date of pledge*	*Closing date of pledge*	*Condition for lifting pledge*	*Number of issuer's shares pledged*	*% of issuer's capital pledged*
Consorts Badinter	*LCF Edmond de Rothschild*	*09/09/2003*	*Not indicated*	*Agreement of creditor lienor*	*3,681,000*	*1.86%*

No major asset held by Group companies was subject to a pledge.

21.1.6 OTHER INFORMATION

The trading of Publicis Groupe shares

The bankruptcy of Lehman Brothers, the fifth largest US bank, in the middle of September 2008, cause a major disturbance of the financial markets and brought about a major crisis of investor confidence and a near halt of economic activity.

Stoks markets fell victims to the shock of an anticipated economic recession. The accelerated sales of numerous positions accelerated the drop in share prices across the board and resulted in a sharp decline in liquidity. The drop of the CAC 40 (-42.7%) and the eurospean index, the DJ Stoxx Media (-40.6%) in 2008 was considerable. Publicis was able to limit its drop to 31.3%.

Since early 2009, public and monetary authorities responded to the exceptional nature of this financial shock. Thus, the main worldwide decision makers implemented economic revival plans and bailout schemes for their banking and financial systems, in concert with the main central banks. Starting in March, the financial markets began to recover their confidence after this major crisis in the credit market.

Therefore, the 2009 stock market years unfolded in two stages: first, a downward spiral during the first two months in a climate of extreme aversion to risk, then a strong recovery of the markets starting in March. The announcement made by several leading US banks in the first semester of 2009 incited a stock rebound. 2009 ended with a surge of 17.5% for the CAC 4O and 13.91% for the eurospean media index (Dow Jones eurospe Stoxx Media). Publicis' shares performed very well in 2009, increasing 51.6% during the year, exceeding the CAC 40, the industry's reference index, and its peers.

The positive results for 2009, achieved in a very difficult economic climate, clearly illustrate the relevance of the strategic choices made these last years. Growth, especially digital business growth, offset the deflation observed in other markets, and met invertors' expectations. The size of new budgets won throughout the year bears witness to the dynamism and attractiveness of the Group. The financial situation is solid, and maintained the course through the worst moments of dropping share prices. Unlike other groups, Publicis Groupe has little debt and was able to adapt without impairing its assets. The size of new budgets won throughout the year bears witness to the dynamism and attractiveness of the Group. These assets should help maintain share price.

An ongoing relationship with investors

In 2009, the Group maintained a consistent relationship with investors. Over the course of the year, Group managers met with nearly 350 institutional investors in private meetings in France, in most europsean Union countries and in North America. Publicis Groupe also participated in large industry conferences in Palm Beach and Barcelona, as well as in international conferences in Paris and New York, with the aim of promoting French equities.

Securities market

Publicis Groupe S.A. shares

- Listed on: eurosnext Paris (ISIN code / FR0000130577);
- First day listed: June 9, 1970;
- Securities admitted on eurosnext Paris: all securities composing the share capital.

On December 27, 2007, Publicis Groupe S.A. was informed of the termination of the listing of its shares on the New York Stock Exchange. This removal from public listing followed the Company's September 17, 2007, request to U.S. market authorities to end the listing of Publicis Groupe S.A. shares on the New York Stock Exchange in the form of American Depositary Receipt with parity of one ADR for one Publicis share). Transactions rarely exceeded an annual average of 1% of all shares comprising the Company's share capital.

The shares can also be traded on the OTC market—"Pink Sheets" (unlisted) in New York (ticker: PUBGY).

- Changes in trading price on eurosnext Paris in 2009:
  - highest: 29.355 euros on October l6, 2009,
  - lowest: 16.660 euros on January 20, 2009,
  - average price: 23.304 euros

Transaction volumes and Company's share price evolution during the last eighteen months on eurosnext Paris.

Period		Number of sessions	Average volume exchanged by session		Monthly listing price (in euros)			
			Number of securities	Capital (in thousand euros)	First listing	Last listing	Highest	Lowest
2008	September	22	1,288,997	28,474	22.75	22.09	24.34	20.40
	October	23	1,711,242	30,203	22.16	17.65	22.30	15.08
	November	20	971,277	17,735	17.84	18.26	19.45	15.36
	December	21	722,682	13,293	18.18	18.39	19.77	17.10
2009	January	21	940,238	17,281	18.10	18.38	19.4	16.60
	February	20	1,093,819	20,219	18.10	18.48	20.70	17.68
	March	22	1,237,294	23,904	18.03	19.32	20.67	17.87
	April	20	1,058,930	24,636	19.17	23.26	23.53	19.08
	May	20	942,638	21,586	23.40	22.90	24.95	22.15
	June	22	928,158	20,168	22.96	21.73	23.82	20.32
	July	23	844,783	21,068	21.40	24.94	25.07	19.96
	August	21	630,874	16,181	24.75	25.65	26.32	24.01
	September	22	573,405	15,717	25.56	27.41	28.70	24.81
	October	22	697,829	18,073	27.50	25.90	29.35	25.71
	November	21	468,567	12,014	25.95	25.64	27.45	25.42
	December	22	406,701	11,590	25.91	28.50	28.95	25.73
2010	January	20	531,307	15,819	28.58	29.77	30.20	28.50
	February	19	881,626	24,985	29.74	28.34	30.09	27.65

OCÉANE Publicis Groupe S.A. 2018 – 1%

- Listed on: eurosnext Paris (ISIN code: FR0000180127);
- First day listed: January 21, 2002;
- Changes in trading price on eurosnext Paris in 2009:
  - highest: 45.508 euros on December 25, 2009
  - lowest: 42.426 euros on January 5, 2009
  - average price: 44.412 euros

OCÉANE Publicis Groupe S.A. 2014 – 3.125%

- Listed on: eurosnext Paris (ISIN code: FR0010771899);
- First day listed: June 17, 2009
- Changes in trading price on eurosnext Paris in 2009:
  - highest: 36.736 euros on December 25, 2009
  - lowest: 27.832 euros on June 17, 2009
  - average price: 33.105 euros

Eurobond offering Publicis Groupe S.A. 4.125% 2012

- Listed on: Luxemburg Stock Exchange (ISIN code: FR0010157354);
- First day listed: January 28, 2005

- Changes in trading price on Luxembourg Stock Exchange in 2009:
  - highest: 103.804 euros on December 17, 2009
  - lowest: 94.324 euros on January 6, 2009
  - average price: 100.182 euros
  -

Eurobond offering Publicis Groupe S.A. 4.25% 2015 (FR0010831974) issued after the exchange offer on the Eurobond 4.125% 2012

- Listed on: Luxemburg Stock Exchange (ISIN code: FR0010831974);
- First day listed: December 17, 2009
- Changes in trading price on Luxembourg Stock Exchange in 2009:
  - highest: 100.325 euros on December 17, 2009
  - lowest: 99.118 euros on December 30, 2009
  - average price: 99.723 euros

Bonds related to Publicis Groupe equity warrants (BSA)

- Listed on: eurosnext Paris (ISIN code: FR0000312928)
- First day listed: September 25, 2002
- Changes in trading price on eurosnext Paris in 2009:
  - highest: 6.300 euros on October 14, 2009
  - lowest: 3.160 euros on March 5, 2009
  - average price: 4.793 euros

ORANE Publicis Groupe

- Listed on: eurosnext Paris (ISIN code: FR0000187783)
- Date of issue: September 24, 2002
- Duration: 20 years

1,562,000 ORANEs were issued. These ORANEs will be converted into Publicis Groupe shares (each ORANE gives the right to 18 Publicis Groupe shares) at the rate of one per year during 18 years, starting on September 1, 2005.

21.1.7 SHARE CAPITAL HISTORY

The allocation of share for the past three years has been the following:

Dates	***Share capital transactions***	***Number of share***	***Par value***	***Share capital***
12/31/2005	**Capital to December 31, 2005**	**197,109,010**	0.40	**78,843,604**
9/01/2006	Capital increase (2nd tranche of ORANE repayment)	1,562,129	0.40	624,852
2006	Exercise of Publicis stock options	38,090	0.40	15,236
12/31/2006	**Capital to December 31, 2006**	**198,709,229**	0.40	**79,483,692**
from 7/09/2007 to 10/23/2007	Capital increase (contribution of Business Interactif – now Digitas France - shares)	1,889,026	0.40	755,610
9/03/2007	Capital increase (3rd tranche of ORANE repayment)	1,562,129	0.40	624,852
2007	Exercise of Publicis stock options	226,970	0.40	90,788
12/31/2007	**Capital to December 31, 2007**	**202,387,354**	0.40	**80,954,942**
2/27/2008	Reduction of capital (cancellation of shares held by the Company)	(8,000,000)	0.40	(3,200,000)
9/01/2008	Capital increase (4th tranche of ORANE repayment)	1,562,129	0.40	624,852
2008	Exercise of Publicis stock options	71,500	0.40	28,600
12/31/2008	**Capital to December 31, 2008**	**196,020,983**	0.40	**78,408,393**
9/01/2009	Capital increase (5th tranche of ORANE repayment)	1,562,129	0.40	624,852
12/31/2009	**Capital to December 31, 2009**	**197,583,112**	**0.40**	**79,033,245**

21.2 MEMORANDUM AND BYLAWS

Corporate Purpose (article 2 of the Company bylaws)

The Company's corporate purposes are to:

- produce, and derive value added from, in any manner, advertising in any form and irrespective of its type;
- organize shows and radio or television broadcasts, set up radio, television and other programming, use movie theaters, recording or broadcasting studios and projection and viewing rooms, publish paper documents and edit music, sketches, scripts and theater productions; and
- more generally, carry out commercial, financial, industrial and real and intangible property transactions directly or indirectly related to the above in order to foster the development and growth of the Company's business.

The Company may conduct operations in any country in its own behalf or on the account of third parties, either alone or jointly, with other companies or persons and carry out in any form, directly or indirectly, activities in line with its corporate purpose.

The Company may also acquire interests in other businesses, regardless of such businesses' purposes.

Management Board (articles 10 to 12 of the bylaws)

The Management Board oversees Publicis' management. The Management Board is appointed by the Supervisory Board and must have at least two but no more than seven members. Each member is appointed for a four-year period and must be a natural person, but need not be a shareholder. Members of the Management Board may be re-appointed. No member of the Management Board may serve after the ordinary general shareholders' meeting following his or her 70th birthday. The Supervisory Board appoints one of the members of the Management Board as chairperson and may appoint one or several or all the other members of the Management Board as managing directors. The members of the Management Board may be dismissed either by the Supervisory Board or by the shareholders at a general meeting.

Supervisory Board (articles 13 to 17 of the bylaws)

The Supervisory Board has the responsibility of exercising ongoing supervisory authority over the Management Board. It is composed of no less than three and no more than eighteen members, appointed at the shareholders' meeting for a term of six years. Members of the Management Board may be re-appointed. Members over 75 years of age may not constitute more than one-third of the Supervisory Board, which may be rounded up. Should this limit be exceeded, the oldest member of the Supervisory Board will automatically resign. The potential crossing of this threshold shall be determined as at the date of the Supervisory Board's meeting to approve the financial statements for the past fiscal year. Each member of the Supervisory Board must own at least 200 Company shares at least during the course of his or her term.

The members of the Supervisory Board may be dismissed only by the general meeting of shareholders.

Rights Related to Each Category of Shares (article 8 of the Company bylaws)

Each share confers the right proportionate to such share to a part of the corporate assets and benefits. The shareholders may be held liable only up to the value of the shares that they hold. Each time that it is necessary to hold several shares to exercise any right, shareholders must be personally responsible for gathering the number of shares required.

General Shareholders' Meetings (articles 19 to 24 of the Company bylaws)

General shareholders' meetings are open to all shareholders regardless of the number of shares held. The procedures for providing notice of meetings and holding meetings are prescribed by French law. Meetings take place at the company's headquarters or at any other specified location, in the above-mentioned notice and set by the notifier (article 19 of the Company bylaws).

Representation and admission to the shareholders' meetings (article 20 of the bylaws)

Any shareholder may participate, personally or through an authorized representative, in shareholders' meetings, justifying his identity and his ownership of the securities, through registration on the Company's registry, under the conditions provided for by the law.

Double voting rights (article 21 of the Company bylaws)

The Company statutes provide double voting rights for shares held in registered form by the same shareholder for at least two years.

Declaration of share ownership (articles 7 III and 6 paragraph 6 of the Company bylaws)

The Company bylaws provide that any natural or legal person, acting individually or jointly and acquiring or disposing of, by any means as described in article L 233-7 of the French *Code de Commerce*, 1% or any multiple of 1% of the company share capital or voting rights, shall notify the Company within five trading days of such acquisition or disposal, of the total number of shares or voting rights held, by registered mail with return receipt addressed to Publicis' headquarters. In addition, a legal entity holding shares representing more than 2.5% of the Company's share capital or voting rights must disclose to the Company the identity of all persons holding, directly or indirectly, more than one-third of the share capital or voting rights of that entity. Should the number of voting rights be greater than the number of shares, the percentages will be calculated based on voting rights. These declaration obligations also apply each time that the fraction of the shares or voting rights held falls below one of the thresholds specified in the preceding paragraph.

Shareholders who fail to comply with this requirement may be deprived of voting rights with respect to any shares exceeding the relevant threshold until the required disclosure is made, a duration provided for by current legislation. Except in cases of crossing one of the thresholds provided for in the above-mentioned article L. 233-7, this sanction will only be applied on the request, recorded in the minutes of the general shareholders' meeting, of one or more shareholders holding at least 1% of the Company's capital.

21.3 RIGHTS, PRIVILEGES AND RESTRICTIONS APPLICABLE TO PUBLICIS SHARES

Voting rights (article 21 paragraph 5 of the Company bylaws)

Each of the Company shares carries the right to cast one vote in shareholder elections. However, resulting from a decision of the extraordinary general shareholders' meeting of September 14, 1968, a share held by the same shareholder in registered form for at least two years carries the right to cast two votes. The right to cast two votes is still applicable if the shares have been transferred from a registered person to another, as an intestate estate or testamentary succession, through the joint ownership of the shares, through the donation to a living person for the benefit of a spouse or parent through an inherited right. The extraordinary general shareholder's meeting has the possibility to purely and simply cancel the double voting right, however this cancellation will only become effective after the approval of the special meeting of shareholders who benefit from the double voting right.

In the event of conventional share ownership stripping of the Company, the limited owners and bare owners of shares can freely distribute voting rights in the Extraordinary or Ordinary Shareholders Meeting subject to their notifying the Company beforehand, by providing a certified copy at least 20 calendar days before the first General Meeting is held following the aforementioned ownership stripping by registered mail. Failing notification within this period, the distribution will be implemented in full rights in accordance with Article L.225-110, paragraph 1, of the French *Code de Commerce*.

Liquidation Rights (article 32 of the Company bylaws)

At the expiration of the Company's term of incorporation, or in the event of dissolution or liquidation, any assets remaining after payment of the Company's debts and social security expenses, liquidation expenses and all of the Company's remaining obligations will be distributed first to repay in full the nominal value of its shares. Any surplus will be distributed pro rata among shareholders in proportion to the nominal value of their shareholdings.

21.4 PRINCIPAL AUDITOR FEES AND SERVICES

See note 31 of Chapter 20.1 of the consolidated financial statements included herein.

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IMPORTANT CONTRACTS

On November 30, 2003, Publicis entered into an agreement (the “Strategic Alliance Agreement”) with Dentsu in order to reinforce the strategic alliance implemented on March 7, 2002 between the two groups.

Pursuant to the Alliance Agreement, Publicis Groupe, Saatchi & Saatchi et ZenithOptimedia agreed to terminate their preexisting arrangements and agreements with partners in Japan. Publicis Groupe also agreed to partner with Dentsu in Japan exclusively and not to initiate any new business in Japan without prior consultation with Dentsu. Subject to certain exceptions, the Group will represent Dentsu and its clients in North America, eurospe, Australia and New Zealand.

Under the agreement, Dentsu will consult Publicis Groupe before making any investments, initiating any joint ventures or other new ventures in Australia, eurospe or the United States, and will not enter into any new partnership agreements with WPP, Interpublic, Omnicom or Havas. The Company also agreed not to partner with any of those companies or the Hakuhodo Group. The Company agreed to the continued expansion of the Dentsu network in Asia and acknowledged the existing Dentsu partnership with WPP and Dentsu Young & Rubicam, and Dentsu agreed not to expand that partnership.

In addition, Publicis Groupe and Dentsu have committed to share know-how, research and experience that can be used to develop and improve services to multinational clients. The Company and Dentsu also indicated the company’s expectation that it will jointly develop various communications businesses internationally, including, in particular, sports marketing businesses. Pursuant to the agreement, it founded iSe International Sports and Entertainment AG in 2003 within which the Company and Dentsu each had a 45% interest; Fuji Television Network, Inc. and Tokyo Broadcasting Service each having a 4% interest; SportsMondial owns the remaining 2%. Following the successful management and organization of the official hospitality programs of the 2006 FIFA World Cup for which the company was principally created, the shareholders decided on March 2, 2007, to proceed with the liquidation of the joint venture.

With the purchase of Razorfish on October 13, 2009, Publicis Groupe replaced aQuantive as shareholder with a 19.354% stake in Dentsu Razorfish, a Japanse corporation established established in January 2007 to provide interactive marketing services in Japan.

Finally, Publicis Groupe and Dentsu created an executive committee responsible for the management of this strategic alliance and composed of the Company and Dentsu’s respective Chairmen, Chief Executive Officers and management. This committee shall be kept informed of Denstu’s development projects and the Company’s in Asia. Denstu, however, will have no obligation to inform the committee of its activity in Japan.

This contract was concluded for a 20-year term, and may be terminated by either party. The agreement will terminate if Dentsu's interest in Publicis Groupe share capital falls below 10%.

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INFORMATION FROM THIRD PARTIES, EXPERTS' DECLARATIONS AND DECLARATIONS OF INTEREST

None.

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DOCUMENTS ON DISPLAY

During the period of validity hereof, the Company's bylaws, minutes of the general shareholders' meetings, as well as reports of the Management Board and the auditors, and all documents addressed or available to shareholders as required by law are available at the registered office of Publicis Groupe S.A., at 133 avenue des Champs Elysées, 75008 Paris.

The Company bylaws are also available on the Publicis Groupe's website (http://www.publicisgroupe.com).

The statutory accounts and the consolidated financial statements of Publicis Groupe for the fiscal years ending December 31, 2008 and December 31, 2009, are available at the registered office of the Company as required by relevant laws and regulations. They are also available on the website of Publicis Groupe (http://www.publicisgroupe.com) and on the website of the Autorité des Marchés Financiers (http://www.amf-france.org).

Furthermore, historical financial information for any direct or indirect subsidiary of the Company for the fiscal years ending December 31, 2008 and December 31, 2009, is available at the registered office of such subsidiary, as required by relevant laws and regulations, and on the website of the Autorité des Marchés Financiers (http://www.amf-france.org).

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ANNUAL INFORMATION DOCUMENT

Communiqués - Information published by Publicis Groupe and accessible on the web site of the Autorité des Marchés Financiers (AMF) (www.amf-france.org) and/or Publicis Groupe (www.publicisgroupe.com)

January 8, 2009	Mathias Emmerich appointed Senior Vice-President of Publicis Groupe
January 14, 2009	Philippe Lentschener leaves Publicis Groupe
February 4, 2009	Isabelle Simon rejoins Publicis Groupe as Senior Vice-President
February 11, 2009	Annual results for 2008
February 12, 2009	Publicis announces the repurchase of a portion of the OCÉANEs maturing on January 18, 2018, and considers the purchase of the remaining OCÉANEs at 42.5724 euros per bond
February 20, 2009	Result of the procedure to pay off bearers of OCÉANEs maturing on January 18, 2018
March 11, 2009	Publicis Groupe has employees share in its growth
March 24, 2009	136 key Publicis managers invest in their Group
April 15, 2009	Publicis Groupe continues developing in the digital domain with the acquisition of Nemos, leader of multimedia programming and flash in Switzerland
April 16, 2009	Publicis Groupe wins the Pan eurospean advertising communication and digital business of Hewlett-Packard Personal Systems Group
April 30, 2009	Eric Giuily leaves Publicis Consultants | Worldwide
May 11, 2009	Appointments in Publicis Groupe
March 19, 2009	Publicis Groupe announces the acquisition of Publicis MARC, strengthening its global offering in the Balkans
May 20, 2009	Publicis Groupe allocates 50 free shares of to all employees of the Group's French companies
June 4, 2009	Publicis Groupe – General Motors
June 9, 2009	General shareholders' meeting of Publicis Groupe - Dividends established at 0.60 euro per share

June 16, 2009	Publicis Groupe announces the issuance of convertible bonds (OCÉANE 2014)
June 16, 2009	Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE) for 625 million euros - Establishment of final terms of OCÉANE 2014
June 17, 2009	Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE) for 625 million euros - Obtained AMF visa
June 19, 2009	Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE) - Full exercise of the over allocation option taking the amount issued from about 625 million euros to 719 million euros
June 25, 2009	Microsoft Corporation and Publicis Groupe announce the signing of a strategic partnership on a global scale
June 30, 2009	Publicis Groupe is ranked second among the most awarded communication groups at the Cannes Festival, with a total of 101 Lions
July 9, 2009	Publicis Groupe awarded the “GEO Awards 2009” in the category “most innovative and creative plan design” for its employee shareholding program
July 13, 2009	Date of publication of the Group’s results for the semester
July 22, 2009	General Motors
July 23, 2009	Half-year results for 2009
August 9, 2009	Publicis Groupe acquires Razorfish and signs a strategic alliance with Microsoft
September 1, 2009	Publicis Groupe announced an agreement for the purchase of Unilever’s “Pour Tout Vous Dire” program
September 3, 2009	“Women’s Forum for Economy and Society” integrates Publicis Groupe
September 22, 2009	Phonevalley, Publicis Groupe’s mobile marketing agency, and Microsoft Mobile Advertising customize advertising on mobile phones
October 14, 2009	Publicis Groupe - Razorfish acquisition closed
November 16, 2009	Publicis Groupe creates MS&L Group, a new worldwide PR and Events network grouping MS&L Worldwide, Publicis Consultants and Publicis Events
December 1, 2009	Supervisory Board
December 16, 2009	Renault renews its trust in Publicis Groupe

December 16, 2009	Exchange offer on Publicis Groupe's Eurobond 2012: closing of the first tranche, extension of offer period
December 18, 2009	Success of exchange offer on Publicis Groupe's Eurobond 2012
January 8, 2009	Buy-back of own shares
January 11, 2009	"Women's Forum" and Terrafemina announce partnership
January 18, 2009	OCÉANEs (1%) maturing on January 18, 2018 - Early payment to bond holders
February 5, 2009	Publicis Groupe and Lov Groupe announced they were in exclusive negotiations with France Télévisions to release 70% of the capital of France Télévisions Publicité
February 17, 2009	Annual results for 2009
March 16, 2009	Compensation of Management Board members

Share buy-back program approved by the Combined Ordinary and Extraordinary General Shareholders' Meeting of 09 June 2009 in its nineteenth resolution.

The buyback program was posted on the AMF and Publicis Groupe websites on July 8, 2010.

Financial information published through Business Wire

- Quarterly information

April 29, 2009	1st quarter revenue 2009
October 27, 2009	Revenue to September 30, 2009

- Annual and half-year results

July 23, 2009	Half year results for 2009
February 17, 2010	Annual results for 2009

- Others

Half-year financial statements of the PUBLICIS GROUPE liquidity contract with SG Securities (Paris)

Publicis announces the repurchase of a portion of the OCÉANEs maturing on January 18, 2018, and considers the purchase of the remaining OCÉANEs at 42.5724 euros per bond

Publicis Groupe: Result of the procedure to pay off bearers of OCÉANEs maturing on January 18, 2018

Publicis Groupe has employees share in its growth

136 key Publicis managers invest in their Group

Date of publication of Publicis Groupe's revenue for Q1 2009

Publicis Groupe continues developing in the digital domain with the acquisition of Nemos, leader of multimedia programming and flash in Switzerland

Invitation: Publicis Groupe's revenue for Q1 2009

Publicis Groupe wins the Pan eurospean advertising communication and digital business of Hewlett-Packard Personal Systems Group

Publicis Groupe: 2008 Reference Document made available

Publicis Groupe announces the acquisition of Publicis MARC, strengthening its global offering in the Balkans

Publicis – GM

General shareholders' meeting of Publicis Groupe - Dividends established at 0.60 euros per share

Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE) for about 625 million euros

Publicis Groupe announces the issuance of convertible bonds

Publicis Groupe: successful issuance of OCÉANE 2014 for 625 million euros, which can be increased to a maximum of 719 million euros in case all over allocation options are exercised

Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE) for 625 million euros

Publicis Groupe: Obtained AMF visa

Issuance by Publicis Groupe of convertible bonds and/or exchange for new or existing shares (OCÉANE)

Microsoft Corporation and Publicis Groupe announce the signing of a strategic partnership on a worldwide scale

Publicis Groupe S.A.: Share buy-back program approved by the Combined Ordinary and Extraordinary General Shareholders' Meeting of 09 June 2009

Half-year financial statements of the Publicis Groupe liquidity contract with SG Securities (Paris)

Date of publication of the Group's half-year results for 2009

Publicis Groupe: GM

Publicis Groupe acquires Razorfish and signs a strategic alliance with Microsoft

Financial report for the first half of 2009

Publicis Groupe: Financial report for the first half of 2009 made available

Publicis Groupe announces an agreement for the purchase of Unilever's "Pour Tout Vous Dire" program

"Women's Forum for Economy and Society" integrates Publicis Groupe

Phonevalley, Publicis Groupe's mobile marketing agency, and Microsoft Mobile Advertising customize advertising on mobile phones

Publicis Groupe - Razorfish: acquisition closed

Publicis Groupe creates MS&L Group, a new worldwide PR and Events network grouping MS&L Worldwide, Publicis Consultants and Publicis Events

Publicis Groupe announces an exchange offer on the Eurobond 2012

Renault renews its trust in Publicis Groupe

Exchange offer of Publicis Groupe: closing of the first tranche, extension of offer period

Exchange offer of Publicis Groupe successful

Publicis Groupe: Half-year financial statements of the liquidity contract with SG Securities (Paris)

Publicis Groupe: Buy-back of own shares

Publicis Groupe: "Women's Forum" and Terrafemina announce partnership

OCÉANEs (1%) maturing on January 18, 2018, early payment to bond holders

Publicis Groupe: Presentation of Q4 revenue and annual results for 2009

Invitation

Publicis Groupe and Lov Groupe enter into exclusive negotiations with France Télévisions to release 70% of the capital of France Télévisions Publicité

Annual results for 2009

Publicis Groupe: 2009 Consolidated Financial Statements

Compensation of Management Board members

Presentations

- Annual and half-year results

July 23, 2009	Half-year results for 2009
February 17, 2010	Annual results for 2009

- Quarterly information

April 29, 2009	1st quarter revenue 2009
October 27, 2009	Revenue to September 30, 2009

- Others

November 18, 2009	Morgan Stanley 9th Annual Conference - Media Technology and Telecom
August 11, 2009	Acquisition of Razorfish and signature of a strategic alliance with Microsoft

Presentations - Webcast

March 2, 2009	Deutsche Bank Conference - Palm Beach
April 29, 2009	1st quarter revenue 2009
June 9, 2009	Ordinary and Extraordinary Shareholders' meeting
July 1, 2009	JP Morgan Media CEO Conference

Information filed with the Registry of the Court of Commerce of Paris

April 7, 2009	Cooptation appointment of Tadashi Ishii as member of the Supervisory Board: Extract of the minutes of the Supervisory Board's session March 10, 2009, JAL Petites Affiches of April 2 2009
June 25, 2009	Filing of financial statements for 2008
June 25, 2009	Filing of the extract of the minutes of the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009
September 29, 2009	Capital increase in relation to the payment of ORANEs (5th plan): extract of the minutes of the Management Board's session of August 25, 2009, status and JAL Petites Affiches of September 23 2009
January 11, 2010	Verification of Ms. Meyer's resignation from the Supervisory Board: extract of the minutes of the Supervisory Board's session of December 1, 2009, JAL Petites Affiches of January 6, 2010

Information published by Publicis Groupe in the Obligatory Legal Announcements Bulletin (BALO) and posted on BALO's web site (www.journal-officiel.gouv.f/balo/)

Financial statements

July 3, 2009	No. 79 2008 financial statements

Calling of shareholders to the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009:

April 27, 2009	No. 50 Meeting notification serving as calling notification

Information published in the Petites Affiches bulletin

April 2, 2009 announcement No. 012428
Cooptation appointment of Tadashi Ishii as member of the Supervisory Board

March 18, 2009 announcement No. 016714
Calling to the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009:

July 22, 2009 announcement No. 021854
Total of voting rights for the combined Ordinary and Extraordinary Shareholders' meeting of June 9, 2009

September 23, 2009 announcement No. 035881
Capital increase after payment of the 5th tranche of ORANEs

January 6, 2010 announcement No. 000326
Verification of Ms. Meyer's resignation from the Supervisory Board

ANNUAL FINANCIAL REPORT CROSS-REFERENCING TABLE

This Reference Document includes all elements of the Annual Financial Report mentioned at paragraph I of article L. 451-1-2 of the Monetary and Financial Code as well as in article 222-3 of the AMF General Regulations. The following cross-referencing table lists the chapters of the Reference Documents corresponding to the various sections of the Annual Financial Report.

Section of the Annual Financial Report	Chapters
Annual financial statements	20.2
Consolidated financial statements	20.1
Statutory auditors' report on the financial statements	20.3
Statutory auditors' report on the consolidated financial statements	20.3
Management report including at minimum the information mentioned in articles L. 225-100, L. 225-100-2, L. 225-100-3 and L. 225-211 paragraph 2 of the French *Code de Commerce*	4, 5, 6, 7, 8, 9 10, 11, 12, 14 15, 17, 18, 20, 21
Declaration of the persons responsible for the Management Report	1
Compensation of by the Statutory Auditors	20.1 (note 31)
Report of the Chairman of the Supervisory Board, established in adherence to legal provisions	16.3
Statutory auditors' report on internal control	16.4
List of all information published by the Company or made public during the last 12 months	25